



# The PFS Investment Funds

## Simplified Prospectus

Issued June 2010

The Financial Services Authority (FSA) is the UK's independent financial services regulator. It requires us, Phoenix Fund Services (UK) Limited, to give you this important information to help you decide whether this investment is right for you.

**You should read this document carefully so that you understand what you are buying, and keep it safe for future reference.**



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## Contact us

### Our head office

Springfield Lodge, Colchester Road, Chelmsford, Essex, CM2 5PW

**Please use the details below to buy and sell shares, dealing and administrative queries, literature requests and to contact us if you have a complaint**

Phoenix Fund Services (UK) Limited  
PO Box 10729  
Chelmsford  
Essex  
CM1 9JX

|            |  |
|------------|--|
| Telephone: | 0845 026 4290 (dealing 8.30 am to 4.30 pm, Monday to Friday)                 |
| Fax:       | 0845 2800106   |
| Email:     | <a href="mailto:whi@phoenixfundservices.com">whi@phoenixfundservices.com</a> |
| Website:   | <a href="http://www.phoenixadmin.co.uk">www.phoenixadmin.co.uk</a>           |

We may record telephone conversations to offer you additional security, resolve complaints and improve our service standards. Conversations may also be monitored for staff training purposes.

## About this document

This document, the Simplified Prospectus, provides you with key information on The PFS Investment Funds (the 'Company') which is an open ended investment company and its sub-funds (the 'Funds'). You should read it in conjunction with the relevant Fund Information Summary in Appendix 1 where you will find specific information on the Funds.

**Please make sure you are comfortable with the contents of this document before deciding to invest.**

For more information, such as the full Prospectus and the annual and interim reports please contact your financial adviser or use our contact details on the previous page.

Whilst we have tried to avoid using technical language it has not always been possible. The Glossary in Appendix 2 should help to explain some of the words or phrases you may not be immediately familiar with.

We issued this document as at 1 June 2010 and we will update it at least annually (or before if there has been a material change). The documentation and all further communications with you will be in English. Any contract or relationship you enter into with us will be governed by the laws of England and Wales, and subject to the exclusive jurisdiction of the English courts. This document, application form and full Prospectus, together form the terms of the contract for your investment.

The risk to your investment and its performance can change over time. Up-to-date information can be obtained via the internet at the Investment managers' websites, [www.wh-ireland.co.uk](http://www.wh-ireland.co.uk) and [www.icfmanagement.co.uk](http://www.icfmanagement.co.uk) or by calling us on 0845 026 4290. Please note that you should not interpret this document as financial advice. Under FSA rules you will be categorised as a "retail client". This means that you will have the maximum amount of protection available under the respective rules.

## Company details

The Company is a collective investment scheme as defined in the Financial Services and Markets Act 2000 and is authorised by the FSA. It is an Open-Ended Investment Company ('OEIC') established as an 'Umbrella Scheme' being compliant with FSA Rules and was incorporated in England and Wales (IC000816) on 19 May 2010. Each Fund would be a UCITS scheme if it had a separate authorisation order, and the Company is accordingly a UCITS scheme.

The base currency of the Company is pounds sterling.

The following Funds are available within the Company:

- **The PFS icf Absolute Return Portfolio**
- **The PFS WHI America Fund**

## Its aims

### **What are the aims of the Company?**

- To provide a way of linking your money to investment markets.
- To provide a way of spreading your investments and the risk.
- To offer professional fund management at an appropriate cost.

### **What are the aims of the Funds?**

The aims of the Funds are provided in the Fund Information Summary in Appendix 1.

We suggest you speak to your financial adviser to determine if these Funds are suitable for you.

## Your commitment

### **What is the profile of a typical investor?**

The Funds may be suitable for institutional or private investors who see collective investment schemes as a convenient way of participating in investment markets. You must be willing to accept some risk to your capital; therefore they may be suitable for you if you are able to set aside your capital for at least 5 years. If you are uncertain whether these Funds are suitable for you, please contact your financial adviser.

### **US investors**

These Funds are not generally available for investment from within the USA and this document is not intended for use by US residents. Further information can be found within the Additional Information section later in this document.

