

**PROSPECTUS**

of

**Legal & General Cash Trust**

**an authorised unit trust scheme**

**Valid as at 30 October 2021**



## DIRECTORY

### **Manager**

#### ***Head Office and Registered Office***

Legal & General (Unit Trust Managers) Limited  
One Coleman Street  
London EC2R 5AA

### **Trustee and Depositary**

#### ***Registered Office and Principal Place of Business***

Northern Trust Investor Services Limited  
50 Bank Street  
London E14 5NT

### **Investment Manager**

#### ***Head Office and Registered Office***

Legal & General Investment Management Limited  
One Coleman Street  
London EC2R 5AA

### **Registrar**

Legal & General (Unit Trust Managers) Limited  
Customer Services Centre  
Brunel House  
2 Fitzalan Road  
Cardiff CF24 0EB

(the register of Unitholders can be inspected at this address)

### **Auditor**

KPMG LLP  
15 Canada Square  
London  
E14 5GL

## IMPORTANT NOTICE

### THIS DOCUMENT IS IMPORTANT

If you are in any doubt as to the meaning of any information contained in this document, you should consult the Manager or your financial adviser.

No person has been authorised by the Manager to give any information or to make any representations in connection with the offering of Units other than those contained in this prospectus (the “**Prospectus**”) and, if given or made, such information or representations must not be relied upon as having been made by the Manager. The delivery of this Prospectus (whether or not accompanied by any reports) or the issue of Units shall not, under any circumstances, create any implication that the affairs of the Trust have not changed since the date hereof.

The distribution of this Prospectus and the offering of Units in certain jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Manager to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The Units of the Trust have not been and will not be registered in the United States of America under any applicable legislation. They may not be offered or sold in the United States of America, any state of the United States of America or in its territories and possessions or offered or sold to U.S. Persons. The Trust and the Manager have not been and will not be registered in the United States of America under any applicable legislation.

Potential investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters and are recommended to consult their own professional advisers concerning the acquisition, holding or disposal of Units.

The provisions of the Trust Deed are binding on each of the Unitholders and a copy of the Trust Deed is available on request from Legal & General (Unit Trust Managers) Limited.

This Prospectus has been issued for the purpose of section 21 of the Financial Services and Markets Act 2000 by Legal & General (Unit Trust Managers) Limited.

The distribution of this Prospectus in certain jurisdictions may require that this Prospectus is translated into the official language of those countries. Should any inconsistency arise between the translated version and the English version, the English version shall prevail.

This Prospectus is based on information, law and practice at the date hereof. The Manager cannot be bound by an out of date Prospectus when a new version has been issued and investors should check with Legal & General (Unit Trust Managers) Limited that this is the most recently published prospectus.

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## Definitions

**ABCP:** asset-backed commercial paper;

**Approved Bank:** as defined in the FCA Glossary;

**Associate:** any other person whose business or domestic relationship with the Manager or the Manager's associate might reasonably be expected to give rise to a community of interest between them which may involve a conflict of interest in dealings with third parties;

**Auditor:** KPMG LLP or such other entity as is appointed to act as auditor to the Trust from time to time;

**Benchmark Regulation:** Regulation (EU) 2016/1011 as it applies in the UK from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11 pm on 31 December 2020;

**Business Day:** a day on which the London Stock Exchange is open. If the London Stock Exchange is closed as a result of a holiday or for any other reason, or there is a holiday elsewhere or other reason which impedes the calculation of the fair market value of any of the Trust's portfolios of securities or a significant portion thereof, the Manager may decide that any Business Day in respect of the Trust shall not be construed as such;

**Class or Classes:** in relation to Units, means (according to the context) all of the Units or a particular class or classes of Unit;

**Client Money Account:** a current or deposit account at a bank that is opened in the Manager's name used to hold the money of one or more of the Manager's clients;

**COLL:** refers to the appropriate chapter or rule in the COLL Sourcebook;

**COLL Sourcebook:** the Collective Investment Schemes Sourcebook issued by the FCA, as amended or re-enacted from time to time;

**Commitment Approach:** the standard methodology used to calculate global exposure arising from the use of derivatives by the Trust. When using the commitment approach, the Manager may take account of netting and hedging arrangements when calculating global exposure of the Trust, where those arrangements do not disregard obvious and material risks and result in a clear reduction in risk exposure;

**Dealing Day:** Monday to Friday where these days are Business Days;

**Depository:** Northern Trust Investor Services Limited, who will also act as Trustee, or such other person as is appointed to act as depository of the Trust from time to time;

**Dilution:** the amount of dealing costs incurred, or expected to be incurred for the account of a single-priced Trust to the extent that these costs may reasonably be expected to result, or have resulted, from the acquisition or disposal of investments for the account of the single-priced Trust as a consequence (whether or not immediate) of the increase or decrease in the cash resources of the single-priced Trust resulting from the issue or cancellation of Units over a period; for the purposes of this definition, dealing costs include both the costs of dealing in an investment, professional fees incurred, or expected to be incurred, in relation to the acquisition or disposal of approved immovables and, where there is a spread between the buying and selling prices of the investment, the indirect cost resulting from the differences between those prices;

