

PFS TWENTYFOUR INVESTMENT FUNDS

MONUMENT BOND FUND

Simplified Prospectus

1 October 2011

Potential investors are encouraged to seek professional advice before making any investment decisions regarding PFS TWENTYFOUR INVESTMENT FUNDS and are advised to read the full prospectus of the Company which is dated and is valid as of 1 October 2011 (the 'Full Prospectus') as well as any supplements to the Full Prospectus.

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SIMPLIFIED PROSPECTUS

PFS TWENTYFOUR INVESTMENT FUNDS – MONUMENT BOND FUND

1 October 2011

Introduction

This Simplified Prospectus contains key information about PFS TWENTYFOUR INVESTMENT FUNDS (the 'Company') and the MONUMENT BOND FUND (the 'Fund' or 'Sub-Fund').

This is an important document which you should read and understand prior to making an investment. You should retain it for future reference.

This Simplified Prospectus was issued on 1 October 2011 and will be updated at least annually. Unless otherwise defined, the terms used in this Simplified Prospectus shall have the same meaning as in the Full Prospectus.

The Full Prospectus may be obtained free of charge from the Manager, Phoenix Fund Services (UK) Ltd, 2nd Floor, Springfield Lodge, Colchester Road, Chelmsford CM2 5PW, United Kingdom.

What is the structure of the Company?

The Company is structured as an Investment Company with Variable Capital ('ICVC') and is classified as a 'UCITS' and an 'Umbrella company'. The Company was incorporated in England on 23 July 2009 under registered number IC000765. The Company is authorised and regulated in the UK by the Financial Services Authority ('FSA'), 25 The North Colonnade, Canary Wharf, London E14 5HS, UK.

Service Providers

Authorised Corporate Director: Phoenix Fund Services (UK) Ltd (the 'Manager') (authorised and regulated by the FSA) is the Authorised Corporate Director for the Company.

Investment Adviser: TwentyFour Asset Management LLP (authorised and regulated by the FSA).

Depository: BNY Mellon Trust and Depository (UK) Limited (authorised and regulated by the FSA).

Transfer Agent and Administrator: Phoenix Fund Services (UK) Ltd (authorised and regulated by the FSA).

Auditor: PricewaterhouseCoopers LLP.

(Contact details of these service providers may be found at pages 19-20)

INVESTMENT INFORMATION FOR INVESTORS

What are the Monument Bond Fund's investment objective and investment policy?

Investment Objective

The Fund aims to provide an attractive level of income relative to prevailing interest rates whilst maintaining a strong focus on capital preservation.

Important Note: The Fund does not offer a capital guarantee or principal protection mechanism. Efforts to preserve the Fund's capital will be focused on the selection of underlying securities where the Investment Adviser has a high degree of confidence as to the issuer's ability to repay the principal due.

Investment Policy

The investment policy is to invest in a diversified portfolio of European and Australian residential mortgage-backed securities ("RMBS") rated at least AA- (or equivalent) at the time of investment by one or more of Standard & Poor's, Moody's Investor Services and Fitch although it is expected that the majority of the RMBS will be rated AAA (or equivalent) at the time of investment. From time to time it is possible that a significant portion of the portfolio may be invested in securities from a particular geographical region. A portion of the portfolio may be held in cash or cash equivalents, such as treasury bills and government bonds, in order to further enhance the Sub-Fund's liquidity. The Sub-Fund will aim to minimise currency risk by materially hedging the Sub-Fund's exposure in the foreign exchange markets and the Sub-Fund will have the ability to use derivatives in order to mitigate other risks.

The Investment Adviser has overall responsibility for investment policy and authority to select service providers pursuant to the Investment Advisory Agreement entered into with the Manager.

Securities may be traded over-the-counter, although any RMBS that the Fund will invest in will be listed on Eligible Markets and will be cleared through a major clearing system such as Euroclear or Clearstream.

The Fund will not invest in any Collective Investment Schemes.

What is the Fund's performance benchmark?

The benchmark of the Monument Bond Fund is 3m GBP Libor.

What types of investments are allowed?

All the property of the Fund must be invested in transferable securities, money market instruments, warrants, collective investment schemes, deposits and other investments and transactions permitted for a UCITS, as summarised in Appendix 1 of the most recent Full Prospectus.

The property of the Fund may be invested in eligible securities markets where transferable securities admitted to official listing are dealt in or traded. A full list of the countries in which the Fund may invest together with the limitations by type of investment can be found in the Full Prospectus.

How does the Fund use derivatives?

Under the FSA Regulations, a UCITS Scheme is permitted to use derivatives for investment purposes and derivative transactions may be used for the purposes of hedging or meeting the investment objectives or both. Where expressly permitted in the investment objectives for a particular Sub-Fund, the ACD may use that Sub-Fund's Scheme Property to invest in derivatives and forward currency transactions under the FSA Regulations for purposes other than efficient portfolio management (or 'EPM'). The Fund may also limit the use of derivatives for investment purposes; such as options and futures.

EPM includes only transactions designed to reduce risk or costs of a Sub-Fund or which seek to generate additional capital or income with minimal risk. The transactions must be appropriate for a Sub-Fund's aims and be covered by a Sub-Fund's property. Sub-Funds may enter into approved derivatives transactions on eligible derivatives markets as detailed in the Full Prospectus.

RISKS

What risks are associated with the Company?

Potential investors should consider the following risk factors before investing in the Company. Further risk factors relating to a specific Sub-Fund are included in the Full Prospectus in the relevant Sub-Fund Appendix.

