Security of your investment

Premier Asset Management

Premier Asset Management (or "Premier") is an asset management group which offers a broad range of investment solutions covering multi-asset, UK equity, global equity, absolute return and fixed income strategies, through a range of investment types including retail funds, closed ended investment companies and the Premier Portfolio Management Service.

Premier Asset Management is the marketing name and trading name for our two Financial Conduct Authority (FCA) regulated entities: Premier Portfolio Managers Limited (PPM) (122067) and Premier Fund Managers Limited (PFM) (143097). They are part of the group of companies whose ultimate holding company is Premier Asset Management Group plc.

In this document we have summarised the main protections available to you as an investor with either PPM or PFM.

Regulatory Regime and Statutory Compensation

The Financial Conduct Authority (FCA)

PPM and PFM are authorised and regulated by the FCA of 25, The North Colonnade, Canary Wharf, London E14 5HS and are bound by the FCA's rules and regulations. You can find out more about the FCA and what they do by visiting **www.fca.gov.uk.** PPM and PFM provide regular statements and reports to the FCA regarding their solvency, together with their audited financial statements and other information.

The Financial Services Compensation Scheme (FSCS)

Investors with Premier may be covered by the Financial Services Compensation Scheme, which has been established under the rules of the FCA as a "rescue fund" for certain clients of firms authorised and regulated by the FCA which have gone out of business. The scheme covers an amount equal to 100% of the first £50,000 owed to you regarding your investment accounts.

You can find out more information on compensation arrangements by visiting **www.fscs.org.uk**, calling **0800 678 1100** or by writing to Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU.

Your investment with Premier Portfolio Managers Limited

PPM acts as the Authorised Corporate Director (ACD) of our Open-Ended Investment Companies ("OEICs") and manager of our authorised unit trust (together, the "Premier Funds").

Client money held in conjunction with an investment in a Premier Fund will be placed with the Royal Bank of Scotland plc ("RBS") and held in accordance with the FCA client money rules. These rules require that PPM holds clients' money under trust status to ensure that it is "ring-fenced" from PPM's own money. This means that in the unlikely event that PPM stopped trading neither Premier, nor its liquidator or creditors, would have any rights over your money.

When you invest in a Premier Fund, you purchase a number of units in a unit trust scheme or shares in a sub-fund of an OEIC. These units or shares may be held in a number of ways, including within an Individual Savings Account (ISA), via a platform, or directly in your own name. We have used the term "shares" but the information also applies to units held in a unit trust scheme.

Your investment in a share is "ring-fenced" and held separately to Premier's own assets. This means that in the event that Premier stopped trading neither Premier, nor its liquidator or creditors, would have any rights over your investment.

The structure of an OEIC means that there is a depositary and custodian in place. For a unit trust, there is a trustee instead of a depositary. The depositary and trustee carry out similar functions and we have therefore only referred to the depositary below, although the information applies equally to a trustee.

The depositary of our OEICs is Northern Trust Global Services Limited ("Depositary"). The custodian appointed by the Depositary is The Northern Trust Company Limited ("Custodian"). These companies are both authorised by the Prudential Regulation Authority and regulated by both the Financial Conduct Authority and the Prudential Regulation Authority and are subject to their rules and regulations.

Included in their duties and responsibilities, the Depositary ensures that the best interests of shareholders are being

Security of your investment

Premier Asset Management

considered at all times. It appoints the Custodian, who is responsible for the safe-keeping of the underlying assets of the Premier Funds.

PPM, as the Authorised Corporate Director, is responsible for the day to day running of the Premier Funds, and is overseen by the Depositary and the FCA. In the unlikely event that PPM ceased trading, the Depositary would be responsible for appointing a new company to act as ACD and manager of the Premier Funds subject to the FCA's approval.

In the event that the Depositary ceased trading, a creditor of the bank would have no rights over any fund assets and therefore no rights over your investment and the ACD would appoint a new depositary.

The investments held by the Premier Funds are held in separate accounts at the Custodian in the name of a nominee. In the event that the Custodian ceased trading, a creditor of the Custodian would have no rights over these assets. The Depositary would appoint a new company to act as custodian.

However, cash held within the Premier Funds would be treated differently. In this situation, the custodian may also act as banker and the Premier Fund's cash may not be segregated from the custodian's. The Premier Fund would be treated as an unsecured creditor of the custodian in respect of that cash. The custodian's liquidator would be responsible for distributing any cash if the custodian were to fail.

The custodian for the Premier Funds is required to make regular statements to the FCA regarding its solvency.

Further information about the Depositary and Custodian is at the end of this document.

Your investment with Premier Fund Managers Limited - the Premier Portfolio Management Service

The Premier Portfolio Management Service is our model portfolio management service which is managed by Premier Fund Managers Limited (PFM). Clients' portfolios ("Portfolio(s)") consist of two elements – shares and cash. Information about the security of each, and the security of client money held prior to investment, is given below and these apply to both direct investments and investments via an Individual Savings Account.

Client Money

In relation to PFM, client money held in conjunction with the Premier Portfolio Management Service will be placed via SEI Investment (Europe) Limited ("SEI") with HSBC Bank plc ("HSBC") and may then be subsequently deposited into client money bank accounts at a range of other banks chosen by SEI. The spreading of client money across a number of banks is designed to help reduce the risk of all client money being lost in the event of any one bank failing. SEI is responsible for exercising reasonable care and due diligence in its initial selection and on-going monitoring of all banks where it places client money.

Shares within a Portfolio

Shares in Portfolios are administered by an independent custodian, SEI, who is responsible for the safe-keeping of investments. SEI in turn uses HSBC as the custodian and nominee company to hold all shares. Both SEI and HSBC are authorised and regulated by the FCA and are governed by its rules and regulations.

