

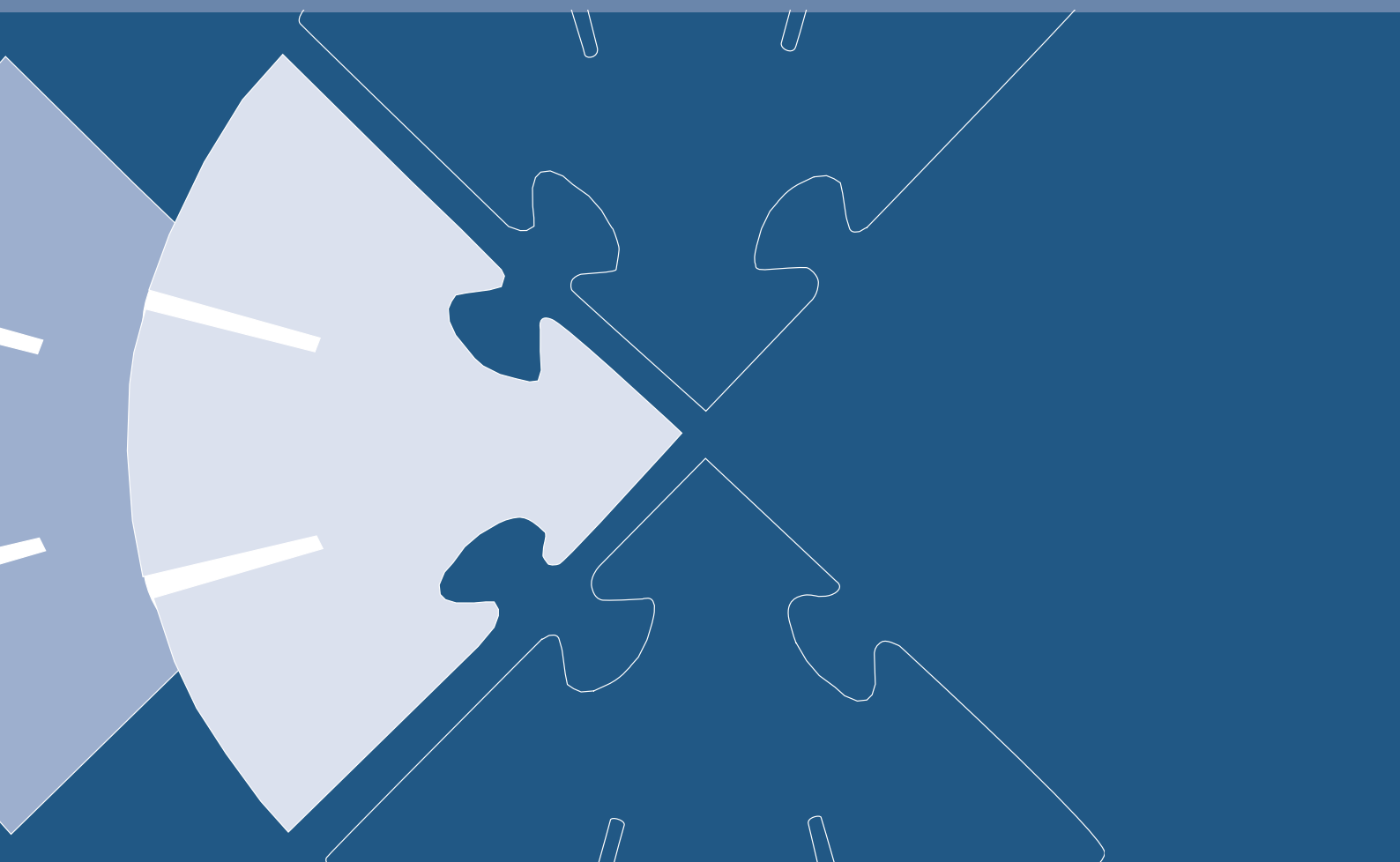
# The Hurlingham Fund

Composite Simplified Prospectus including  
Key Features and Terms and Conditions  
for the following products:

**The Hurlingham Fund OEIC**  
Premier Portfolio Managers Limited

**PEPs and ISAs**  
Premier Portfolio Managers Limited

February 2007







### INTRODUCTION

This Document is a Composite Simplified Prospectus including Key Features and Terms and Conditions for the Hurlingham Fund ("the Fund").

#### Premier Portfolio Managers Limited

We, Premier Portfolio Managers Limited of Eastgate Court, High Street, Guildford, Surrey GU1 3DE are the Authorised Corporate Director and promoter of a range of investment funds.

We are authorised and regulated in the United Kingdom by the Financial Services Authority under registration number 122067. We are also a recognised Plan Manager for Personal Equity Plans (PEPs) and Individual Savings Accounts (ISAs) as well as being members of the Investment Management Association (IMA).

Along with Premier Fund Managers Ltd, we are members of the Premier Asset Management Marketing Group and we are both subsidiaries of Premier Asset Management plc which is listed on AIM.

#### The Hurlingham Fund OEIC

The Hurlingham Fund is an Open Ended Investment Company or OEIC which is a diversified, collective investment vehicle, similar to a unit trust, and was authorised in the United Kingdom by the Financial Services Authority on 29 November 2005. The Fund is a non-UCITS retail scheme as defined in the FSA's New Collective Investment Schemes Sourcebook. The Hurlingham Fund is classified as an umbrella fund and offers two sub-funds, both of which have a specific aim which determines the investments that they will make.

Details of the sub-funds, including their investment objectives and policies, are provided from page 6.

#### Base Currency

The base currency of the Fund is GBP Sterling.

#### Depository

The independent Depository for the Hurlingham Fund is The Royal Bank of Scotland plc, The Broadstone, 50 Gyle Crescent, Edinburgh EH12 9UZ (authorised and regulated by the Financial Services Authority).

#### Custodian

The Depository has delegated the custody services to the Northern Trust Company of 50 Bank Street, Canary Wharf, London E14 5NT.

#### Auditors

The Auditors for the Hurlingham Fund are RSM Robson Rhodes LLP of 30 Finsbury Square, London EC2P 2YU.

#### Investment Advisers

We have appointed Premier Fund Managers Limited of Eastgate Court, High Street, Guildford, Surrey GU1 3DE (authorised and regulated by the Financial Services Authority) as Investment Adviser to the Fund. The Investment Adviser has appointed Close Private Asset Management Limited as sub-adviser to the Hurlingham Managed Growth Portfolio.

Both the Investment Adviser and ourselves have the same parent company, Premier Asset Management plc.

#### Registration of ownership

Northern Trust International Fund Administration Services (UK) Limited and Northern Trust Global Services Ltd of 50 Bank Street, Canary Wharf, London E14 5NT have been appointed by ourselves and the Depository to provide administration services and act as registrar respectively.

In all cases, certificates of ownership are not issued and the register is the sole evidence of title to the shares.

Shares held within an ISA or PEP will be registered in our name or our nominees and will be held for your beneficial ownership.

### Your Questions Answered

#### *What are the characteristics of the OEIC?*

The assets of the OEIC are divided into a number of segregated compartments ("sub-funds") each represented by the issue of a separate class of share. The proceeds of the issue of each class of shares are applied to the relevant sub-fund in the books of the Company and are maintained separately from those of other sub-funds.

We may at any time decide to create additional sub-funds, which will be offered under an amended full Prospectus. For the purpose of the relationship between holders of shares designated to different sub-funds, each sub-fund is considered a separate operating entity with its own funding, capital gains, losses, income and expenses. Separate audited accounts are prepared for each sub-fund, as well as for the Company itself.

However, investors should note the Company as a whole is considered a single legal entity. Claims of third parties against the Company shall, save as otherwise agreed with creditors, be supported by the total assets of the Company.