General

An investment in one or more of the Sub-Funds of the Company will involve exposure to those risks normally associated with investment in securities. As such, the price of securities and the income from them can go down as well as up and an investor may not get back the full amount he has invested. There is no assurance that investment objectives of any Sub-Fund will actually be achieved. The Sub-Funds of the Company may have significant investments in smaller companies, in which there may be no established market for the shares, or the market may be highly illiquid. Because of this potential illiquidity in the investments of certain Sub-Funds, such Sub-Funds may not be appropriate for all investors, including those who are not in a position to take a medium to long-term view of their investment. Shares in all the Sub-Funds should generally be regarded as long-term investments. Details of any additional risk factors relating to particular Sub-Funds are set out in the relevant Sub-Fund Appendix.

Charges in respect of certain Sub-Funds may be taken against capital rather than income. This may constrain capital growth of the Sub-Fund in question.

Effect of Initial Charge or Redemption Charge

Where an initial charge or redemption charge is imposed, an investor who realises his Shares after a short period may not (even in the absence of a fall in the value of the relevant investments) realise the amount originally invested.

In particular, where a redemption charge is payable, investors should note that the percentage rate at which the redemption charge is calculated is based on the market value rather than the initial value of Shares. If the market value of the Shares has increased the redemption charge will show a corresponding increase. Currently there is no redemption charge levied on Shares.

The Shares therefore should be viewed as medium to long-term investments.

Dilution and SDRT Provision

Investors should note that in certain circumstances a dilution levy may be applied on their purchase or redemption of Shares or a provision for SDRT may be applied on the purchase, redemption or transfer of Shares. Where a dilution levy is not applied, a Sub-Fund may incur dilution, which may constrain capital growth.

Suspension of Dealings

Investors are reminded that in certain circumstances their right to sell Shares (including a redemption by way of switching) may be suspended.

Global Economic and Market Conditions

The Company will invest in currencies, securities and instruments traded in various markets throughout the world, including in global emerging markets, some of which are highly controlled by governmental authorities. Such investments require consideration of certain risks typically not associated with investing in currencies or securities of developed markets. Such risks include, among other things, trade balances and imbalances and related economic policies, unfavourable currency exchange rate fluctuations, imposition of exchange control regulation by governments, withholding taxes, limitations on the removal of funds or other assets, policies of governments with respect to possible nationalisation of their industries, political difficulties, including expropriation of assets, confiscatory taxation and social, economic or political instability in foreign nations. These factors may affect the level and volatility of securities prices and the liquidity of any investments. Unexpected volatility or illiquidity could impair any investments and thus, the Company's, profitability, or result in losses. The economies of countries differ in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. Further, certain economies are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

Political Risk

The value of the Company's assets may be affected by uncertainties such as international political developments, changes in government policies, taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of the countries to which the Company is exposed through its investments.

Market Risks

The investments of the Company are subject to normal market fluctuations and the risks inherent in investment in securities and similar instruments and there can be no assurance that appreciation will occur. The price of securities can go down as well as up and investors may not realise their initial investment.

Liabilities of the Company

Although each Sub-Fund so far as possible will be treated as bearing the liabilities, expenses, costs and charges attributable to it, if its assets are not sufficient the ACD may re-allocate assets, liabilities, expenses, costs and charges between the other Sub-Funds of the Company in a manner which is fair to the shareholders of the Company generally. The ACD would normally expect any such re-allocation to be effected on a *pro rata* basis having regard to the Net Asset Values of the relevant Sub-Funds. If there is any such re-allocation the ACD will advise shareholders of it in the succeeding annual or interim report to shareholders. Shareholders are not, however, liable for the debts of the Company. A shareholder is not liable to make any further payment to the Company after paying the purchase price of shares.

Valuation Risk

The Company may invest some of its assets in unquoted securities or quoted securities for which there is no reliable price source available. Such investments will be valued at the probable realisation value as determined in accordance with the provisions set out in the section "Calculation of the Net Asset Value". Estimates of the fair value of such investments are inherently difficult to establish and are the subject of substantial uncertainty. The Company may, for the purpose of efficient portfolio management, invest in derivative instruments and there can be no assurance that the value as determined in accordance with the section "Valuation of Assets" reflects the exact amount at which those instruments may be "closed out".

International Investing

Investments on an international basis involve certain risks, including fluctuations in foreign exchange rates, future political and economic developments and the possible imposition of exchange controls or other governmental laws or restrictions. Prices of securities in different countries are subject to different economic, financial, political and social factors. Since the Company will invest in securities denominated in various currencies, changes in foreign currency exchange rates will affect the values of securities held by the Company. In addition, investments held by the Company may be subject to non-recoverable withholding taxes. Inflation in some countries in which investments are made may affect performance.

Investment and Trading Risks in general

All securities investments present a risk of loss of capital. As at the date of this Prospectus, the ACD believes that the Company's investment policy for each Sub-Fund moderates this risk through a careful selection of securities and other financial instruments.

Interest Rate Risk

The fixed and floating rate securities in which the Company may invest may be interest rate sensitive, which means that their value and, consequently, the Net Asset Value of its Sub-Funds may fluctuate as interest rates fluctuate. An increase in interest rates will generally reduce the value of the fixed rate securities. The Company's performance, therefore, will depend in part on the relevant Investment Adviser's ability to anticipate and respond to such fluctuations in market interest rates and to utilise appropriate strategies to maximise returns for the Company while attempting to minimise the associated risks to its investment capital.

Investing in Smaller Companies

Investments in smaller companies may involve greater risks and thus may be considered speculative. Investment in a Sub-Fund investing in smaller companies should be considered long-term and not as a vehicle for seeking short-term profits, nor should an investment in such a Sub-Fund be considered a complete investment programme. Many small companies' stocks trade less frequently and in smaller volume and may be subject to more abrupt or erratic price movements than stocks of larger companies. The securities of small companies may also be more sensitive to market changes than the securities of large companies.

Restrictions on Foreign Investment

Substantial limitations may exist in certain countries with respect to the Company's ability to repatriate investment income, capital or the proceeds of sales of securities by foreign investors. The Company could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation of capital, as well as by the application to the Company of any restriction on investments.