## Risks

Any investment in stock market funds involves risk. Some of these risks are general, which means that they apply to all funds. Others are specific, which means that they apply to individual funds.

Before you decide to invest, it is important to understand the Funds' aims, detailed in the Fund Information Summary in Appendix 1, and the risks involved. Details of all of the risks can also be found in the full Prospectus.

### What are the general risks associated with the Funds?

- The value of funds and the income from them is not guaranteed and may fall as well as rise. You may get back less than you originally invested. What you get back will depend on investment performance, which is not guaranteed. Past performance is no guarantee of future performance.
- The effect of an initial charge. If you sell your investment after a short period you may not get back what you originally invested, even if the price of your investment has not fallen.
- The risk of an investment will vary depending on the fund you choose. Funds aiming for relatively high performance can incur greater risk than those adopting a more standard investment approach.
- The entire market of a particular asset class or geographical sector may fall, having a more pronounced effect on funds heavily invested in that asset class or region.
- Inflation will reduce what you could buy in the future.

### What are the specific risks associated with these Funds?

- **Overseas investments** - As these Funds invest in overseas markets or hold currencies other than Sterling, then currency exchange rate movements may cause the value of your investment in Sterling terms to fall as well as rise.
- **Derivatives** -The Funds may be invested in derivatives or a forward transaction but only for the purposes of hedging with the aim of reducing the risk profile of the Funds in accordance with the principles of Efficient Portfolio Management.
- **Cross fund liabilities** - Although each Fund so far as possible will be treated as bearing the liabilities, expenses, costs and charges attributable to it, in the unlikely event that its assets are not sufficient to meet these, we may re-allocate assets, liabilities, expenses, costs and charges between the Funds of the Company which could reduce the value of your investment.

- **Absolute return funds** – where a Fund invests in a portfolio of absolute return funds there is no guarantee that these underlying funds will deliver the expected returns and this can in turn affect the performance of the Fund. The underlying funds themselves may engage in transactions and invest in derivatives contracts which involve risk.

## Investment information

### How have the Funds performed historically?

As the Funds have only recently launched no performance information is available.

### How much tax will I pay?

The rates of, and any relief from tax depends on your own personal circumstances and are likely to change over time. The information we give below is based on our current understanding of HM Revenue & Customs (HMRC) practice. It summarises the position if you are UK resident but you should note that there may be other taxes applicable to the investment. You can find further information within the full Prospectus. We recommend that you take professional advice based on your individual circumstances, particularly if you are subject to tax in a jurisdiction other than the UK.

### Capital Gains Tax (CGT)

If your total net taxable gains from all investments do not exceed the annual (CGT) exemption (£10,100 for the 2010/2011 tax year) you will not pay any CGT. Any realised gains over this exemption will be taxed at a single CGT rate of 18%.

### Income tax

Distributions, whether they are paid out or reinvested, are treated as income for tax purposes.

Distributions of income, whether they are paid out or reinvested, will have an associated tax credit or have suffered income tax which means that if you are a starting or basic rate taxpayer, you will have no further income tax liability. The tax treatment for starting, basic rate, and higher rate tax payers is outlined below for the two types of income distribution payments a fund may pay.

- **Interest distributions**

These have income tax deducted at 20%. If you do not pay tax, or are a starting rate taxpayer, you can reclaim all or part of this tax. If you are a basic rate taxpayer, you will not pay any further tax. Higher rate taxpayers have a further tax liability of 20% of the gross distribution and additional rate tax payers have a further liability of 30%. In line with current legislation, we will report all interest distributions to HMRC.

- **Dividend distributions**

Dividend distributions to individual investors carry a tax credit at a rate of 10%. If you are a basic or starting rate taxpayer, you will not have any further tax liability. Higher rate taxpayers will be liable to income tax on their grossed up dividend income at the rate of 32.5% but may offset the 10% tax credit against this. If you are an additional rate taxpayer you will be liable to income tax on the grossed up dividend income at the rate of 42.5% but can offset the 10% tax credit against this.

Higher rate taxpayers will therefore be liable to pay income tax equivalent to a rate of 25% of their net receipt (36.1% if you are an additional rate tax payer). It is not possible for investors to reclaim any amount in respect of the tax credit.

### **How much tax will the Funds pay?**

The Funds are treated open-ended investment companies for tax purposes.