#### *What are the risks of investing in an OEIC?*

You should consider your preferred risk/reward profile when choosing your investment and you should remember that:

- Past performance is not a guide to future returns.
- Past performance figures exclude subscription and redemption fees.
- The price of shares, and any income from them, can go down as well as up. You might get back less than you invest.
- Individual performance of a sub-fund may be affected by the selection of investments by the Investment Adviser.
- The value of shares may be affected by changes in exchange rates.
- The favourable tax treatment currently applicable to ISAs and PEPs may not be maintained in the future.
- There is a potential for loss of income or growth, following a rise in the markets, whilst the PEP or ISA transfer remains pending.
- Tax concessions are not guaranteed and may change at any time; their value will depend on your individual circumstances.
- Where there is a purchase or sale of shares in any sub-fund in excess of 1% of the value of the sub-fund, we reserve the right to deal at a special forward price and apply a special charge to ensure fairness towards all investors. This charge or 'dilution levy' is calculated on an individual basis and will take into account specific costs relating to the deal. The charge will be added to the costs of the purchase or deducted from the proceeds of the sale and will be paid into the sub-fund.
- Although each sub-fund is responsible for meeting its own liabilities, we may reallocate the income and expenses of other sub-funds within the OEIC in a way which is fair to all investors if any sub-fund is unable to meet its liabilities. You will not, however, be liable for the debts of the Fund as a whole, nor will you be required to make any further payment to us after paying the purchase price of the shares.
- There is a risk to capital, including potential risk of erosion resulting from withdrawals or cancellations of shares and distributions in excess of investment returns.
- The risk of inflation devaluing your investment return.
- If you have received advice through an authorised Financial Adviser, you may qualify for cancellation rights. This notice will be sent to you after we have received your investment instructions. This means you can cancel your instruction at any time during the 14 days after you receive the cancellation notice. Please note however, that if you decide to cancel your instruction to invest and the value of your investment has fallen at the time we receive your completed cancellation notice, you will not get a full refund. This is because an amount equal to any fall in the value will be deducted from the sum you originally invested. If you have not paid in full for your investment, you will remain liable for the amount of such loss.
- If a sub-fund is new, there is a risk that if its assumed size is not achieved, the proportion of charges and expenses allocated to the relevant sub-fund may be higher than expected which would have an effect on performance.



- There is a market risk, which arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss a sub-fund might suffer through holding market positions in the face of price movements. This could affect sub-funds that hold the majority/all of their investments in for instance, the UK market. The value of these investments may decline over a given time period simply because of economic changes or other events that impact large portions of the market.
- There is a risk that a settlement in a transfer system does not take place as expected because a counterparty does not pay or deliver on time or as expected. This could potentially affect sub-funds that hold a majority or all of their investments in foreign markets.
- There is a liquidity risk if a sub-fund's assets are not traded on recognised stock exchanges. The main liability of a sub-fund is the redemption of any shares that investors wish to sell. There is a danger that a position cannot be liquidated in a timely manner at a reasonable price.
- If a significant proportion of the sub-funds' assets are either denominated in other currencies or are in investments in unit trusts or investment funds with substantial currency exposure, there is a danger that the income and capital value of the sub-fund may be significantly affected by currency movements.
- There are three principal areas where foreign currency risk could impact the sub-fund being where movements in exchange rates affect:
  1. the value of investments - where investments are made in securities denominated in currencies other than sterling, the investment valuation may be affected by exchange rate movements. Where appropriate the Investment Adviser may use forward exchange controls to mitigate risk.
  2. short term timing differences - a sub-fund may be subject to short term exposure to exchange rates movements, for instance where the date of an investment purchase and the date when the settlement occurs are different. To reduce this risk, we would normally execute a foreign currency contract on the day of the initial transaction wherever practicable; and
  3. the income received - the sub-fund receives income in currencies other than sterling and hence movements in exchange rates can affect the Sterling value of this income. To minimise this risk, arrangements are in place to convert all income receipts to Sterling on, or shortly after, the date of receipt.
- A custody risk might arise in sub-funds that hold investments in foreign markets with the possibility of loss on securities in safekeeping (custody), as a result of the custodian's insolvency, negligence, misuse of assets, fraud, poor administration or inadequate record keeping.
- There is a credit risk, where the counterparty to a deal may default on repayment or not deliver its side of the deal. Our sub-funds minimise concentrations of credit risk by undertaking transactions with a large number of counterparties on recognised and reputable exchanges. Our sub-funds only buy and sell investments through brokers who have been approved by the Investment Adviser as an acceptable counterparty.
- Derivatives may be entered into to hedge against various risks, such as adverse currency and market fluctuations, but derivatives will not be used for speculative purposes. As a result, in a rising market there is a possibility that potential gains may be restricted.
- Our sub-funds may invest in investment trusts or other securities which use or propose to use gearing as an investment strategy. This may result in movements in the price of these securities being more volatile than the price movements of other securities held in the sub-fund.
- Our sub-funds may invest in structured capital-at-risk products (SCARPs). The return from SCARPs may not be guaranteed and the sub-fund may receive back less than was originally invested. This may be due to a number of factors including early redemption, the SCARP investing in non-ready realisable or high risk investments, such as non- or sub-investment grade bonds which have a lower credit rating than others and carry a higher degree of risk, or the institution arranging the underlying investments being unable to meet its financial obligations. In addition, the SCARP's rate of growth or income may depend on specified conditions being met, including, but not limited to, the performance of an index, indices or other factor.
- Specific risks (if any) are detailed on the individual sub-fund pages from page 6.

### **Who can invest in the sub-funds?**

Almost anyone can invest in the sub-funds, with the main exception being that children under the age of 18 may not hold investments in their own name, although you can invest in a designated account on their behalf.

Anyone who is aged 18 or over and resident in the UK for tax purposes, or a Crown Employee or their spouse serving overseas can invest in Hurlingham Fund ISAs, although they cannot be held jointly, by companies, trustees or for children.

PEPs are closed to new investments.

### **Who should invest in the sub-funds?**

A typical investor in the sub-funds will understand and appreciate the risks involved in investing in shares of any of the sub-funds and the associated risks as set out in the Risk Factors above and the sub-funds Specific Risk Information set out in the details to each sub-fund. A typical investor will either be an institutional investor or a private investor who will have received advice from an authorised Financial Adviser.

### **What are the minimum and maximum amounts that I can invest?**

- The minimum amount you can invest in any of the sub-funds at the outset is £5,000 for a lump sum investment.
- The minimum amount you can invest on a regular basis is £100 per month.
- The maximum you can invest in the Premier Maxi ISA is £7,000 during each tax year. The maximum you can invest in the Premier Mini ISA is £4,000 during each tax year.
- There is no maximum amount you can invest directly in the sub-funds outside of ISAs.
- With the exception of transfers, no new money can be invested in PEPs.
- If you want to add to your investment at a later date, the minimum amount is £1,000. The minimum increase for regular savings is £50 per month.
- Certificates are not issued in respect of your investment.

### **How do I invest?**

Prior to investing, it is recommended that you request and read the full Prospectus which is available from us free of charge by telephoning 0845 605 6363.

Simply complete an application form and return it to us at PO Box 55736, 50 Bank Street, Canary Wharf, London E14 1BT or alternatively you can invest through a Financial Adviser. We will allocate shares to you at the next price applicable after we receive your application form or instructions.

In some instances, i.e. if you are a new investor into the OEIC, you can also deal by telephone.

All applications to open an ISA must be made using an application form, although subsequent investments in the same year can be made by sending a cheque with a covering letter.

In addition, provided there is not a gap over one year, ISA investments in subsequent years can be made without the requirement for a new application form.

You will also be able to transfer your ISA into a Hurlingham Fund ISA, provided it is already in the stocks and shares component. You can transfer your current year's subscription in whole, and/or your previous years' subscriptions in whole or part. To do this you will need to complete an ISA Transfer Form.

You can also transfer in any existing PEP from another Plan Manager, subject to that Plan Manager's rules, in the form of cash into a Premier PEP. To do this you will need to complete a PEP Transfer Form.

Please note that unless you have received advice through an authorised Financial Adviser and qualify for cancellation rights as set out below you will have NO right to cancel your purchase of shares.

### **How can I cancel my investment?**

If you have received advice through an authorised Financial Adviser, you may qualify for cancellation rights. This notice will be sent to you after we have received your investment instructions. This means you can cancel your instruction at any time during the 14 days after you receive the cancellation notice. Please note however, that if you decide to cancel your instruction to invest and the value of your investment



has fallen at the time we receive your completed cancellation notice, you will not get a full refund. This is because an amount equal to any fall in the value will be deducted from the sum you originally invested. If you have not paid in full for your investment, you will remain liable for the amount of such loss.