Counterparty and Broker Risk

The Company will be subject to counterparty risk with respect to transactions, whether due to the insolvency or bankruptcy of counterparties or brokers or other causes.

Currency Risk and Hedging

Although shares in the Company are denominated in the Base Currency of the relevant Sub-Fund, the Company may invest its assets in securities denominated in a wide range of currencies, some of which may not be freely convertible. The Net Asset Value of a Sub-Fund as expressed in its Base Currency may therefore fluctuate in accordance with changes in the foreign exchange rate between the currency and the currencies in which the Company's investments are denominated. A Sub-Fund may therefore be exposed to a foreign exchange / currency risk exposure. The

Investment Advisers may enter into currency hedging transactions at their sole discretion.

Risks associated with investment in other collective investment schemes

The Company may invest in one or more collective investment schemes including schemes managed by the ACD or their affiliates. The Company is entitled to invest all or part of its assets in collective investment schemes, subject to the FSA Regulations and the ICVC Regulations, and as otherwise provided herein. Investors should be aware of such potential exposure to the asset classes of those underlying collective investment schemes in the context of all their investments.

Transactions in Derivatives

The value of derivative transactions may fluctuate and while they may in certain circumstances reduce or eliminate risk they may also limit the potential for capital appreciation. The use of derivatives may lead to higher volatility of the Net Asset Value of the Company. In general the possible effect on the Company's or a Sub-Fund's risk profile from the use of derivatives will be to reduce volatility when used for hedging or efficient portfolio management and could increase volatility if used to take additional market or securities exposure.

Forward foreign exchange contracts may be used for hedging purposes. There can be no assurance that the objective sought to be attained from the use of these instruments will be achieved.

Investment Techniques and Instruments for Efficient Portfolio Management

The Company will not invest in Financial Derivative Instruments ("FDIs") for investment purposes unless otherwise stated in the particular Sub-Fund's Investment Policy. However it may engage in transactions in FDIs for efficient portfolio management purposes (including foreign exchange transactions which alter the currency characteristics of transferable securities and money market instruments held by the Sub-Fund).

The Investment Advisers will employ a risk management process which will enable them to monitor and measure the risks attached to FDI positions and details of this process will be provided to the FSA.

Financial Derivatives, Techniques and Instruments Risks

The prices of derivative instruments, including futures, options and swap prices, can be highly volatile. Price movements of forward contracts, futures contracts and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, amongst other things, interest rate fluctuations. The use of these techniques and instruments also involves certain special risks, including (1) dependence on the ability to predict

movements in the prices of securities being hedged and movements in interest rates, (2) imperfect correlation between the price movements of the derivatives and price movements of related instruments, (3) the fact that skills needed to use these instruments are different from those needed to select the securities owned by the Company, (4) the possible absence of a liquid market for any particular instrument at any particular time; which may result in possible impediments to effective portfolio management or the ability to meet redemption. The Company may invest in certain derivative instruments, which may involve the assumption of obligations as well as rights and assets. Assets deposited as margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

The Company may from time to time utilise both exchange-traded and over-the-counter credit derivatives, such as credit default swaps as part of its investment policy and for hedging purposes. These instruments may be volatile, involve certain special risks and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a profit or a loss that is high in proportion to the amount of the funds actually placed as initial margin and may result in unlimited further loss exceeding any margin deposited. Furthermore, when used for hedging purposes there may be an imperfect correlation between these instruments and the investment or market sectors being hedged. Transactions in over-the-counter derivatives, such as credit derivatives, may involve additional risk as there is no exchange market on which to close out an open position.

Potential Conflicts of Interest

The ACD and the Investment Advisers and any of their members, directors, officers, employees, agents and affiliates and the directors or any officer or agent of the Company, and any person or company with whom they are affiliated or by whom they are employed may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company.

The ACD and the Investment Advisers (and their affiliates, members, employees and agents) may promote, manage, advise or otherwise be involved in other collective investment schemes with similar or overlapping investment policies to the Company and, in particular, there could arise conflicts of interest relating to the allocation of investments or realisation opportunities between any Sub-Fund and also between a Sub-Fund and such other collective investment schemes or other clients of the ACD or the Investment Adviser. In such circumstances the ACD and the Investment Adviser will allocate such opportunities equitably. The ACD and the Investment Adviser shall manage any conflicts of interest that arise on an equitable basis having regard to their contractual obligations to the Company, to the ACD (in the case of the Investment Adviser), and to other clients.

In addition, the ACD and the Investment Advisers may provide to other entities services similar to those provided to the Company and shall not be liable to account for any profit earned from such services.

Related Party Transactions

The ACD, the Investment Adviser, the Depositary, and the Custodian and/or their affiliates may have dealings in the assets of the Company provided that any such transactions are effected on normal commercial terms negotiated at arm's length and provided that each such transaction complies with any of the following:

- (i) A certified valuation of such transaction is provided by a person approved by the ACD as independent and competent;
- (ii) The transaction has been executed on best terms, on and under the rules of an organised investment exchange; or

Where neither i) or ii) is practical;

- (iii) Where the ACD is satisfied that the transaction has been executed on normal commercial terms negotiated at arm's length.

Past Performance Information

Market conditions and trading approaches are continually changing and the fact that any adviser or investment manager happened to be successful in the past may largely be irrelevant to its prospects for future profitability. Past results are not necessarily indicative of future performance and no assurance can be given that profits will be achieved or that substantial losses will not be incurred.

Inadequate Return

There can be no assurance that the returns on the Company's investment will be commensurate with the risk of an investment therein. Investors should not commit money to the Company unless they have the resources to sustain the loss of their entire investment in the Company.