In the unlikely event that PFM were to cease trading, you would be able to transfer your Portfolio to another discretionary portfolio manager or, in certain circumstances, have the shares registered into your own name. All assets are safeguarded or "ring-fenced" to reflect beneficial ownership and are therefore not included as part of PFM's assets.

In the event of SEI or HSBC ceasing trading, neither company, nor any liquidator or creditors, would have any rights over the shares held on your behalf. Premier would appoint a new custodian for your shares.

In the event of fraud or negligence by PFM or SEI resulting in their failure, your assets may be exposed to risk. Any losses would potentially be recoverable through the FSCS mentioned previously but subject to a maximum of £50,000 per investor per firm.

Security of your investment

Premier Asset Management

Cash within a Portfolio

Cash held within a Portfolio is treated differently to the shares held. In this situation, while Portfolio cash will be segregated from cash belonging to SEI, it may not be segregated by HSBC or another bank from their other clients or their own money. However it will be held in accordance with FCA rules. In the event of a bank failure, cash held within your Portfolio would be treated as an unsecured creditor of HSBC or another bank, and its liquidator would be responsible for distributing any cash.

Therefore, your cash is not 'ring-fenced' from the bank with which it is placed (this is similar to a normal bank account). Should the bank fail and you become an unsecured creditor as part of the liquidation process, the FSCS will cover up to £75,000 per investor, per banking group (£150,000 per joint account) of any losses.

All of the Banks holding cash are authorised and regulated by the FCA or by another regulator.

Investment Trusts

Each investment trust is a company in its own right and is run by an independent board of directors, who have a number of duties and responsibilities, including appointing an independent custodian to look after the trust's investment portfolio.

The assets held in the trust's investment portfolio are held separately to Premier's assets. Premier has no rights over them.

If the investment trust itself becomes insolvent, it would be subject to the regulations under the company's legislation of its home jurisdiction. The trust's directors would have to appoint a liquidator, who would be responsible for any assets being distributed in the same way that any other company would be.

There is no automatic recourse available to investment trust shareholders from the FSCS. If you have shares in an investment trust through an Individual Savings Account, then the notes under 'Shares within a Portfolio' above also apply.

Keeping your investment safe

Premier places the highest importance on the security of your investments and your personal data and has systems, policies and procedures designed to provide protection. Further, with your assistance, we aim to reduce the risks of financial crime to your investments.

What is Premier Asset Management doing?

- Premier will not call you unless it is to verify an instruction you have made;
- security measures to verify your identity are in place prior to information on your investments being released;
- personal information, including bank details, will not be requested via email, although we may telephone or write to you to verify details you have provided;
- an accredited electronic verification service company may be used to verify your details and to double check information provided is genuine;
- personal documents, such as passports and driving licences may be requested from time to time from you in order to verify your identity. We appreciate that this may be inconvenient, but it is essential in ensuring that we do not take instructions from someone who is fraudulently using your identity. We will only make such requests if it is necessary, and as a preventative measure. As photocopies, emails and faxes can easily be altered, we may need to see original documents as they have special identifiers which are more difficult to forge. Details of the relevant documentation for your investment are provided on our website or available by post. We will not send emails which require you to contact us or click on a link;
- an online valuation service is available for you, but if there is inactivity for 180 days, or the system detects malware on your PC, your account may be locked automatically and you will not be able to access your account.

Security of your investment

Premier Asset Management

What can you do to help?

- If you should move or change your address, please let us know as soon as possible and provide evidence, such as a utility bill, to enable us to complete our reverification checks;
- If you change or remove your financial adviser, please let us know so that we can update our records accordingly and prevent your information being sent out erroneously;
- If you know or believe that your identity or your account information has been stolen, please let us know as soon as possible, so we can put in place extra measures to protect your investments and prevent any unauthorised transactions occurring;
- If you receive any correspondence relating to your account, that you did not initiate (in particular changing your personal details), please contact us immediately so we can investigate this further;
- If we request information from you to support our management of your investment or account, please provide it as quickly and accurately as possible to prevent any unnecessary delays in processing your instructions.

Information on the Custodian, Depositary and Administration companies

Northern Trust

Northern Trust Corporation is a provider of investment management, asset and fund administration, fiduciary and banking solutions for corporations, institutions and individuals worldwide. You can find more information about Northern Trust by visiting its website, **www.northerntrust.com**

HSBC

HSBC Bank plc is part of the HSBC Group, one of the largest banking and financial services organisations in the world. You can find more information about HSBC by visiting its website, **www.hsbc.co.uk**

SEI

SEI Investment (Europe) Ltd is part of SEI, a provider of investment management administration and fund management in North America and Europe. The parent company has headquarters in Pennsylvania, USA, where it was founded 47 years ago.

You can find more information about SEI by visiting its website, **www.seic.com/enUK**

IMPORTANT INFORMATION

'Premier Asset Management' and 'Premier' are the marketing names used to describe the group of companies including Premier Fund Managers Limited and Premier Portfolio Managers Limited, which are authorised and regulated by the Financial Conduct Authority of 25 the North Colonnade, Canary Wharf, London E14 5HS and are subsidiaries of Premier Asset Management Group plc. The registered address of all companies is Eastgate Court, High Street, Guildford, GU1 3DE. For your protection, calls may be monitored and recorded for training and quality assurance purposes. Please remember that the value of investments and any income from them can go down as well as up.

If you require any advice as to whether a particular investment is suitable for you, please consult an authorised financial adviser. Neither Premier Portfolio Managers Limited nor Premier Fund Managers Limited is authorised to give you advice regarding your personal financial circumstances. 16121611989

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