If you wish to cancel your investment, please advise us in writing by signing and returning the cancellation notice. The cancellation notice should be sent to us at PO Box 55736, 50 Bank Street, Canary Wharf, London E14 1BT.

### **What documentation will I receive?**

On receipt of your application and within one business day of your deal being placed, we will send either a Confirmation Notice for an ISA or PEP and/or a Contract Note telling you the number of shares purchased on your behalf and their value. We will also, if applicable, send a notice of your right to cancel (as described previously).

On receipt of an application to start a monthly regular savings plan, we will acknowledge your application by letter.

Twice a year, usually every six months, we will send you a Manager's Report and Accounts and a Tax Credit Certificate, if appropriate. The Manager's Report and Accounts will provide details of the investment portfolio, income distribution (if any), together with a summary by us of the sub-fund's investment performance, market trends and outlook for the future. As appropriate, the Tax Credit Certificate should be retained and details from it submitted to HM Revenue & Customs on your annual tax return.

We will also send a summary statement of your investments every six months.

### **How do I sell my investment?**

You can sell some or all of your shares in the Fund on any working day between 9.00am and 5.30pm. To do so, simply write to us at PO Box 55736, 50 Bank Street, Canary Wharf, London E14 1BT with your instructions, or instruct your Financial Adviser. Alternatively, you can telephone us on 0845 605 6363 and follow this up in writing at the address above.

If you instruct us to withdraw a sum that would result in the investments remaining to have a value of less than £3,000, or you cease to make regular contributions and the value of the investment is less than £3,000, we may at our discretion terminate the investment by giving you one month's notice in writing. We may also at our discretion vary the minimum levels stated, subject to one month's notice to you.

The sale proceeds will be determined by multiplying the total number of shares being sold by the share price applicable after we receive your instructions.

The minimum value of shares you can sell/withdraw is £1,000. There is no tax penalty for withdrawing cash from your ISA or your PEP. However, once withdrawn you cannot reinvest into your ISA in the same tax year without affecting your investment limits or into the PEP at all.

When you sell shares we will send you a contract note confirming the transaction. The redemption proceeds will be paid by the close of business four working days after we receive correctly completed documentation.

If you are investing by way of a regular savings plan, you must instruct your bank to cancel the Direct Debit and advise us in writing, indicating the date on which you wish your payments to stop.

### **Is it possible to switch my investments?**

You may switch between sub-funds simply by telephoning or writing to us. There is currently no switching fee.

You can switch between the majority of Funds managed by Premier for a nominal charge, usually 1%.

### **What are Personal Equity Plans?**

PEPs have been available since 1987 and have facilitated the achievement of tax-free investment growth and/or tax-free income via investing in collective investment schemes, stocks and shares.

PEPs were replaced by Individual Savings Accounts from 6th April 1999, although all PEPs held as at the 5th April 1999 will continue to be held as PEPs with the same tax advantages as ISAs.

In addition, the value of any PEP holding does not affect the amount that may be subscribed to an ISA.

### **What are Individual Savings Accounts?**

ISAs are tax-efficient vehicles and can invest in two distinct categories or components: cash or stocks and shares (including collective investment schemes).

You are eligible if you are: -

- aged 18 or over for the stocks and shares component.
- aged 16 or over for the cash component.
- resident in the United Kingdom for tax purposes.
- a Crown employee or their spouse currently working overseas and treated as resident in the UK.

However, you cannot hold an ISA jointly with anyone else or hold one on behalf of another person.

The Government has confirmed that ISAs are guaranteed to be available until 2010. There is no restriction on the amount that can be invested other than the annual subscription limits.

An ISA can be a Mini ISA or a Maxi ISA.

You cannot switch between different types of ISAs i.e. Maxi or Mini, nor can you switch between different components.

Please note that you cannot have more than one Maxi ISA in the same tax year, both a Maxi and Mini ISA in the same tax year or more than one Mini ISA of the same component in the same tax year.

### **What is a Mini ISA?**

A Mini ISA consists of only one component: either cash or stocks and shares. If you subscribe to a Mini ISA, that is the only ISA to which you can subscribe in the same tax year, other than to another Mini ISA consisting of a different component. For example, if you subscribe to a cash Mini ISA, you can still subscribe to a stocks and shares Mini ISA but not another cash Mini ISA in the same tax year.

### **What is a Maxi ISA?**

A Maxi ISA consists of at least the stocks and shares component and may also include a cash component. If you subscribe to a Maxi ISA you cannot subscribe to another ISA, whether it be a Maxi ISA or Mini ISA in the same tax year.

### **"Stakeholder products"**

ISAs are included within the Government's medium term "stakeholder" products. Under stakeholder products, a fund may invest a maximum of 60% in equities and property and charge a maximum of 1.5% for the first 10 years and then 1% thereafter.

We do not consider that the sub-funds of this Fund meet these requirements and therefore our ISAs are classed as "non-stakeholder" products.

### **Can I invest in a Hurlingham Fund ISA?**

The Hurlingham Fund ISA will be available with the stocks and shares component only.

The sub-funds are available within the Hurlingham Fund ISA as either a Maxi ISA or Mini ISA.

Whilst no new money can be invested in PEPs, the sub-funds are still able to receive PEP transfers from other PEP Plan Managers.

### **How can I transfer to/from another ISA/PEP?**

On written request to us, all or part of the investments held within your account may be transferred to another account manager. You may choose to transfer the current year's subscription in whole and/or previous years' subscriptions in part or whole. We charge an administration charge for any such transfers, this is currently £50 per transfer.

We can also accept a part or whole transfer of an account from another account manager.



### **How do I terminate my ISA/PEP?**

You are entitled to terminate your ISA or PEP at any time by giving written notice to us. You are entitled to determine when the termination will take place. The termination of the account will be effective on receipt of the notice by us or the date specified by you.

### **Can I reinvest dividends into my ISA?**

If you hold income shares you will receive a dividend on your investment. You can then choose to have this income paid to you or reinvested into your account. For further information as to which shares are available in each sub-fund please refer to the individual sub-funds detailed from page 6.

### **What happens to uninvested money?**

We endeavour to invest all received money within 1 working day of receipt therefore there is no "uninvested money" (i.e.: money not immediately required to settle an investment transaction). In the unlikely event that there is uninvested money it will attract interest at a rate no lower than the bank or the Depository's minimum deposit rate and interest will be calculated on a daily basis and will be credited every six months, subject to a minimum of £20.

### **How can I keep track of my investments?**

We value all of our Funds at 12 noon on each working day to calculate the price of shares.

Shares are priced on a Net Asset Value (NAV) basis, which is derived by using the mid-market prices to value the Fund's portfolio and dividing the total number of shares in issue at each valuation point.

You can monitor the share prices and your investment in a variety of ways:

- You can call us on 0845 605 6363 from 9.00am to 5.30pm on any working day to obtain prices on all our Funds.
- Share prices and distribution yields are quoted daily in the Financial Times and on the Investment Management Association's website ([www.investmentuk.org](http://www.investmentuk.org))
- Twice a year we will send you a Manager's Report and Accounts which will tell you about the Fund's investments and performance.
- In addition, we will send out statements twice yearly to all clients, including PEPs and ISA clients.
- Via our website at [www.premierassetmanagement.co.uk](http://www.premierassetmanagement.co.uk).

### **How is the income paid?**

The Hurlingham Managed Growth Portfolio and the Hurlingham Managed Income Portfolio pay income twice per annum.

You can choose to build up your investment by reinvesting the income which means that the income distribution buys further shares in the sub-fund at no extra cost to you. Alternatively you can have the income paid to you.

Allocations of income are made in respect of the income available for distribution in each accounting period.

Distributions of income for each sub-fund are paid on or before the annual income allocation date which occurs four months after the annual accounting date. For interim payments this occurs two months after the accounting period. Dates are listed on the individual sub-fund pages.

Distributions of income will be paid by BACS, cheque or any other means agreed between us and you from time to time.

If a distribution remains unclaimed for a period of six years after it has become due, it will be forfeited and will revert to the Fund.

The amount available for distribution in any accounting period is calculated by taking the aggregate of the income received or receivable for the account of the relevant sub-fund in respect of that period, and deducting the charges and expenses of the relevant sub-fund paid or payable out of income in respect of that accounting period. We then may make such other adjustments as we consider appropriate after consulting the auditors.