Illiquid Portfolio Instruments

It is possible in extreme market conditions that the Company could experience a degree of illiquidity with respect to certain portfolio instruments. Where appropriate, positions that become illiquid and do not actively trade will be marked to market, taking into account actual market prices, market prices of comparable investments and/or such other factors (*e.g.*, the tenor of the respective instrument) as may be appropriate. To the extent that marking an illiquid investment to market is not practicable, an investment will be carried at fair value, as reasonably determined by the ACD or their delegate. There is no guarantee that fair value will represent the value that will be realised by the Company on the eventual disposal of the investment or that would, in fact, be realised upon an immediate disposal of the investment. As a result, an investor withdrawing from a Sub-Fund prior to realization of such an investment may not participate in gains or losses from it.

Credit risk

The Company may invest in fixed or floating rate securities issued by companies, trusts or other investment vehicles which, compared to bonds issued or guaranteed by governments, are typically exposed to greater risk of default in the repayment of

the capital provided to the issuer or interest payments due to the Company. The amount of credit risk is measured by the issuer's credit rating which is assigned by one or more independent rating agencies. This does not amount to a guarantee of the issuer's creditworthiness but provides a strong indicator of the likelihood of default. Securities which have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. Issuers often issue securities which are ranked in order of seniority which in the event of default would be reflected in the priority in which investors might be paid back.

Specific Risk Warnings for the Monument Bond Fund

Potential investors should consider the following risk factors before investing in the Monument Bond Fund.

Residential Mortgage-Backed Securities (RMBS)

The investment characteristics of RMBS differ from traditional debt securities. Among the major differences are that interest and principal payments are made more frequently, usually monthly or quarterly, and that principal may be prepaid at any time because the underlying mortgage loans generally may be prepaid at any time.

RMBS are backed by a pool of mortgages representing the obligations of a large number of different borrowers. The value of an RMBS can be affected by a number of factors, including: (i) changes in the market's perception of the pool of mortgages backing the security, (ii) economic and political factors such as interest rates and levels of unemployment and taxation which can have an impact on the arrears, foreclosures and losses incurred with respect to the pool of mortgages backing the security, (iii) changes in the market's perception of the adequacy of credit support built into the security's structure to protect against losses caused by arrears and foreclosures, (iv) changes in the perceived creditworthiness of the originator of the security or any other third parties to the transaction, and (v) the speed at which mortgages within the pool are repaid by the underlying borrowers (whether voluntary or due to arrears or foreclosures).

Investments in subordinated mortgage-backed securities involve greater credit risk of default than the more senior class(es) of the issue or series.

Liquidity of Fixed Income Markets

At times, certain sectors of the fixed income markets (including mortgage-backed securities markets) have in the past experienced reductions in liquidity. During such periods of market illiquidity, the Company may not be able to sell certain assets in its portfolio or may only be able to do so at unfavourable prices. Such "liquidity risk" could adversely impact the value of the Fund's portfolio, and may be difficult or impossible to hedge against.

Credit risk

The Company will invest in credit securities issued by companies, trusts or other investment vehicles which, compared to bonds issued or guaranteed by

governments, are exposed to greater risk of default in the repayment of the capital provided to the issuer or interest payments due to the Company. The amount of credit risk is measured by the issuer's credit rating which is assigned by one or more independent rating agencies. This does not amount to a guarantee of the issuer's creditworthiness but provides a strong indicator of the likelihood of default. Securities which have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. Issuers often issue securities which are ranked in order of seniority which in the event of default would be reflected in the priority in which investors might be paid back.

Hedging Transactions

The Company may utilise Financial Derivative Instruments for risk management purposes in order to (i) protect against possible changes in the market value of the Fund's investment portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) protect the Fund's unrealised gains in the value of the Fund's investment portfolio; (iii) facilitate the sale of any such investments; (iv) enhance or preserve returns, spreads or gains on any investment in the Fund's portfolio; (v) hedge the interest rate or currency exchange rate on any of the Fund's liabilities or assets; (vi) protect against any increase in the price of any securities the Company anticipates purchasing at a later date; or (vii) for any other reason that the Investment Adviser deems appropriate.

The success of the Company's hedging strategy will depend, in part, upon the Investment Adviser's ability correctly to assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Company's hedging strategy will also be subject to the Investment Adviser's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Company may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Fund than if it had not engaged in such hedging transactions. For a variety of reasons, the Investment Adviser may not seek to establish a perfect correlation between the hedging instruments utilised and the portfolio holdings being hedged. Such an imperfect correlation may prevent the Fund from achieving the intended hedge or expose the Fund to risk of loss. The Investment Adviser may not hedge against a particular risk because it does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge, or because it does not foresee the occurrence of the risk. The successful utilisation of hedging and risk management transactions requires skills complementary to those needed in the selection of the Fund's portfolio holdings.

Details of all risks mentioned can be found in the Full Prospectus.

PERFORMANCE OF THE FUND

When was the Fund launched?

13th August 2009.

How has the Fund performed?

This section provides investors with information on the past performance of the Fund. Please note that the most current performance is as at 31 March 2011. Past performance is not a guide to future returns.

What is the Fund's cumulative performance return?

The following cumulative performance details for the Fund are calculated on a mid price basis, inclusive of net reinvested income and do not include subscription charges.

Date	I Acc (Gross)	I Inc (Gross)	I Acc (Net)	I Inc (Net)	A Acc (Gross)	A Inc (Gross)	A Acc (Net)	A Inc (Net)
31 Mar 2010	6.82%	6.82%	6.82%	6.82%	6.60%	6.60%	6.60%	6.60%
30 Sept 2010	7.76%	8.16%	7.28%	7.69%	7.33%	7.73%	6.85%	7.26%
31 Mar 2011	9.07%	9.45%	8.33%	8.73%	8.23%	8.63%	7.58%	7.99%

SHARES IN THE FUND

What share classes are available?