**Dilution Adjustment:** an adjustment to the price of Units by such amount or at such rate as is determined by the Manager for the purpose of reducing the effect of Dilution;

**EEA:** the European Economic Area;

**EEA State:** a member state of the European Union and any other state which is within the EEA;

**Efficient Portfolio Management or EPM:** means an economically appropriate and cost effective transaction aiming at reducing risk or cost; or generating additional capital or income with a risk level which is consistent with the risk profile of the Trust and the risk diversification rules laid down in the COLL Sourcebook;

**Eligible Institution:** as defined in the FCA Glossary;

**EUWA:** as defined in the FCA Glossary;

**FATCA:** the US Foreign Account Tax Compliance Act;

**FCA:** the Financial Conduct Authority or any other regulatory body which may assume its regulatory responsibilities from time to time;

**FCA Glossary:** the glossary giving the meanings of the defined expressions used in the FCA Handbook as amended from time to time;

**FCA Handbook:** the FCA Handbook of Rules and Guidance as amended from time to time;

**Fund Management Fee or FMF:** the fixed rate fee payable to the Manager inclusive of all of the fees and expenses which are paid by the Manager in relation to the operation and administration of the Trust;

**HMRC:** Her Majesty's Revenue and Customs;

**Home State:** as defined in the FCA Glossary;

**Investment Manager:** Legal & General Investment Management Limited, the investment manager to the Manager of the Trust;

**Investment Management Agreement:** an agreement between the Manager and the Investment Manager dated 4 May 2010, as may be amended from time to time;

**IRS:** Internal Revenue Service;

**ISA:** an individual savings account under The Individual Savings Account Regulations 1998, as amended or re-enacted from time to time;

**Manager:** Legal & General (Unit Trust Managers) Limited;

**MiFID II or Markets in Financial Instruments Directive:** means the Markets in Financial Instruments Directive 2014/65/EU as may be amended, supplemented, replaced or consolidated from time to time;

**MMFR:** Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds together with Commission Delegation Regulation (EU) of 10 April 2018 supplementing Regulation (EU) 2017/1131 or, if applicable, the Money Market Funds (Amendment) (EU Exit) Regulations 2018.

**Money Market Instruments:** transferrable instruments normally dealt in on the money market and include treasury and local authority bills, certificates of deposits, commercial papers, bankers' acceptances, and medium or short-term notes.

**Net Asset Value or NAV:** the value of the property of the Trust (as the context may require) less the liabilities of the Trust as calculated in accordance with the Trust Deed and Appendix D of this Prospectus;

**Register:** The register of Unitholders;

**Registrar:** Legal & General (Unit Trust Managers) Limited or such other entity as is appointed by the Manager to act as registrar for the Trust from time to time;

**Repos:** means (i) an agreement between a seller and buyer for the sale of securities, under which the seller agrees to repurchase the securities, or equivalent securities, at an agreed date and, usually, at a stated price; or (ii) an agreement between a buyer and seller for the purchase of securities, under which the buyer agrees to resell the securities, or equivalent securities, at an agreed date and, usually, at a stated price;

**Scheme Property:** the scheme property of the Trust required under the COLL Sourcebook to be given for safekeeping to the Trustee;

**Short-Term VNAV MMF:** a VNAV MMF that invests in the “Eligible Money Market Instruments” set out in Appendix B and is subject to the “General investment conditions for short-term money market funds” set out in Appendix B;

**Single Swing:** the pricing methodology set out in Section 12.6 where the Net Asset Value per Unit may be adjusted on any Dealing Day by way of a Dilution Adjustment;

**Swing Factor:** the percentage of the Net Asset Value by which the price of Units will be adjusted in accordance with Section 12.6, as set by the Manager from time to time and which generally shall not exceed 2% of the Net Asset Value per Unit of the Trust;

**Trust:** Legal & General Cash Trust;

**Trust Deed:** the trust deed constituting the Trust, dated 15 May 1990 (as amended and restated from time to time) (including any supplemental trust deed thereto);

**Trustee:** Northern Trust Investor Services Limited, who will also act as Depositary, or such other entity as is appointed to act as trustee of the Trust from time to time;

**Unit:** or **Units:** a unit or units in the Trust (including larger denomination units);

**Unitholder:** a holder of registered Units;

**UCITS:** an Undertaking for Collective Investment in Transferable Securities. This will include a UK UCITS or an EEA UCITS, as defined in the FCA Glossary;

**UCITS Directive:** the European Parliament and Council Directive of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (No 2009/65/EC) as it forms part of the law of England, Wales, Scotland and Northern Ireland by virtue of section 3 of the EUWA, and any statutory instruments that the UK government makes to amend deficiencies in retained European Union law by virtue of section 8 of the EUWA (as may be amended from time to time) (including, without limitation, the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019 SI 2019/325 incorporating European directives or other European legislation relating to undertakings for collective investment in transferable securities into UK domestic law following the UK’s withdrawal from the European Union);