### **What happens if I die?**

Your investments will be transferred to either your personal representatives or as

directed by them after probate has been granted and proven. The total value of your investments forms part of your estate for inheritance tax purposes.

ISAs and PEPs automatically lose their tax-free status on the death of the holder. Tax credits cannot be reclaimed in respect of distributions received after the date of death. They will form part of your estate for inheritance tax purposes.

### **Charges and expenses**

#### **How will these affect my investment?**

When you invest in a sub-fund, there is normally an initial charge and an annual management charge which are payable by you directly as detailed on the individual sub-fund pages from page 6.

The charges include an estimate of those charges incurred by the underlying funds in which the sub-fund is invested.

Expenses not directly attributable to a particular sub-fund will be allocated between sub-funds. In such a case such expenses and disbursements will also be payable if incurred by a person (including us or an associate or nominee of the Depository or us) who has had the relevant duty delegated to it by the Depository.

In order to place equal emphasis on the generation of income and capital growth, the Hurlingham Managed Income Portfolio will deduct all charges, including the annual management charge, from capital rather than income. This may result in the income paid by the sub-fund being higher than would otherwise have been the case and the growth in the capital sum may be constrained. With the exception of ISA and PEP plan holders, as a higher level of income is paid out your tax liabilities may increase.

The Hurlingham Managed Growth Portfolio deducts all charges from income. If the income received from the sub-fund investment does not cover the charges then any shortfall will be met by deductions from capital.

#### **What is the Total Expense Ratio (TER)?**

The Total Expense Ratio (as detailed on the individual sub-fund pages) shows the annual operating expenses of the sub-fund (including the annual management charge and Other Expenses) - it does not include transaction figures. All European funds highlight the TER to help you compare the annual operating expenses of different schemes.

#### **What are the Other Expenses?**

The Other Expenses that may be charged directly to the sub-fund property for example may consist of:

- Administration costs
- Fees linked to the duties of the Depository
- Audit fees
- Payments to shareholder service providers
- Legal costs
- Distribution costs
- Stamp duty and Stamp Duty Reserve Tax
- FSA and regulatory fees

Further details of these Other Expenses are included in the full Prospectus, a copy of which is available on request.

#### **What is the Reduction in Yield (RIY)?**

The Reduction in Yield (as detailed on the individual sub-fund pages) is the amount by which a sub-fund's charges can be expected to reduce the investment return that an investor can expect to receive.

The growth figures used for these calculations are based on notional growth rates which may or may not be achieved and serve only to illustrate the effect of charges and expenses on an example investment. The yield figures and charges used are based on estimated data.

#### **What is the Portfolio Turnover Rate (PTR)?**

The PTR is detailed on the individual sub-fund pages.



The more that the Investment Adviser buys and sells stocks and shares, the higher the Portfolio Turnover Rate will be. This will often result in higher costs to the sub-fund, but may also mean that the Investment Adviser is actively managing the assets in line with the sub-fund's stated objectives.

### Fee sharing agreements and soft commissions

The Fund does not operate any fee sharing agreements or soft commissions.

### What is the Dilution Levy?

We may charge a discretionary dilution levy on the sale or repurchase of shares if in our opinion the shareholders might be adversely affected. The actual cost of purchasing or selling a sub-fund's investments may be higher or lower than the mid-market value used in calculating the share price - for example, due to dealing charges or through dealing at prices other than the mid-market price. Under certain circumstances (for example, large volumes of deals) this may have an adverse effect on the shareholders' interest in the sub-fund. In order to prevent this effect, called 'dilution', we have the power to charge a 'dilution levy' on the sale and/or redemption of shares. If charged, the dilution levy will be paid into, and will become part of, the relevant sub-fund.

The dilution levy for each sub-fund will be calculated by reference to the costs of dealing in the underlying investments of that sub-fund, including any dealing spreads, commission and transfer taxes.

The need to charge a dilution levy will depend on the volume of sales or redemptions. We may charge a discretionary dilution levy on the sale and redemption of shares if, in our opinion, the existing shareholders (for sales) or remaining shareholders (for redemptions) might otherwise be adversely affected. In particular, the dilution levy may be charged in the following circumstances -

- (a) where a sub-fund is in continual decline;
- (b) on a sub-fund experiencing large levels of net sales relative to its size;
- (c) on 'large deals'. For these purposes, a large deal is defined as 1% of the size of the sub-fund;
- (d) in any other case where we are of the opinion that the interests of shareholders require the imposition of a dilution levy.

Please note that the initial charge and the dilution levy, if any, will be deducted from your subscription monies.

We will not charge a dilution levy on the purchase of shares for the first twelve months of the Fund's life.

### How much will any advice cost?

Your Financial Adviser will give you details about the cost. The amount will depend on the size of your investment. It will be paid for out of charges but does not represent an additional cost.

### What are the type of shares available?

With accumulation shares, your entitlement to the net income of the sub-fund is automatically reinvested on your behalf. No additional shares are issued but the amount of reinvested income is reflected in the increased price of each accumulation share. This reinvestment is carried out at a minimal cost.

With income shares, your share of the investment income earned is distributed to you, unless you elect to have the distribution reinvested, whereby additional shares will be purchased at a minimal cost.

For information regarding the type of shares available please see the individual sub-fund details from page 6.

## Taxation

### What is Stamp Duty Reserve Tax?

HM Treasury regulations require a 0.5% Stamp Duty Reserve Tax (SDRT) charge to be made on the value of shares redeemed by us and on certain other transfers of shares. The liability for SDRT is calculated for each week by reference to share sales and redemptions in that and the following week. This basic charge may be reduced if more shares are surrendered than issued over the relevant period or if the sub-fund is invested in assets that are exempt from stamp duty and SDRT i.e. other than in UK equities. When a sub-fund does not issue any shares during the relevant period or is invested wholly in exempt investments, there is no liability to SDRT.

Following the introduction of Stamp Duty Reserve Tax (SDRT), we advise that it is not our policy to impose an SDRT provision on either the creation or issue of shares or on the cancellation or redemption of shares, with the result that any SDRT payable in respect of the surrender of shares will be paid by the Depositary out of the sub-fund. However, we reserve the right to require the payment of an SDRT provision in relation to shares (up to a maximum of 0.5% of the value of the shares involved in the transaction) in addition to the price of shares on their creation or issue, and as deduction on their cancellation or redemption (other than on a pro-rata in specie cancellation) of whatever size whenever we consider that circumstances have arisen which make such imposition fair to all shareholders and potential shareholders. We may also impose an SDRT provision on large deals when no SDRT provision is imposed on smaller deals or which is larger than that imposed on smaller deals. A 'large deal' is a transaction (or series of transactions in one dealing period) by any person to buy, sell or exchange shares at a total value of 1% or more of the value of the sub-fund.

### UK Taxation - ISAs & PEPs

Currently within ISAs or PEPs, your investments will grow free of additional UK income tax and Capital Gains Tax. In addition any proceeds will also be free of additional UK income tax and Capital Gains Tax.

The favourable tax treatment currently applicable to ISAs and PEPs may not be maintained in the future.

### UK Taxation - non ISAs & PEPs

Outside of PEPs and ISAs, your return will be subject to UK income tax and Capital Gains Tax, if you are liable to these taxes. All sub-funds pay dividend distributions which are paid net of 10% tax.

If you are a non-tax payer, you will not be able to reclaim any tax deducted from dividend distributions. If you are a lower or basic rate taxpayer, you will have no further income tax liability. If you are a higher rate taxpayer, you will have a further income tax liability of 22.5% on the gross dividend distribution.

Investors who are resident or ordinarily resident in the UK for tax purposes are liable to income tax on the distributions made by the sub-fund. This is regardless of whether the proceeds from this distribution are remitted to the UK. Furthermore, if you sell a holding in a sub-fund, you may be subject to capital gains tax. Again, this is not dependent on whether the proceeds have been remitted to the UK. You are not liable to capital gains tax when you sell your shares unless, in the relevant tax year, your total taxable gain, net of losses, from all sources exceeds the annual exemption limit. Gains in excess of the exemption, subject to indexation and any applicable reliefs, will be taxed as the top slice of the investor's taxable income.