The Fund has four classes of Shares:

- Class A Shares GBP: The minimum initial lump sum investment for Class A Shares GBP is £5,000 per investor; the minimum additional lump sum investment is £1,000 per investor. A minimum investment of £5,000 must be maintained.
- Class A Gross Paying Shares GBP: The minimum initial lump sum investment for Class A Gross Paying Shares GBP is £5,000 per investor; the minimum additional lump sum investment is £1,000 per investor. A minimum investment of £5,000 must be maintained. Class A Gross Paying Shares are available to investors with a suitable written agreement with the company who have completed the necessary tax eligibility declarations on application to subscribe.
- Class I Shares GBP: The minimum initial lump sum investment for Class I Shares GBP is £1,000,000 per investor; the minimum additional lump sum investment is £50,000 per investor. At the discretion of the ACD, a minimum investment of £1,000,000 must be maintained.
- Class I Gross Paying Shares GBP: The minimum initial lump sum investment for Class I Gross Paying Shares GBP is £1,000,000 per investor; the minimum additional lump sum investment is £50,000 per investor. At the discretion of

the ACD, a minimum investment of £1,000,000 must be maintained. Class I Gross Paying Shares are available to investors with a suitable written agreement with the company who have completed the necessary tax eligibility declarations on application to subscribe.

There is no maximum investment level for any Share Classes.

What types of share are available?

All Share Classes will be offered as Accumulation Shares and Distribution Shares. Holders of Accumulation Shares do not receive payment of income. Any income arising in respect of an Accumulation Share is automatically accumulated and added to the assets of the Fund and is reflected in the price of each Accumulation Share.

How and when will income be paid?

Income will be paid in May and November for Distribution Shares. Income will not be paid but accumulated in the price of the shares for Accumulation Shares.

In what currency is the Fund denominated?

Great British Pounds

What is the profile of a typical investor?

The Company is designed to be marketable to both retail and institutional investors. The Fund is designed for investors with an investment horizon of at least four to six years. **Investors should seek professional advice before making any investment decisions.**

BUYING, SELLING AND SWITCHING SHARES IN THE FUND

How do I buy, sell or switch shares?

Buying, selling and switch requests should be made by sending a completed application form to the Manager at Phoenix Fund Services (UK) Ltd, PO Box 10534, Chelmsford, Essex CM1 9NT. The relevant application forms are available from the Manager's website: www.phoenixfundservices.com. Alternatively, requests to buy, sell or switch shares may be made by telephone on 0845 0264286 or by Fax 0845 2800963. (Requests to buy shares by telephone or fax will only be accepted from investors who can confirm that they have received the relevant Simplified Prospectus pre-sale).

The Manager has the right to reject, in whole or in part, any application to buy shares without providing an explanation.

In the case of switches between Sub-Funds or Share classes, the Manager may apply a switching fee of 0.05% of the value of the Shares being switched. The switching fee will be payable to the Manager.

The Manager reserves the right to refuse a request to sell or switch shares if the value of sale or switch would result in the investor holding less than the minimum

holding in any class, which is currently £5,000 for Class A Shares and Class A Gross Paying Shares and £1,000,000 for Class I Shares and Class I Gross Paying Shares. The investor may be required to sell or switch his/her entire holding.

A shareholder who switches between Sub-Funds or Share Classes of the Company will not be given a right by law to withdraw from or cancel the transaction.

When can I buy, sell or switch shares and when are the valuation points?

Shares in the Company can be bought, sold or switched on any dealing day, meaning Monday to Friday excluding UK public and bank holidays and any day on which the London Stock Exchange plc is not open for the normal full duration of its trading hours ('Dealing Day'). The Net Asset Value per share of the Fund is currently calculated at 6.00 p.m. on each Dealing Day also referred to as the 'Valuation Point'. Applications received on a Dealing Day prior to 4.30 p.m. will, if accepted, be dealt with on the basis of the Valuation Point. Applications received on a Dealing Day after that day's cut-off dealing point of 4.30 p.m. will be dealt with at the following day's Valuation Point.

What cancellation rights do I have?

If an investor invests via an authorised Financial Adviser he/she is allowed a 14 day cancellation period in the following scenarios:

- when making a lump sum investment;
- when commencing a regular savings plan;
- when investing in a new Sub-Fund through an existing savings plan.

Note: These cancellation rights do not apply if an investor does not invest via an authorised Financial Adviser. A cancellation form, where applicable, will be sent together with either the contract note or acknowledgement letter on the next business day after an investment is made. This cancellation form will detail further information, including when the cancellation period begins and ends, and how to exercise the cancellation rights.

If an investor decides to cancel his/her investment, he/she must return the signed cancellation notice (or a written equivalent) to the Manager, at Phoenix Fund Services (UK) Ltd, PO Box PO Box 10534, Chelmsford, Essex CM1 9NT United Kingdom. If the applicant decides to cancel the contract, and the value of the investment has fallen at the time the Manager receives the completed cancellation notice, he/she will not receive a full refund as an amount equal to any fall in value will be deducted from the sum originally invested.

Are dealing commission arrangements used?

The Investment Adviser will not enter into soft commission or commission sharing arrangements.

What is a dilution levy?

The actual cost of purchasing, selling or switching underlying investments in a Sub-fund may deviate from the mid-market value used in calculating its Share price, due to dealing charges, taxes, and any spread between buying and selling prices of the

Sub-fund's underlying investments. These dealing costs could have an adverse effect on the value of a Sub-fund, known as "dilution". In order to mitigate the effect of dilution the Regulations allow the ACD to make a dilution levy on the purchase, redemption or Switch of Shares in a Sub-fund. A dilution levy is a separate charge of such amount or at such rate as is determined by the ACD to be made for the purpose of reducing the effect of dilution. This amount is not retained by the ACD, but is paid into the relevant Sub-fund.

The dilution levy is calculated by reference to the costs of dealing in the underlying investments of the relevant Sub-fund, including any dealing spreads, commission and transfer taxes.

The need to charge a dilution levy will depend on the volume of purchases and redemptions. It is not possible to predict accurately whether dilution would occur at any point in time.