Funds may receive dividends from UK equity investments. These are not subject to UK corporation tax in the Fund. Funds are liable to UK Corporation Tax at the current rate of 20% on its other types of income after deducting management expenses, charges and the gross amount of any interest distributions. The Funds are exempt from UK Corporation Tax on profits from the sale of investments.

### **What are the charges?**

#### **Initial charge**

An initial charge (expressed as a percentage of your investment) is deducted from your investment before we buy shares in a Fund and will vary according to the share class. Please refer to the Fund Information Summary in Appendix 1 for details of the initial charge.

#### **Annual Management Charge (AMC)**

The AMC is an annual charge that is taken out of a Fund. The AMC will vary according to the share class.

#### **Performance fee**

In addition to the AMC, we may take a performance fee for the PFS icf Absolute Return Portfolio. Please refer to the Fund Information Summary in Appendix 1 for details of the performance fee.

#### **Dilution levy and Stamp Duty Reserve Tax (SDRT)**

A dilution levy is a possible charge we can make to protect on-going investors if you make large investments or encashments. SDRT is a transaction tax of 0.5% which is normally paid for by Funds which invest in UK shares. Further information can be found within the Glossary and the full Prospectus.

## Underlying fund charges

Where a Fund may invest in other authorised collective investment schemes, these funds will also have charges, which will indirectly affect your investment. These are preliminary and annual management charges. The underlying funds will also incur additional attributable expenses similar to those mentioned above.

## Other charges

The Funds pay expenses that are taken into account when calculating the price of shares. These expenses include depositary and custody fees, fees for registration, regulation, audit and performance fees. The Total Expense Ratio (TER) is the sum of the annual management charge, performance fee where applicable, and these other current expenses. The TER can help you compare the annual operating expenses of different funds. Please note that the initial charge and transaction costs are not included in the TER calculations.

We normally recover these fees from the Funds' income.

The charges and expenses for the Funds are summarised in the Fund Information Summary in Appendix 1.

## Dealing costs and Portfolio Turnover Rate ('PTR')

The PTR represents the percentage of a fund's portfolio that is bought and sold over a 12 month period. If the PTR is high, the dealing costs incurred may have a higher impact on your investment. At the same time, active management may mean that changing investments increases the performance of a fund sufficiently to outweigh these costs. The PTR of the Funds will be published once they have been running for a minimum 12 month period.

## Cost of advice

Your financial adviser will give you details about the cost. The amount will depend on the size of your investment. It will normally be paid for out of the charges unless you have a different arrangement with your financial adviser.

## How do I invest?

The minimum investment levels are as follows:

|                                |        |
|--------------------------------|--------|
| Minimum lump sum investment    | £1,000 |
| Additional lump sum investment | £500   |
| Minimum partial redemption     | £500   |
| Minimum balance                | £1,000 |

## By post

Simply complete the relevant application form. Then either:

- post it to the address on the form, or
- send it to your financial adviser.

You must send your application with the payment and identity information that we may require.

### **By telephone**

If you wish to invest a lump sum, you can invest directly by calling 0845 026 4290.

### **Via third parties**

You may also be able to invest in the Funds through your pension plan, via life bond products, fund supermarkets and other “wraps” or platforms. Your financial adviser will be able to help you with these options.

## **Payment**

You can invest a lump sum by sending a personal cheque made payable to Phoenix Fund Services (UK) Limited with your completed application form. Please check the minimum investment limits for the Funds in the table above.

We will use your investment to buy shares in the Funds. Where applicable, we will deduct an initial charge (expressed as a percentage of your investment) from the money you invest. We will buy shares on a forward pricing basis, which means that for all applications received money will be invested using the share prices calculated at the next valuation point, which is 12 noon on each business day.

## **Confirmation of your investment**

For lump sum investments we will send you a welcome letter and a contract note after your initial investment, which will tell you your customer number, the number of shares you have purchased, the amount invested and the share price. We will send you a contract note for any subsequent investments you place on your account.

It is very important to keep this contract note safely, because we do not issue share certificates. Evidence of ownership is on the shareholder register.