### Other Taxation

The regime of taxation of income or capital gains for individual investors depends on the tax law applicable to each investor and/or the place where the capital is invested. If you are unclear as to your fiscal position then you should consult your own professional advisers.

### Data Protection

The information you provide on your application form (or subsequently) will be held and processed by us as data controller for the purposes of the Data Protection Act 1998.

We may hold and process information for the administration of the service(s) for which you are currently applying or may apply for in the future, for the operation of your investment in shares (including, for example, for registration and distribution purposes), for the purposes of statistical analysis and the marketing of goods or services by this company or other companies in the Premier Asset Management Marketing Group.

We may transfer information to other companies in the Premier Asset Management Marketing Group and to third party agents of such companies or of this company for any of the above purposes.

Where a Financial Adviser acts on your behalf, we will disclose information concerning your investment to that Financial Adviser.

Save as noted above, we will not provide to any other third party any information relating to you unless you have given your consent or unless we are required to do so by law.



You are entitled to request details of information we may hold about you upon payment of a fee and to require us to correct any inaccuracies in your personal data.

### Money Laundering

All transactions relating to products provided by Premier Portfolio Managers Limited are covered by the Money Laundering Requirements (Criminal Justice Act 1993, the Money Laundering Regulations 2003 and relevant guidance notes).

This means that we are responsible for compliance with the Regulations. As a consequence, you may be required to provide proof of identity when buying or selling shares

We may also use electronic checking systems to verify identity.

### Compensation

Should any of these companies become insolvent, compensation may be available from the Financial Services Compensation Scheme, 7th Floor Lloyds Chambers, Portoken Street, London E1 8BN. Telephone: 0207 892 7300.

A statement describing your rights to compensation is available from us on request.

### Complaints

Premier has procedures in place in accordance with the regulations for the effective consideration of complaints. All formal complaints should be in the first instance made in writing to the Compliance Officer, who is responsible for complaints procedures at Eastgate Court, High Street, Guildford, Surrey GU1 3DE. In addition, and if you are not happy with our response, you have the right to complain directly to the Financial Ombudsman Service at the following address: Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR. Telephone: 0845 080 1800.

*Please note that making a complaint will not prejudice your right to take legal proceedings.*

### Law and Language

The Hurlingham Fund and all dealing in its shares are governed by English Law.

All communications between you and ourselves will be in the English language.

### Authorisation

This Fund has been authorised by the Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS Telephone: 0845 606 1234.

### Further contact and information

Further information and copies of the full Prospectus for the Fund can be requested free of charge from us between 9.00am - 5.30pm by telephoning 0845 605 6363.

### Date of publication

February 2007

## Hurlingham Managed Income Portfolio

### What is the investment objective of the sub-fund?

To provide income together with long term capital growth from a portfolio of investments.

### What is the investment policy of the sub-fund?

The sub-fund will invest in collective investment schemes, and may also invest in equities, fixed interest securities, money market instruments and warrants.

### Investment Adviser

Premier Fund Managers Limited

### Fund Specific Risk Factors

None

### Launch Date

19 December 2005

### Income Dates

28th February, 30th June

### Current Charges

<b>Total annual operating expenses (TER)<sup>1</sup></b>	3.11%
Which is made up from:	
Annual Management Charge <sup>2</sup>	1.50%
Other expenses <sup>3</sup>	1.61%
<b>Portfolio Turnover Rate (PTR)<sup>4</sup></b>	51.0%
The PTR is calculated annually as follows:	
$\frac{\text{(Purchase of securities + sale of securities)} - \text{(Subscription of shares + Redemption of shares)}}{\text{Average Fund Value over 12 months} \times 100}$	

### Additional information

- 1 TER calculated for the year ending 31/10/2006.
- 2 The annual management charge can be increased by us under regulations set out by the FSA.
- 3 The Other Expenses are calculated for the year ending 31/10/2006. They are included in the table for information purposes only and are already included in the TER figure.
- 4 The PTR is calculated for the year ending 31/10/2006.

Updated TER and PTR figures will be published on our website when available ([www.premierassetmanagement.co.uk](http://www.premierassetmanagement.co.uk)).

### What are the potential additional costs when buying or selling into the sub-fund?

We may charge a subscription fee when you purchase shares in the sub-fund. This is currently set at 5.55%. There are no costs when you sell shares in the sub-fund.

There is presently no switching fee if you switch between sub-funds within the Fund, although we reserve the right to charge a switching fee in the future.

### How will charges and expenses affect my investment?

The growth figures used for these calculations are based on notional growth rates which may or may not be achieved and serve only to illustrate the effect of charges and expenses on an example investment. The yield figures and charges used are based on estimated data.

The effect of current charges on an investment of £5,000 in the Hurlingham Managed Income Portfolio, for example, is shown in Table 1 below. The figures assume a growth of 6.0% a year, including a yield of 2.22%. Dealing costs are not included and allowance for tax relief has been made in the calculations.

# The Hurlingham Fund

## Composite Simplified Prospectus



At the end of year	Investment to date	Effect of deductions to date	What you might get back	ASSUMING THAT INCOME IS RECEIVED	Income	Effect of deductions to date	What you might get back
1	£5,000	£448	£4,852	£112	£447	£4,739	
3	£5,000	£822	£5,115	£338	£818	£4,773	
5	£5,000	£1,246	£5,381	£566	£1,237	£4,807	
10	£5,000	£2,561	£6,052	£1,142	£2,536	£4,893	

The last line in Table 1 shows that over 10 years the effect of the total charges and expenses could amount to £2,561 if income is reinvested and £2,536 if it is received. In other words, if the growth rate were 6.0% a year, which is in no way guaranteed, the deductions would have the effect of reducing it to 2.11% a year if the income is reinvested and 2.10% if it is received.

### How will charges and expenses affect my ISA/PEP Investment?

The effect of current charges on an investment of £5,000 in the Hurlingham Managed Income Portfolio ISA, for example, is shown in Table 2 below. The figures assume a growth of 7.0% a year, including a yield of 2.22%. Dealing costs are not included and allowance for tax relief has been made in the calculations.

At the end of year	Investment to date	Effect of deductions to date	What you might get back	ASSUMING THAT INCOME IS RECEIVED	Income	Effect of deductions to date	What you might get back
1	£5,000	£452	£4,898	£113	£451	£4,784	
3	£5,000	£846	£5,259	£344	£841	£4,909	
5	£5,000	£1,306	£5,629	£581	£1,296	£5,038	
10	£5,000	£2,814	£6,600	£1,201	£2,785	£5,375	

The last line in Table 2 shows that over 10 years the effect of the total charges and expenses could amount to £2,814 if income is reinvested or £2,785 if it is received. In other words, if the growth rate were 7.0% a year, which is in no way guaranteed, the deductions would have the effect of reducing it to 3.07% a year if the income is reinvested and 3.06% if it is received.

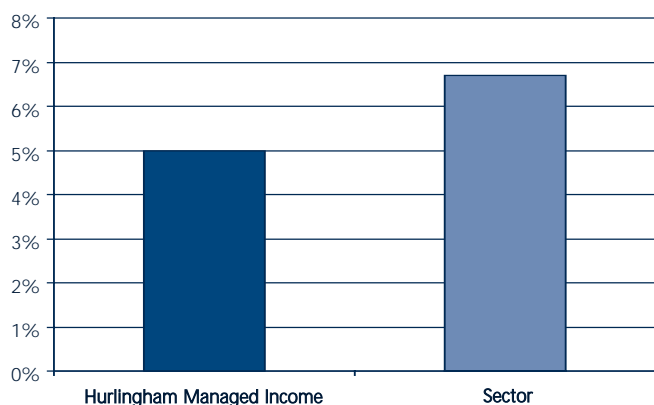
### Past Performance

Past performance is not a guide to future returns.

### Note on Performance

Both sub-funds launched at the end of 2005 and marginally underperformed their respective sectors over the first calendar year since their initial launch. Now fully established, both sub-funds are expected to perform more closely in-line with their sectors over future years.