The ACD's policy is that it may require a dilution levy on the purchase and redemption of Shares if, in its opinion, the existing Shareholders (for purchases) or remaining Shareholders (for redemptions) might otherwise be adversely affected. For example, the dilution levy may be charged in the following circumstances: where the Scheme Property of a Sub-fund is in continual decline; on a Sub-fund experiencing large levels of net purchases relative to its size; on "large deals" (typically being a purchase or redemption of Shares to a size exceeding 5% of the Net Asset Value of the relevant Sub-fund); in any case where the ACD is of the opinion that the interests of existing or remaining Shareholders require the imposition of a dilution levy.

This policy is intended to mitigate the dilutive effect of Shareholder transactions on the future growth of the Company.

Based on future projections the ACD may need to charge a dilution levy 2-4 times a year. If a dilution levy is required then, based on future projections the estimated rate of such a levy would be up to 1%. On the occasions when a dilution levy is not applied, there may be an adverse impact on the total assets of the relevant Funds.

The ACD, in its absolute discretion, may waive or reduce the dilution levy. The ACD may alter its current dilution policy in accordance with the procedure set out in the Regulations.

Where can I check the latest price for the Fund?

On the IMA website: www.fundlistings.com or by calling the Manager's Contact Centre on Telephone 0845 0264286 and/or Fax 0845 2800963.

CHARGES AND EXPENSES

What are the fees and expenses for each investor and for the Fund?

The following fees, expenses and charges are payable out of the Fund. Details of how the fees, expenses and charges are accrued and paid as well as details of other general management and fund charges are set out in the Full Prospectus.

(a) The Depositary

The periodic charges and custody fees described in Section 34 of the Prospectus.

(b) Annual Management Charge and other Fund expenses

The annual management charge payable to the Manager and other fund expenses are described in Section 32 of the Prospectus.

The Annual Management Charge will be paid from capital and income of the Fund; 50% from capital and 50% from income. To the extent the AMC is paid from capital, distributable income will be increased at the expense of capital which will either be eroded or future growth constrained.

(c) Investment Adviser's Fee

The Investment Adviser's Fee is payable to the Investment Adviser at a rate of 1.05% of the NAV for Class A Shares and Class A Gross Paying Shares and 0.75 of the NAV for Class I Shares and Class I Gross Paying Shares. The Investment Adviser's fees will form part of the Fund's annual management charge.

The Company or the Fund may also pay to the Manager a number of expenses and costs incurred by it relating to, for example, the costs for the provision of registration services, accounting and administration services and tax compliance services. In addition, there are charges paid by the Company or the Fund covering administrative fees and expenses of the Company, such as the fees paid to the Depositary, the Administrator, the Auditor and the FSA, together with VAT, where applicable.

A preliminary charge for buying Shares is payable to the Manager at a rate of up to 5% of the amount invested for A Shares, but in practice less may be charged. This figure therefore represents a maximum.

Further details of the fees and expenses paid by the Company and the Fund are set out in the Full Prospectus.

What is the effect of charges and expenses on my investment?

The following illustration is intended to show the effect of expected charges and expenses on an investment in the Class A Shares of the Fund.

It assumes that an investor makes a lump sum investment in the Class A Shares of the Fund of £1,000. From this, the expected charges and expenses are then deducted as they would arise. The expected charges include the relevant preliminary charge to the investor and annual management charges. It also assumes that the Fund's investments will have capital growth at a constant rate of 0% per year, but the yield net of charges will be approximately 3.69%.

At end of year	Investment to date	Effect of deductions to date £	What you might get back £
1	950	64	973
2	973	79	996
3	996	95	1020
4	1020	111	1045
5	1045	129	1070

6	1070	148	1095
7	1095	168	1121
8	1121	190	1147
9	1147	212	1174
10	1174	235	1202

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £235 for the lump sum investment of £1,000. This would have the same effect as bringing investment capital growth from 0% a year down to -1.83% a year for the lump sum investment.

These figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment with an assumed standardised growth rate. An investor could get back more or less than this.

All fund managers use the same assumed standardised rates of growth for these tables but their charges and expenses will vary.

What is the Total Expense Ratio ('TER') for the Fund?

The Fund's TER* for the year to 31 March 2011 was:

Share Class A: 1.31%; and

Share Class I: 1.01%.

The TER shows the annual operating expenses of the Fund expressed as a percentage of average net assets – it does not include initial charges or transaction expenses. All European funds highlight the TER to help compare the annual operating expenses of different schemes. The TER includes the annual management fees as well as the following charges which are deducted directly from the Fund: depositary fees, custody fees, audit fees, FSA fees, price publication fees and report productions, administration costs, lawyers costs, any share cancellation costs charged to the Fund, less VAT recoverable where applicable.

* Annual TER figures will be displayed on the Manager's website.

What is the Portfolio Turnover Rate ('PTR') for the Fund?

The PTR for the Fund for the year ended 31 March 2011 was 94.37%.**

The PTR is an annual measure of a Fund's trading activity, based on a percentage of the portfolio value that has been transacted.

The formula used to calculate the PTR will be as follows:

$$\frac{(\text{Purchase of securities} + \text{Sales of securities}) - (\text{Subscription of shares} + \text{Redemptions of shares})}{\text{Average fund value over 12 months}} \times 100$$

** Annual PTR figures will be displayed on the Manager's website.

TAX

What taxes are applicable to the Company in the UK?

The Company is not subject to UK taxation on capital gains arising on the disposal of its investments. In the unlikely event that the Company should be considered to be trading in its underlying investments for tax purposes, however, any gains made will be treated as income and taxed accordingly. The Company will be liable to corporation tax at a rate which is currently 20%, on its accumulated income after relief for expenses (which include fees payable to the Manager and to the Depositary). It is not taxable however on dividend income from UK companies.

What about Stamp Duty Reserve Tax ('SDRT')?