## **Changing my mind**

After you make your initial investment, we will send you information about ‘Your right to cancel’. After you receive this, you will have 14 days to change your mind and send the completed Cancellation Form to us. We will then return your investment to you, however, if the value of your investment has fallen by the time we receive your Cancellation Form, you may not get back the full amount you invested.

If you have not received information or advice on a face-to-face basis before applying for our investments you do not have a statutory right to cancel.

## **Can I switch between Funds?**

You can switch your money to another of our Funds in our OEIC range as your investment requirements change.

When we receive your instructions to switch, we will sell your shares in the appropriate Fund and buy shares in your chosen alternative Fund. We do not currently charge for switching between our Funds, but reserve the right to do so.

A switch of investment from one fund to another will be regarded as potentially liable to tax by HM Revenue & Customs, and could give rise to a Capital Gains Tax liability if your annual allowance has already been used.

Please note that you will need to keep to the minimum initial investment limits when switching between Funds.

Your financial adviser will be pleased to provide you with details of the options open to you. If you wish to switch your OEIC investments, please write to us with your switching instructions using the contact details on page 2.

## **How do I sell?**

You can sell all or part of your investment at any time. The minimum amount for partial withdrawals is £500. After you have made the withdrawal, the remaining value must be at least £1,000 in the Fund. Your financial adviser will be pleased to provide you with details of the options open to you. If you wish to sell your investments, please write to us with your sale instructions using the contact details on page 2.

## **Does my investment pay an income?**

At present, accumulation shares only are in issue. We reinvest all the net income to maximise growth potential, increasing the value of shares held.

Please see the Fund Information Supplement in Appendix 1 for when income is accumulation.

## **How can I find out how my investment is doing?**

You can obtain the latest share prices of our Funds by:

- Visiting the Investment Management Association's website at [www.investmentuk.org](http://www.investmentuk.org).
- Calling us on 0845 026 4290 for details of the current prices, estimated yields and valuations.

Please note that these prices are historical and are not the prices at which you would be able to deal. The assets of the Funds are valued at 12 noon each dealing day.

Every six months you will receive:

- A statement showing a valuation of your investment as at 31st May (annual) and 30 September (half-yearly) each year, together with a list of transactions during the six month period. Statements are issued within 25 business days of the statement valuation date.
- A copy of the annual and half-yearly OEIC Short Report, for the Fund in which you hold shares. This will provide up-to-date details of investments and a commentary from the Investment Adviser about the Fund you hold. These will be sent to you by 31<sup>st</sup> May (annual) and 30th November (half-yearly).
- You will be sent tax vouchers detailing income allocations for each income accumulation made during the tax year.

### **What happens to my investment on death?**

- If your investment is held in joint names, it will continue to be held by the surviving holder(s).
- Your personal representatives may ask us for information about the value of your investment, which we will provide.
- When your personal representatives have proved that they are legally entitled to the money invested, they may instruct us to cash in your investment or transfer it to another name.
- Until the shares are sold, they will be affected by daily price movements as normal.
- The value of your investment is treated as part of your estate, so your personal representatives may need to declare it for inheritance tax purposes.

## Additional Information

### **Authorised Corporate Director (ACD)**

Phoenix Fund Services (UK) Limited  
Springfield Lodge  
Colchester Road  
Chelmsford  
Essex  
CM2 5PW

### **Investment Advisers and promoters of the Funds**

WH Ireland Limited  
11 St. James Square  
Manchester M2 6WH

icf management limited  
PO Box 231  
Wadhurst  
East Sussex TN2 9HW]

### **Depository**

BNY Mellon Trust & Depository (UK) Limited  
The Bank of New York Mellon Centre  
160 Queen Victoria Street  
London  
EC4V 4LA

### **Auditor**

Shipleys LLP  
10 Orange Street  
Haymarket  
London  
WC2H 7DQ

### **Financial Services Authority (FSA) contact details**

The ACD is authorised and regulated by the FSA.

The Financial Services Authority  
25 The North Colonnade  
Canary Wharf  
London E14 5HS  
From UK: 0845 606 1234 (local call rates)  
From Overseas: +44 20 7066 1000  
Website: [www.fsa.gov.uk](http://www.fsa.gov.uk)

## **Complaints**

If you would like to raise an issue with us please contact our Compliance Officer at:

Phoenix Fund Services (UK) Limited  
PO Box 10380  
Chelmsford  
Essex  
CM1 9JX

You can request from us details of our complaints procedures. If we are unable to resolve the issue to your satisfaction, you will, in most circumstances, 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  
United Kingdom

Telephone: 0845 080 1800  
Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

Making a complaint will not prejudice your right to take legal proceedings.