### Annual Performance - full calendar year since launch



Annual Performance		
	Hurlingham Managed Income	Sector*
2006	5.0%	6.7%

\*Sector: IMA Cautious Managed

### Cumulative Performance - full calendar year since launch



Source: Financial Express Analytics, 04/01/2006 to 31/12/2006  
Bid to bid, total return, sterling based

### Other Information

Types of Share available:	Net Income and Net Accumulation
Minimum initial subscription:	£5,000
Minimum additional subscription:	£1,000
Minimum regular savings amount:	£100 pm
Minimum additional regular savings amount:	£50 pm
Minimum withdrawal:	£1,000
Minimum holding value:	£3,000

### ISAs & PEPs

ISA type available:	Maxi ISA and Mini ISA
Transfer out fee:	£50 including VAT

### Hurlingham Managed Growth Portfolio

### What is the investment objective of the sub-fund?

To provide long term capital growth from a portfolio of investments

### What is the investment policy of the sub-fund?

The sub-fund will achieve this by investing in units in collective investment schemes, and may also invest in equities, fixed interest securities, money market instruments and warrants.

### Investment Sub-Adviser

Close Private Asset Management Limited

### Fund Specific Risk Factors

None

### Launch Date

19th December 2005

### Income Dates

28th February, 30th June

### Current Charges

Total annual operating expenses (TER) <sup>1</sup>	3.40%
Which is made up from:	
Annual Management Charge <sup>2</sup>	1.50%
Other expenses <sup>3</sup>	1.90%
Portfolio Turnover Rate (PTR) <sup>4</sup>	24.0%
The PTR is calculated annually as follows:	
(Purchase of securities + sale of securities)	
- (Subscription of shares + Redemption of shares)	
Average Fund Value over 12 months x 100	





### ISA AND PEP TERMS AND CONDITIONS

Please read these terms and conditions carefully. Premier Portfolio Managers Limited ("Premier", "we", "us", "our") will arrange and manage on behalf of the individual ("you", "your") who has completed an Individual Savings Account ("ISA") Application Form and/or an ISA/Personal Equity Plan ("PEP") Transfer Form on the terms and conditions set out in this agreement and which includes the application form or telephone declaration. Such ISAs and PEPs (herein referred to collectively as "your Account") consist of investments which qualify as Account investments under the Individual Savings Account Regulations 1998 and the Personal Equity Plan Regulations 1989 (collectively referred to as "the Regulations") and the Financial Services Authority ("FSA") Rules (collectively referred to as "the Rules") as altered, amended, added to or cancelled from time to time by the relevant authorities.

#### 1. Introduction

- 1.1. Your Account is managed by Premier Portfolio Managers Limited, Eastgate Court, High Street, Guildford, Surrey GU1 3DE. We are authorised and regulated by the Financial Services Authority.
- 1.2. You wish to subscribe to an Account under which we, subject to these terms and conditions, shall provide investment management services. Our appointment under these terms and conditions shall commence on receipt of your properly completed and signed application and/or transfer form, together with a cheque for the amount of the subscription.
- 1.3. We shall manage your Account in accordance with the Rules and Regulations. All investments within your Account shall be beneficially owned by you and will not be used as security for a loan. Such investments may be managed in common with investments of other accounts managed by us. Furthermore, we may consolidate the Account with other accounts which we manage for you.
- 1.4. The last declared yields and prices for all investments are available by telephoning us on 0845 605 6363. These are also quoted daily in the Financial Times.
- 1.5. Telephone calls made to us may be recorded for monitoring and staff training purposes.

#### 2. OEIC Investment

- 2.1. An OEIC pools together money invested by individuals and spreads this across a range of securities or other collective investment schemes to meet its stated aim. Your interest in the OEIC is represented by shares, each being an equal portion of the OEIC underlying assets. All share prices are based on the value of the underlying assets and are calculated in accordance with the Prospectus and the FSA's New Collective Investment Schemes Sourcebook. The capital value of the shares and the amount of income allocated/distributed to these depend on the current market value of the underlying assets and the net income received from these assets respectively. As the nature of these assets may lead to fluctuating capital values and income yields, the price of shares and the income from them may go down as well as up.
- 2.2. The Instrument of Incorporation permits us to invest in any securities or collective investment schemes within the terms of Chapter 5 of the FSA's New Collective Investment Schemes Sourcebook. As fluctuating exchange rates may reduce or enhance sterling values of overseas investments, we may from time to time consider the method of limiting any undue currency risks.
- 2.3. Copies of the Prospectus and Manager's Report and Accounts for the OEIC are freely available from us on request.

#### 3. Subscriptions

- 3.1. You may invest up to £7,000 in the OEIC through a Maxi ISA in each tax year. Alternatively, you may invest up to £4,000 in the OEIC through a Mini ISA in any tax year. The Government has confirmed that ISAs are guaranteed to be available until 2010.
- 3.2. Details of the minimum initial capital sum investment and minimum additional investment, subject to the limits in paragraph 3.1 above, are set out in the Prospectus relating to the Fund.
- 3.3. All contributions to your Account must be made by cheque. Shares cannot be transferred into the Account. Subscriptions to the Account will be invested in shares in the OEIC as selected by you on the application/transfer form and will be purchased on dealing days at noon at the forward price applicable at the time of acceptance of your application or as soon as practicable thereafter.
- 3.4. In respect of Account transfers, you should instruct your former account manager to make the transfer and complete the PEP/ISA transfer form explaining your wish to transfer a PEP/ISA to us. We shall not be required to accept the transfer until the former manager has sold all the investments within the PEP/ISA.

#### 4. Communications

- 4.1. All communications to us should be delivered or sent in writing to Premier Portfolio Managers Limited, PO Box 55736, 50 Bank Street, Canary Wharf, London E14 1BT. Please include your Account reference, if you have one, or National Insurance number in all communications. All instructions should be signed by you or, in the event of your death, by your personal representative(s). We reserve the right to refuse to accept instructions if they are contrary to the terms of this agreement or if implementation thereof would place us in breach of the Rules or Regulations.
- 4.2. All communications to you will be sent to the address you have notified to us.
- 4.3. Where we act in reliance upon any instructions referred to in this paragraph, such an instruction shall be deemed to be between you and us and to have been validly given by or on behalf of us even though this may not in fact be the case, as the result of fraud or wrongdoing on the part of any person (other than us, or any of our employees or agents).
- 4.4. This agreement is supplied in and we will communicate with you in the English language.

#### 5. Cancellation

- 5.1. Once this agreement has come into force, you may have the right to cancel the purchase under the Rules, in which case you will be sent a formal notice of the cancellation rights. You will then have 14 days in which to decide if you wish to change your mind. If you exercise your right to cancel, you will receive back the subscriptions, less a deduction representing any amount by which the value of the investments may have fallen at the date we receive the notice of cancellation. If you decide to cancel the purchase, you should advise us in writing by signing and returning the cancellation notice. The cancellation notice should be sent to us at PO Box 55736, 50 Bank Street, Canary Wharf, London E14 1BT.
- 5.2. Under the Regulations, if following an Account transfer you cancel part or all of your Account, you may lose the favourable tax treatment applicable. This will depend on the circumstances of the cancellation and whether or not your Account is reinstated subsequently either with the old or a new manager.

#### 6. Cash Balances

- 6.1. Cash balances or uninvested cash shall be deposited with the Royal Bank of Scotland plc (or with such other bank or building society as we may nominate from time to time) in an interest-bearing client account. Interest will be calculated in accordance with the Rules and will be paid six monthly subject to a minimum of £20.
- 6.2. Such cash balances shall be held in our name or such nominee as we may from time to time select. You will beneficially own any cash balances held.
- 6.3. We shall not accept liability for default by any bank or building society which holds cash and which forms part of your Account.
- 6.4. In respect of ISAs, interest earned on such balances will be subject to a flat rate charge of 20%, which will be collected by us on behalf of HM Revenue & Customs.
- 6.5. In respect of PEPs, interest earned on such balances shall be free from income tax provided it is eventually reinvested or, if it is withdrawn, provided withdrawals of interest do not exceed £180 in a tax year. Any such withdrawals of interest in excess of £180 in any tax year shall be subject to basic rate tax at the applicable rate.