HM Treasury regulations require a 0.5% SDRT charge on the value of shares redeemed (surrendered) by the Manager or the Depositary. The SDRT liability is calculated on the value of surrenders and the value of shares issued in a two week period. The current policy is to recover the cost of SDRT directly from the Company. The Manager has discretion on transactions over £500,000 in value, to require the buyer/seller (including transferors and transferees) to pay the Company from the redemption proceeds/purchase cost an amount of up to 0.5% of SDRT as a contribution towards the SDRT payable. This effectively reduces the proceeds payable to shareholders by 0.5% and increases the purchase cost of shares up to a maximum of 0.5%. The charge can also be reduced in other circumstances; please refer to the Full Prospectus for further information.

What taxes are applicable to individual investors?

Accumulations of income in the Fund are considered income for UK tax purposes. Taxpayers liable at the basic rate or the starting rate will have no further liability, but higher rate taxpayers will have an additional liability.

When an investor sell shares or switches between Sub-Funds or Classes, any capital returns may be subject to capital gains tax ('CGT') if the overall gains for the tax year are over the current limit (£10,600 for the 2011/2012 tax year).

The regime of taxation of the income or capital gains received by individual investors depends on the tax law applicable to the personal situation of each individual investor and/or to the place where the capital is invested. More detailed information about taxation is contained in the Full Prospectus. It is always recommend that investors, who have queries on tax issues and are unclear as to their fiscal position, seek professional advice from a tax adviser or information from local organisations (where available). Current tax levels and reliefs may change.

Taxation – Bond Funds

Monument Bond Fund is an interest scheme for tax purposes and the following applies to it. The rate of corporation tax payable by the Fund is 20%. Income allocations to shareholders will be interest allocations, with income tax deducted at the rate of 20% from the gross allocation. For individual shareholders, the gross interest allocation will be subject to UK income tax at the appropriate marginal rate of tax for the individual whether 10%, 20%, 40% or from 6 April 2010 50% for those individuals with taxable income in excess of £150,000. The income tax deducted at

source can be used to reduce the tax liability. A shareholder liable to tax at the basic rate will have no further tax to pay whilst a shareholder taxable at the higher rate will be liable to further tax equal to 20% or 30% of the gross interest (as the case may be). UK residents who are non taxpayers or lower rate tax-payers may reclaim all or part of the income tax deducted at source. The Monument Bond Fund will not invest in the shares of Real Estate Investment Trusts (REIT) if this would affect their status as interest schemes, or distributions as interest distributions.

Corporate Shareholders who receive distributions may have to split them (the division will be indicated on the tax voucher). Any part representing dividends received from a UK company should be treated as dividend income (that is franked investment income) and no further tax should be due on it. The remainder will be received as an annual payment after deduction of income tax at the lower rate and corporate Shareholders may be liable to corporation tax on the grossed up amount with the benefit of the 20% income tax credit attached.

Under the corporate debt tax regime in the United Kingdom any corporate Shareholder within the charge to United Kingdom corporation tax should be taxed on the increase in value of its holding on a mark to market basis (rather than on disposal) or should obtain tax relief on any equivalent decrease in value, if the Investments held by the Fund within which the Shareholder invests, consist of more than 60% (by value) of "qualifying investments". Qualifying investments are broadly those, which yield a return directly or indirectly in the form of interest.

Notwithstanding the above, interest allocations can be paid gross to holders of Gross Paying Shares.

What about tax information for Pension Funds, Charities and Companies?

Pension Funds and Charities

UK registered pension funds and charities are exempt from taxation on the accumulated income and capital returns from their investments.

Companies

Accumulations of income on a UK company's investment in the Fund may be subject to corporation tax, if the investor is liable. Any part of the income accumulations representing UK company dividends are not taxable, and the remainder will be received as annual payments which have suffered tax at the lower rate (currently 20%), and which are taxable. Information relating to the split of the distribution between the two parts is included in the tax voucher. The tax deemed to be suffered can be set against any corporation tax liability, but if it exceeds the corporation tax liability the investor may not be able to reclaim it all.

Will I receive tax vouchers for my direct holdings?

Tax vouchers will not be sent if the Fund (or the Company) has no income to accumulate.

More detailed information about taxation is contained in the Full Prospectus.

CONTACT DETAILS

Whose contact details should I be aware of?

Manager

Phoenix Fund Services (UK) Ltd
2nd Floor
Springfield Lodge
Colchester Road
Chelmsford CM2 5PW

Or

PO Box 10534,
Chelmsford,
Essex CM1 9NT
United Kingdom
Telephone: 0845 0264286
Fax: 0845 2800963

www.phoenixfundservices.com or twentyfour@phoenixfundservices.com

Authorised and regulated by the Financial Services Authority, FSA Registered number 469627.

Information on the Manager can also be obtained from the register maintained on the FSA's website (www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234.

Investment Adviser

TwentyFour Asset Management LLP
3rd Floor
24 Cornhill
London EC3V 3ND

Depository

BNY Mellon Trust and Depository (UK) Limited
160 Queen Victoria Street
London EC4 4LA

Transfer Agent and Administrator

Phoenix Fund Services (UK) Ltd
2nd Floor
Springfield Lodge
Colchester Road
Chelmsford CM2 5PW
United Kingdom

Or

PO Box 10534,
Chelmsford,
Essex CM1 9NT
United Kingdom

Email Address twentyfour@phoenixfundservices.com

Auditor
PricewaterhouseCoopers LLP
Hay's Galleria
1 Hay's Lane
London SE1 2RD

FURTHER INFORMATION FOR INVESTORS

Any other important information I should be aware of?