## **Compensation arrangements**

We and our bankers are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of the first £50,000. This is the maximum compensation. Further information about compensation arrangements is available from the Financial Services Compensation Scheme at the following address:

Financial Services Compensation Scheme  
7th Floor  
Lloyds Chambers  
Portsoken Street  
London E1 8BN

Telephone: 020 7892 7300  
[enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk)

## **Conflicts of interest**

The ACD and the Investment Managers may, from time to time, act as investment managers or advisers to other funds which follow similar investment objectives to those of these Funds. It is therefore possible that potential conflicts of interest could arise. We have policies in place to ensure we act in the best interests of the Funds as far as possible. Please contact us for further details of our conflict of interest policy.

## **Dealing arrangements**

The ACD has entered into 'dealing arrangements' with certain brokers under which a proportion of commission paid to the broker on transactions may be used to pay for execution and/or research services provided to the ACD by the broker or a third party. We have entered into 'Commission Sharing Agreements' and you can request our policy in relation to these dealing arrangements.

## **Disability Discrimination Act**

If you require a copy of this brochure in large text format, braille or on audiotape, please telephone us on 0845 026 4290.

## **European Savings Directive**

This only applies to investors who are not resident in the UK for tax purposes, or if you move to another approved country after you have invested.

The regulations that implement the European Savings Directive require us to obtain additional customer information. If you invest in a fund with a fixed interest or cash content of more than 15% we are required to obtain either your tax identification number and tax country code, or your date and place of birth, and report these to HMRC.

## **Are there any UK anti-money laundering requirements?**

To comply with UK Anti-Money Laundering Regulations, we may require you to supply evidence of identity and address. We may validate these details against any database (public or other) to which we may have access. We will retain a record if such an enquiry is made.

If you do not want your details validated against a database, please tick the 'opt-out' box on the application form.

## **How does the Data Protection Act impact on you?**

We will use, analyse and assess information held about you when providing services to you. We may also exchange similar information with the Investment Managers, in order that they can send you periodic information. If you do not wish to receive this information, please tick the 'opt-out' box on the application form.

## **US investors**

These Funds have not been and will not be registered in the US according to the US Investment Company Act of 1940 and the shares will not be registered in the US in accordance to the US Securities Act of 1933. Shares of the Funds will not be publicly offered, sold or distributed within the US or to US persons except where there is an exemption from registration available and applicable.

In particular the information in this document is not for distribution within the USA and does not constitute an offer to US residents or US organisations.

## **Prospectus/Report & Accounts**

You, as either an existing or potential investor, can ask for free copies of the latest Prospectus and annual and half yearly Reports & Accounts (short and/or long form) by contacting us using the contact details at the beginning of this document. You can also visit our website, [www.phoenixadmin.co.uk](http://www.phoenixadmin.co.uk), for this information.

## Appendix 1 - Fund Information Summary

This section contains important information on the Funds offered within The PFS Investment Funds. You should read this, in conjunction with the other parts of this Document, and understand it prior to making an investment. You should retain it for future reference. For the Fund's full objective and policy please see the full Prospectus.

Please cross-reference this section to the main part of the Simplified Prospectus and the Glossary in Appendix 2 for full explanations of the terms used below.

### **The PFS icf Absolute Return Portfolio**

#### **Aims**

The objective of the Fund is to achieve a consistent absolute return over the long term irrespective of market conditions. The Fund will invest in a diverse mix of absolute return oriented collective investment schemes. The Fund may also invest in listed closed-end funds, transferable securities, cash deposits and money market funds.

#### **Fund risk profile**

By investing in a fund which invests within absolute return schemes, you are likely to be looking for an investment which aims to deliver a positive return regardless of market conditions, although this is not guaranteed.

You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. Typically, you are aware that investing in this Fund means that when markets perform strongly this Fund may not necessarily deliver the same high returns but instead look to deliver a steady rate of return.