#### 7. Management of Account Investments

- 7.1. We will arrange for distributions of income from the investments included in your Account to be paid to you on the distribution payment dates or reinvested on your behalf for the purchase of further investments depending on how you elect.
- 7.2. We may employ agents in connection with the services we are to provide and may delegate all or any of our powers or duties to any delegate or delegates of our choice. We will ensure that any person to whom duties under this agreement are delegated is competent to carry out those duties as far as practicable. We shall not be liable for the negligence or misconduct of any such agent or delegates except where we have been negligent in our choice of such agent or delegate provided that this clause shall not exclude or restrict any liability towards you to which we may be subject under the Regulations, the Rules or the Financial Services and Market Act 2000.
- 7.3. We may not commit you to supplement the ISA either by borrowing on your behalf or by committing you to pay further sums of money into the ISA.

#### 8. Custody of Investments

- 8.1. Your investments (including cash balances) will be held for your beneficial



ownership by us or such nominee as we may from time to time select. Legal title to your investments will be vested in our name or in the name of our nominee. No certificates are issued in respect of shareholdings in the investments included in your Account but any documents evidencing title to an Account's investment will be held by us or as we may direct. Your Account's investments will be, and will remain in, your beneficial ownership and will not be lent to third parties or used as security for a loan.

- 8.2. Shares or certificates or other documents of title to investments held within your Account may not be lent to a third party and neither you nor we may borrow money against the security of those investments.
- 8.3. Upon written request to us, you shall be entitled to receive any or all of the following:
  - (i) any documentation relating to meetings of shareholders in the Fund(s) held within your Account and we shall, if required by you, arrange for you to attend and vote at any such meeting; and
  - (ii) any other information published in respect of Investments held within your Account, including the Annual and Interim Report and Accounts relating to the investments in which your Account is invested.
- 8.4. All voting rights attached to Investments for the time being comprised in your Account shall, unless you have made the election referred to, in paragraph 8.3 (i) above, be exercisable at our sole discretion and neither we nor our nominee shall be responsible in any way for the exercise or failure to exercise such rights. We reserve the right to charge you a fee, at a rate published from time to time, for making any of the arrangements referred to in the above paragraph.

### 9. Confirmation Notice and Periodic Statements

- 9.1. On receipt of your application, we shall send a Confirmation Notice advising you of the number of shares purchased on your behalf and their value. We will also, if applicable, send a notice of your right to cancel (as described previously).
- 9.2. We shall send you half-yearly statements of the investments in your Account and their valuation compiled each 5th April and 5th October. Each statement shall include the amounts of any cash deposits and any interest earned on it, the amounts of any distributions paid, details of all transactions conducted within your Account during the preceding half-year and a valuation of the investments and cash held within your Account. No measure of performance will be included in these statements.

### 10. Withdrawals and Transfers

- 10.1. You may at any time request us to withdraw a sum of money from your Account and pay that amount to you within the time stipulated by you.
- 10.2. To withdraw money from your Account, you should write to us at PO Box 55736, 50 Bank Street, Canary Wharf, London E14 1BT. We will redeem the investments in your Account at the ruling price and issue a cheque for the proceeds within 7 days. The sale proceeds will be determined by multiplying the total number of shares being sold by the share price applicable after we receive your instruction. You may withdraw money from your Account at any time by writing to us at the above address provided that the amount withdrawn exceeds the amount stated in the Prospectus of the Fund and the value of the investments remaining is not less than the minimum holding stated in the Prospectus of the Fund. We shall decide, at our absolute discretion, the investments to be sold in order to satisfy the withdrawal instructions received from you.
- 10.3. If you instruct us to withdraw a sum that would result in the investments remaining in your Account to have a value of less than the minimum, we may at our discretion terminate your Account by giving you one month's notice in writing. We may at our discretion vary the minimum levels stated subject to one month's written notice to you.
- 10.4. On written request and within the time stipulated by you, all or part of the investments held within your Account, with all the rights and obligations attaching to it may be transferred to another Account manager who has agreed to accept the transfer. You can choose to transfer current year subscriptions in whole, and/or previous years' subscriptions in whole or in part to another Account manager at any time. You must stipulate a time within which any such transfer to you or another ISA or PEP manager is to be made. The time stipulated must be reasonable and must not exceed 30 calendar days from the date that the instruction to transfer is given. An administration fee is charged to cover the costs of transferring the Account to another Account manager. This fee is currently £50 (including VAT) although we may increase it subject to ninety days notice to you.
- 10.5. We can also accept a full or partial transfer of an Account from another Account manager. You should instruct your former Account Manager to make

the transfer and complete a transfer form. We shall not be obliged to accept the transfer. The minimum amount that can be transferred is the minimum holding as stated in the Prospectus to the Fund.

- 10.6. We shall be entitled to deduct from your Account a proportionate part of any administration fee chargeable to the Account in respect of the amount or amounts withdrawn or transferred. This is calculated from the last account date, that is 5th April and 5th October, to the day of payment of the amount(s) withdrawn or transferred.

### 11. Amendments

- 11.1. We may amend these terms and conditions by written notice to you in order to comply with changes in the Regulations or to satisfy any other legal or regulatory requirements, or if there is any change in circumstances which in our opinion makes it impossible or impracticable to carry out any part of this agreement. This includes, without limitation, changes to the dates on which fees and charges are calculated and deducted. We will notify you if by reason of any failure to satisfy the provisions of the Regulations, your Account has or will become void. Where both possible and practical, we will endeavour to give you one month's written notice.

### 12. Termination

- 12.1. You are entitled to terminate this agreement at any time by written notice to us and are entitled to determine when this may take effect. Such termination will be effective upon our receipt of the notice or at such time as is specified therein subject in either case to the completion of outstanding transactions. We may also terminate this agreement on one month's notice in writing or on immediate notice if required to do so by any competent regulatory authority. We reserve the right to terminate this agreement without notice if you commit any offence involving fraud or dishonesty.
- 12.2. On termination, we will sell the investments in your Account and transfer the net proceeds of the sale to you or to your order.
- 12.3. No additional payment shall be required to be made to us in respect of termination, save that we shall receive:
  - (i) all sums, owing or accrued, due to us under these terms and conditions;
  - (ii) any additional expenses which we necessarily incur in terminating your Account including any expenses which are incurred due to the sale or transfer of investments on your behalf; and
  - (iii) any losses recently incurred in settling or concluding outstanding obligations; and we may also retain any amount, if any, representing tax which is or may become payable in respect of your Account.
- 12.4. In the event of your death, this agreement will terminate automatically, as if notice had been served as above and your Account will therefore be terminated immediately upon receipt of written notification of death. Termination will not in any event affect accrued rights, existing commitments or any contractual provision intended to survive termination and will be without penalty or other additional payment save that you will pay any losses necessarily incurred in settling or concluding outstanding obligations.
- 12.5. Your Account ceases to be exempt from tax with effect from the date of your death. Your Account investments will be transferred, outside the Account, to the order of your personal representative(s) pending receipt of their further instructions, subject to deduction of any amounts due to us under this agreement. Notwithstanding the termination of the Account status, our rights and powers under these Terms and Conditions shall continue and shall bind your personal representative(s).

### 13. Tax Claims

- 13.1. You authorise us to apply to HM Revenue & Customs on your behalf, to make any necessary claims, conduct appeals and agree on behalf of the Client's liabilities for and relief from tax in respect of the Account. Claims in respect of tax shall be made by us in accordance with the Regulations and otherwise at such times and in such manner as we consider to be appropriate.
- 13.2. To the extent that your Account holds investments issued outside of the United Kingdom any withholding taxes suffered in respect of income or other profits arising to the same may not be reclaimable. To the extent that such withholding tax is reclaimable, it shall be at our sole discretion as to whether such a claim is made, or if it is made, pursued, on behalf of your Account.