Anti-money laundering and other legal and regulatory information

For anti-money laundering purposes the Manager is legally obliged to carry out customer due diligence on all shareholders or potential shareholders, which includes verification of their identity. This may involve the Manager obtaining information directly from (potential) shareholders or from third parties such as a credit reference agency. Proceeds will normally not be paid until the Manager has received appropriate verification. A copy of the Fighting Crime and Terrorism leaflet may be obtained from the Manager. Due to restrictions in US law, the Manager does not accept investments from investors resident in the USA.

Potential client classification

Under the FSA's New Conduct of Business rules the Manager may treat investors in the Fund as clients in certain circumstances. Where it does, the Manager may classify investors either as retail clients or professional clients. Retail clients that are not individuals, or individuals that represent entities, may not necessarily have rights to complain to the Financial Ombudsman Service or to receive compensation from the Financial Services Compensation Scheme. A nominee that is a client will be classified as a professional client.

Conflicts of interest

In the normal course of business, circumstances resulting in conflicts of interest may arise. The Manager will seek to identify the types of conflicts that may arise between the interests of its clients (including the Company) and those of its own with reference to: the likelihood of making a financial gain or avoiding a loss at the expense of a client; whether the Manager has an interest in the outcome of a service or transaction it provides to its clients; whether there is a financial or other incentive to favour the interest of one client over the interests of other clients; whether the Manager carries out the same activities performed by its clients; and whether there are inducements deriving from sources other than its clients in relation to the services the Manager provides to them, in the form of monies, goods or services, other than standard commission or fees for the service(s) in question. Where a potential conflict arises, the Manager is committed to managing these to prevent abuse and protect clients, employees and other counterparties and to ensure that transactions and services are effected on terms which are not materially less favourable to the client had the potential conflict not existed. The circumstances in which conflicts of interest might arise include where the Manager acts for other investors with an interest in such investments or where the transactions are in shares of another fund for which the Manager is the investment adviser or the ACD. The Manager is required to identify, manage, record and, where relevant, disclose actual or potential conflicts of interest between itself and its clients and between one

client and another and to have a written policy in place. Further detail on the Manager's conflicts of interest policy is available on request.

Best execution

When dealing in securities within the Funds, the Manager will endeavour to achieve the best result. The Manager will from time to time review the arrangements that it and the Investment Adviser(s) have in place with counterparties to assess their ability to provide 'best execution' on a consistent basis. A variety of factors will be considered to ensure that the best possible result is achieved. These include, but will not be limited to, price, cost, size of order, nature of order and speed and likelihood of execution and settlement. Where the Manager considers these are not met on a consistent basis it will cease placing orders with that counterparty. Details of the best execution arrangement are included within the Manager's Trade Execution Policy which is available upon request.

Appropriateness

The Manager is not required to assess the suitability of the investment or service provided or offered to investors in the Fund and, as a result, Fund investors will not benefit from the protection of the rules in the FSA Handbook on assessing suitability. Therefore, the Manager will not assess whether:

- the investment or service meets an investor's investment objectives;
- an investor is able financially to bear the risk of any loss that the investment or service may cause; and
- an investor has the necessary knowledge and experience to understand the risks involved.

Will I receive statements for my direct Fund holdings?

In October and April each year the Manager will send full statements summarising all investments to 30 September and 31 March, respectively. The statements will show details of all transactions during the previous six months and the value of the shares held in the Company.

What if something goes wrong – am I entitled to compensation?

The Financial Services Compensation Scheme offers compensation when an FSA authorised firm is unable to pay claims against it, usually because the firm has gone out of business. The Manager is covered by the Financial Services Compensation Scheme. An investor in the Company that is also a client of the Manager may be entitled to compensation from the scheme if the Manager cannot meet its obligations. Most types of investment business are covered for 100% of the first £30,000 and 90% of the next £20,000, so the maximum compensation is £48,000. Details of the Scheme are included in a leaflet that can be requested from the Manager. Further information is available from the Financial Services Authority and the Financial Services Compensation Scheme.

What if I have a complaint?

Complaints should be directed to the Manager. If the complaint is not resolved by the Manager to the complainant's satisfaction, he/she may be entitled to refer the complaint to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall,

London E19 9SR, UK. The Manager will inform complainants of their rights when answering the complaint. A summary of the Manager's internal process for dealing with complaints is available on request.

How much will any advice cost?

If you wish to take the advice of a Financial Adviser, he/she will give details about the cost of their advice. Currently, the Manager pays up to 5% initial commission to authorised Financial Advisers, which is paid for out of the initial (sales) charge.

Once an investment has been made, the Manager will show each investor the amount of commission in cash terms on the investor's contract note or acknowledgment letter. The amount will depend on the size of the investment and, in the case of monthly savings, the period for which the investor makes them.

Business Entertainment and Gifts

In addition to the commission arrangements detailed above, the Manager and its employees can give gifts, benefits and entertainment of a reasonable value to their suppliers, service providers and clients. Similarly, the Manager and its employees can receive gifts, benefits and entertainment of a reasonable value. The Manager lays down written standards regarding the nature of gifts, benefits and entertainment, with strict monetary and frequency limitations. Only gifts, benefits and entertainment which comply with regulatory requirements and internal standards, are designed to enhance the quality of service to customers and do not create conflicts of interest, can be given or received. Subject to regulatory requirements and internal standards, the types of benefits which may be given by the Manager fall into the following categories: promotional activity; joint marketing exercises; participation in seminars and conferences; provision of technical services and information technology; training; and travel and accommodation expenses.

Further details are available on request.

Where can I get further information?

Potential investors should consult the Full Prospectus before making an investment decision.

Copies of the Full Prospectus and, when available, copies of the latest Annual and Interim Short Reports for the Company can be obtained free of charge from the Manager, Phoenix Fund Services (UK) Ltd, 2nd Floor, Springfield Lodge, Colchester Road, Chelmsford CM2 5PW, United Kingdom. Call the Manager on Telephone 0845 0264286 and/or Fax 0845 2800963 or visit the website (www.phoenixfundservices.com). All documents and communications will be in English. Telephone calls may be recorded.