#### **Fund specific risk warnings**

- Overseas investments
- Derivatives
- Cross fund liabilities
- Absolute return funds

Please see page 5 for details of these specific risks.

## Charges and expenses

| Share Class          | Initial charge % | AMC %* | TER%** | PTR %*** |
|----------------------|------------------|--------|--------|----------|
| A class Accumulation | 5.0              | 1.5    | 2.8    | N/A      |

We are entitled to charge a performance fee if the Fund exceeds the “hurdle rate” and “high water mark” over the performance period, which is usually the Fund’s financial year. The performance fee is 10% of the amount the performance of the Fund has exceeded the hurdle rate.

The Hurdle Rate is in the first instance an absolute (or positive) return and secondly the 3 Months LIBOR rate or 5% (whichever is the greater) over the performance period. The High Water Mark is a performance measure that is used to ensure that a Performance Fee is only charged where the value has increased in absolute terms over the course of the Fund’s financial year. This is a summary only and you can find more detailed information in the full Prospectus.

\* This charge is in addition to the net charges on the underlying funds. These underlying funds have annual management charges, less the rebates we can negotiate, which typically range from 0.5% to 1.0%.

\*\*Please note this TER is an estimated figure and includes an estimate of the level of performance fee.

\*\*\*Please note the PTR is currently not available as this Fund only launched in May 2010.

## Effect of charges and expenses

The following tables illustrate the effect of charges and expenses on an investment. These figures are not guaranteed.

The table below shows the effect of charges and expenses on a £1,000 lump sum investment in A class accumulation shares and assumes a growth rate of 6% per annum before charges.

| At the end of year | Investment to date | Effect of deductions | What you might get back (assuming a growth rate of 6% per annum) |
|--------------------|--------------------|----------------------|--|
| 1                  | £1,000             | £81                  | £979   |
| 3                  | £1,000             | £151                 | £1,030   |
| 5                  | £1,000             | £234                 | £1,100   |
| 10                 | £1,000             | £507                 | £1,280   |

The last line in the table shows that over 10 years the effect of the total charges and expenses could amount to £507. Putting it another way, this would have the same effect as bringing down investment growth from 6.0% a year to 2.5% a year.

### Accounting information

| Accounting reference dates | Income Accumulation dates | Dividend or interest distribution | Fees from income or capital |
|----------------------------|---------------------------|-----------------------------------|-----------------------------|
| 31 March (Final)           | 31 May                    | Dividend                          | Income                      |
| 30 September (Interim)     | 30 November               |                                   |                             |

### Performance information

The Fund was launched in May 2010 and therefore a calendar year's performance is not yet available. Further Information about the Fund can be found on the investment manager's website [www.icfmanagement.co.uk](http://www.icfmanagement.co.uk).

## The PFS WHI America Fund

### Aims

The Fund will aim to achieve a long term return by investing primarily in equities and other investments in America (and may also invest in Canada). The Fund will invest in, predominantly, listed securities, typically common stock and American Depositary Receipts listed on US exchanges, including exchange traded funds. The Fund may invest in collective investment schemes, transferable securities, cash deposits and money market funds as permitted by the FSA Rules.

### Fund risk profile

By investing in a fund which invests primarily in equities you are likely to be looking for an investment which will generate capital growth. You are willing to accept that equity investment has higher risk than other investments, such as bonds, and that your investment will fall and rise in value and that you could get back less than you invest. Typically, you are aware that investing in a fund which has an overseas remit can increase risk because of currency movements. You are aware that your investment will be subject to stock market fluctuations in America and Canada.

### Fund specific risk warnings

- Overseas investments
- Derivatives
- Cross fund liabilities

Please see page 5 for details of these specific risks.

### Charges and expenses

| Share Class          | Initial charge % | AMC % | TER%* | PTR %** |
|----------------------|------------------|-------|-------|---------|
| A class Accumulation | 5.0              | 1.5   | 1.88  | N/A     |

\*Please note this TER is an estimated figure

\*\*Please note the PTR is currently not available as this Fund only launched in May 2010.

### Effect of charges and expenses

The following tables illustrate the effect of charges and expenses on an investment. These figures are not guaranteed.