### 14. Fees and Charges

- 14.1. Attention is drawn to the fact that the Authorised Corporate Director (ACD) of the OEIC is the same as the Account Manager and accordingly Account investments comprise shares in the OEIC of which the Manager is the ACD and in respect of which the ACD may receive payment. The ACD receives an initial



- charge when shares in its OEIC are acquired for your Account and periodic charges are also made on the OEIC. The ACD has the power to levy an exit charge on the sale of shares within the Account. However, the ACD does not currently make such a charge. If the ACD decides to introduce such a charge, they will do so subject to compliance with the Regulations and any requisite notice period to be given. Details of these charges are included in the OEIC Prospectus (and summarised in paragraph 14.3 and 14.4 below).
- 14.2. We receive no additional remuneration in connection with the Account other than as referred to in this agreement. We pay commission to authorised financial advisers in respect of your investment at a rate of up to 5% of each investment plus an annual fee of up to 0.75% of the current value of the investment. This is paid out of the Manager's charges and will have no additional impact on you.
- 14.3. The Prospectus governing the Fund sets out the expenses that may be charged to the Fund. These include an initial charge, an annual management charge and other expenses covering items such as depositary fees, registration fees and custody fees. The charges include an estimate of those charges incurred by the underlying funds in which the Fund is invested in.
- 14.4. The ACD may increase the initial and annual management charges up to the maximum stated in the Prospectus on giving not less than 90 days notice to clients.
- 14.5. Where the objective of a sub-fund is to treat the generation of income as a higher priority than capital growth, or the generation of income and capital growth have equal priority, all or part of the ACD's fee (and any other charges) may be charged against capital instead of income. This may constrain capital growth. The individual sub-fund pages in the Fund Prospectus will include this information where relevant.
- 14.6. There are currently no other charges in addition to the normal OEIC charges, other than the transfer fee described in paragraph 10.4 above. However, we shall be entitled to introduce an administration fee in respect of the Account on giving you not less than 90 days written notice. Any administration fee so introduced shall be expressed as a percentage up to 2% + VAT p.a. on the value of your Account and shall be calculated and payable twice yearly in arrears based on the value of the investments held in your Account on the half-yearly account dates. We may increase any administration fee, up to the maximum stated in this paragraph, on giving you not less than 90 days written notice.
- 14.7. The HM Treasury regulations require a 0.5% Stamp Duty Reserve Tax (SDRT) charge to be made on the value of shares redeemed by the ACD and on certain other transfers of shares. The liability for SDRT is calculated for each week by reference to the share sales and redemptions in that and the following week. The basic charge may be reduced if more shares are surrendered than issued over the relevant period or if the fund is invested in assets that are exempt from stamp duty and SDRT, i.e. other than in UK equities. When a fund does not issue any shares in the relevant period or is invested wholly in exempt investments, there is no liability to SDRT.
- 14.8. Following the introduction of Stamp Duty Reserve Tax (SDRT), the ACD advises that it is not their policy to impose an SDRT provision on either the creation or issue of shares or on the cancellation or redemption of shares, with the result that any SDRT payable in respect of the surrender of shares will be paid by the Depositary out of the fund. However, the ACD reserves the right to require the payment of an SDRT provision in relation to shares (up to a maximum of 0.5% of the value of the shares involved in the transaction) in addition to the price of shares on their creation or issue, and as deduction of their cancellation or redemption (other than on a pro-rata in specie cancellation) of whatever size when the ACD considers that circumstances have arisen which make such imposition fair to all shareholders and potential shareholders. The ACD may also impose an SDRT provision on large deals when no SDRT provision is imposed on smaller deals or which is larger than that imposed on smaller deals. A 'large deal' is a transaction (or series of transactions in one dealing period) by any person to buy, sell or exchange shares at a total value of 1% or more of the value of the fund.
- 14.9. If your Account commences, you make a subscription or your Account is terminated or transferred prior to a half-yearly account date, that is 5th April and 5th October, then we shall be entitled to deduct and retain a proportion of any administration fee chargeable in respect of your Account calculated pro rata to the next half-yearly account date, or, in the appropriate case, to the date of termination or (if later) the date of the transfer of the cash and investments held within your Account to another account manager or, in the event of your death, to your personal representative(s).
- 14.10. We may, without further notice to you, apply any cash or sell any of the other investments in payment of any fees due to us, or in payment of any tax which we are, or believe we shall be, bound to pay or repay or for which we are accountable to HM Revenue & Customs on your behalf.

## 15. General

- 15.1. You will indemnify us against any proceedings, actions, claims, demands or expenses (including any amount representing tax credits which has been credited to your Account and for which we have not been reimbursed in accordance with this agreement) or liability incurred pursuant to this agreement unless due to our negligence.
- 15.2. In the event of any failure, interruption or delay in the performance of our obligations resulting from acts, events or circumstances not reasonably within our control, including, but not limited to, industrial disputes, acts or regulations of any governmental or regulatory authority, acts of terrorism or breakdown, failure or malfunction of any telecommunications or computer service or systems, we shall not be liable or have any responsibility of any kind for any loss or damage thereby incurred or suffered by you but shall attempt to overcome such circumstances as quickly as possible.
- 15.3. Subject to the Financial Services and Market Act 2000, we shall not be liable to you for any losses arising from the depreciation in the value of your Account investments (including, without limitation, depreciation resulting from capital loss or taxation liability) or for the acts or omissions of any third party acting as our agent except in so far as the same arises as a result of our fraud, wilful default or negligence. We shall not be liable for any default by any nominee appointed by us in connection with your Account to be the registered holder or custodian of Account investments, except where we have been negligent in our choice of such nominee or are in breach of the Rules.

## 16. Regulations

- 16.1. We shall notify you if, by reason of any failure to satisfy the provisions of the Regulations, an Account has, or will become, no longer exempt from tax.

## 17. Assignment

- 17.1. We may appoint another company (which shall be a member of our own group of companies and approved to act as an Account Manager under the Regulations) as Account Manager in our place and may transfer to that company all benefits, duties and obligations arising under these terms and conditions. You may not, however, assign any of the rights, benefits, duties or obligations under these terms and conditions.
- 17.2. In such circumstances you shall have the right to require us to transfer the whole of the Account to another Account Manager not connected in any way with the existing Account Manager in the manner described in paragraph 10.4 above.

## 18. Complaints

We have procedures in place in accordance with the regulations for the effective consideration of complaints. All formal complaints should be in the first instance made in writing to the Compliance Officer, who is responsible for complaints procedures, at Eastgate Court, High Street, Guildford, Surrey GU1 3DE. In addition, and if you are not happy with our response, you have the right to complain directly to the Financial Ombudsman Service at the following address: Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR. Telephone: 0845 080 1800.

*Please note that making a complaint will not prejudice your right to take legal proceedings.*

## 19. Compensation

A statement describing your rights to compensation is available from us on request. Should we become insolvent, compensation may be available from the Financial Services Compensation Scheme, 7th Floor, Lloyd's Chambers, Portoken Street, London E1 8BN. Telephone: 0207 892 7300.

## 20. Third Parties

No person who is not a party to the agreement may enforce any term of the agreement. The parties agree that the Contracts (Rights of Third Parties) Act 1999 shall not apply to the agreement or to any agreement or document entered into pursuant to this agreement.

## 21. English Law

This agreement is governed by English law as at the time of these terms and conditions and is subject to the Rules and Regulations and other applicable laws. In the event of conflict between these terms and conditions and any such laws, Rules and Regulations, the latter shall prevail.





### Administration Queries

For any administration queries you can contact us at:

**Premier Portfolio Managers Limited**  
PO Box 55736, 50 Bank Street, Canary Wharf  
London E14 1BT  
Telephone: 0845 6056 363

### Further Information About the Funds

You can obtain further information by contacting us at:

Premier Portfolio Managers Limited  
Eastgate Court, High Street,  
Guildford, Surrey GU1 3DE.  
Telephone: 01483 400400  
Fax: 01483 300845

[www.premierassetmanagement.co.uk](http://www.premierassetmanagement.co.uk)

This Composite Simplified Prospectus and Terms and Conditions Document represents Premier Portfolio Managers Limited's interpretation of the law and HM Revenue & Customs practice as at the date of publication.

Large print documents are available on request from the above Guildford address.



This document is issued by:

**Premier Portfolio Managers Limited**

Eastgate Court, High Street, Guildford, Surrey GU1 3DE

Telephone: Sales 01483 400400 Fax: 01483 300845

email: [enquiries@premierfunds.co.uk](mailto:enquiries@premierfunds.co.uk) [www.premierassetmanagement.co.uk](http://www.premierassetmanagement.co.uk)

Premier Portfolio Managers Limited and Premier Fund Managers Limited are both members of the Premier Asset Management Marketing Group and are authorised and regulated by the Financial Services Authority. Premier Portfolio Managers Limited is a PEP and ISA manager and markets a number of funds. Premier Fund Managers Limited manages these and other funds and provides discretionary portfolio management services. Premier Portfolio Managers Limited is also a member of the Investment Management Association.

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