The table below shows the effect of charges and expenses on a £1,000 lump sum investment in A class accumulation shares and assumes a growth rate of 6% per annum before charges.

| At the end of year | Investment to date | Effect of deductions | What you might get back (assuming a growth rate of 6% per annum) |
|--------------------|--------------------|----------------------|--|
| 1                  | £1,000             | £72                  | £980   |
| 3                  | £1,000             | £124                 | £1,060   |
| 5                  | £1,000             | £185                 | £1,150   |
| 10                 | £1,000             | £391                 | £1,400   |

The last line in the table shows that over 10 years the effect of the total charges and expenses could amount to £391. Putting it another way, this would have the same effect as bringing down investment growth from 6.0% a year to 3.4% a year.

### Accounting information

| Accounting reference dates | Income Accumulation dates | Dividend or interest distribution | Fees from income or capital |
|----------------------------|---------------------------|-----------------------------------|-----------------------------|
| 31 March (Final)           | 31 May                    | Dividend                          | Income                      |
| 30 September (Interim)     | 30 November               |                                   |                             |

### Performance information

The Fund was launched in May 2010 and therefore a calendar year's performance is not yet available. Further Information about the Fund can be found on the investment manager's website [www.wh-ireland.co.uk](http://www.wh-ireland.co.uk).

## Appendix 2 - Glossary

### **ADRs**

An American Depositary Receipt (or ADR) represents ownership in the shares of a non US company yet trades on US financial markets. They enable investors to buy shares in foreign companies without the hazards or inconveniences of cross-border transactions. ADRs are typically priced in US dollars and can be traded like the shares of US based companies.

### **Authorised Corporate Director (ACD)**

A corporate body and an authorised person given powers and duties under FSA regulations to operate an OEIC.

### **Collective investment schemes**

A generic term encompassing authorised unit trusts, common investment funds, OEICs and investment trusts.

### **Derivatives**

A general name for investments such as futures and options whose value depends on another financial asset, for example the price of a bond, currency or share. Derivatives can be used by fund managers to control particular aspects of a portfolio's risk, or as an investment in their own right.

### **Dilution levy**

The dilution levy is a method to ensure fair treatment between investors joining, leaving or remaining in a Fund. Because the costs of buying and selling the underlying investments of a Fund are generally different, but the price of buying and selling shares in a Fund are the same, the price of shares may be adjusted to protect the value of the Fund from being reduced through the associated costs of large scale movements in or out of the Fund (typically in excess of £15,000, although there may be exceptions). You can find further details in the full Prospectus.

### **Exchange Traded Funds**

An Exchange Traded Fund (or ETF) is an investment vehicle traded on stock exchanges, much like stocks. An ETF holds assets such as stocks or bonds and trades at around the same price as the value of its underlying assets. Most ETFs track an index and are attractive as investments because of their low costs, tax efficiency, and ease of trade.

### **Hedging**

A transaction involving derivatives, with the aim of offsetting a particular financial risk, for example exchange rate risk.

### **Money-market instruments**

Short-term debt instruments, usually running for a year or less. Examples of these include Treasury bills. These are issued by the Treasury, and represent a promise to repay a set sum of money on a specified date in the future.

### **OEIC**

An OEIC is a type of investment product that offers indirect investment in stock markets. Your money is pooled with that of other investors who choose to invest in the same fund. Funds will use this money to buy investments, such as stocks and shares, as selected by the Investment Adviser for the fund. The value of your shares in the fund is directly related to the underlying value of these investments. Because the investments are spread across a range of assets, the risk may be lower than investing in a single asset such as a company's shares.

### **Pay dates**

Income from the Funds is accumulated on these dates.

### **Securities**

An investment instrument such as shares or bonds, issued by a corporation, government or other organisations which offers evidence of debt or equity.

### **Stamp Duty Reserve Tax (SDRT)**

HM Treasury requires up to 0.5% SDRT to be applied on transactions in shares in a fund rather than it being charged to the individual investor. SDRT is only payable on funds that invest in UK shares.

It is the current policy to meet the cost of SDRT directly from the Fund's assets, however, there may be exceptions to this, and the policy could change in the future. Further information can be found in the full Prospectus.

### **Transferable securities**

These are securities which can be freely traded.