**UK:** the United Kingdom of Great Britain and Northern Ireland;

**UK UCITS:** as defined in the FCA Glossary;

**U.S. Person:** means any citizen or resident of the United States of America, its territories and possessions including the State and District of Columbia and all areas subject to its jurisdiction (including the Commonwealth of Puerto Rico), any corporation, trust, partnership or other entity created or organised in or under the laws of the United States of America, any state thereof or any estate or trust the income of which is subject to United States federal income

tax, regardless of source. The expression also includes any person falling within the definition of the term “U.S. Person” under Regulation S promulgated under the United States Securities Act of 1933;

**Valuation Point:** the valuation point for the Trust as set out in Appendix A of this Prospectus;

**VAT:** value added tax; and

**VNAV MMF:** variable net asset value money market fund meaning a money market fund that complies with the specific requirements laid down in Articles 29 and 30 and Article 33(1) of the MMFR.

## 2 Details of the Trust

2.1 Legal & General Cash Trust is an authorised unit trust pursuant to section 243(1) of the Financial Services and Markets Act 2000 constituted by the Trust Deed. It is a UK UCITS and an authorised Short-Term VNAV MMF for the purposes of the COLL Sourcebook and the MMFR. The head office of the Trust is at One Coleman Street, London EC2R 5AA, England. The authorisation from the FCA was made effective on 23 July 1990. The Manager is authorised and regulated in the UK by the FCA whose address is 12 Endeavour Square, London E20 1JN.

2.2 The Trust will be invested in accordance with this Prospectus and the provisions of the COLL Sourcebook and the MMFR which are applicable to a UK UCITS which is a Short-Term VNAV MMF. Subject to the terms set out in this Prospectus, holders of Units in the Trust are entitled to receive (or have accumulated) the net income derived from the Trust and to redeem their Units at a price linked to the value of the property of the Trust. Unitholders do not have any proprietary interest in the underlying assets of the Trust. The Unitholders are not liable for the debts of the Trust.

2.3 The operation of the Trust is governed by the COLL Sourcebook, the MMFR, the Trust Deed and this Prospectus.

2.4 The base currency of the Trust is Pounds Sterling.

## 3 Investment objective and policy

3.1 Investment of the assets of the Trust must comply with the COLL Sourcebook, the MMFR and the investment objective and policy of the Trust. Details of the Trust, including its investment objective and policy, are set out in Appendix A.

3.2 A detailed statement of the general investment and borrowing powers in respect of the Trust is set out in Appendix B.

3.3 The eligible markets on which the Trust may invest are set out in Appendix C.

## 4 The Manager

4.1 The manager of the Trust is Legal & General (Unit Trust Managers) Limited, which is a limited company incorporated in England and Wales on 28 April 1971 with registered number 119273. The head office and registered office of the Manager are set out in the Directory. As at the date of this Prospectus, the amount of the Manager’s authorised share capital is £15 million ordinary £1 shares of which £15 million is allotted and fully paid up. The ultimate holding company of the Manager is Legal & General Group Plc. The Manager may delegate its management and administration functions to third parties including Associates subject to the rules in the COLL Sourcebook.

4.2 The Manager is under no obligation to account to the Trustee or the Unitholders for any profit it makes on the issue or reissue of Units or cancellation of Units which it has redeemed. The

fees to which the Manager is entitled in respect of the Trust are included within the Fund Management Fee.

4.3 The Manager also carries out the customer service function for individual investors, the promotion, marketing and sales functions.

4.4 The directors of the Manager are as follows:

A.D. Clare\*  
A. J. C. Craven  
E. Cowhey\*  
H. J. E. Solomon  
L. W. Toms  
A. R. Toutouchi  
M. Jordy\*

\*Independent Non-Executive Director of the Manager.

4.5 On an annual basis the conflicts of interest register for directors within the Legal & General Group are reviewed and updated. This requires all directors to disclose any interests, connected persons and potential related party relationships. The following directors hold external directorships: A.D. Clare, E. Cowhey, M.Jordy and A. R. Toutouchi.

4.6 The Manager also acts as manager of the authorised unit trusts and as authorised corporate director of the open-ended investment companies set out in Appendix F.

4.7 All communications in relation to this Prospectus shall be in English.

## 5 Investment Manager

5.1 The Manager has appointed Legal & General Investment Management Limited to provide investment management and advisory services to the Manager.

5.2 The Investment Manager is a member of the Legal & General group of companies.

5.3 The principal activity of the Investment Manager is the provision of investment management services.

5.4 Legal & General Investment Management Limited is a limited company incorporated in England and Wales on 21 January 1987 with registered number 02091894. The registered office and head office of the Investment Manager is set out in the Directory.

### 5.5 Terms of Appointment

5.5.1 The Investment Manager was appointed pursuant to the Investment Management Agreement.

5.5.2 Subject to appropriate controls imposed by the Manager, all relevant law and regulation, this Prospectus and the Trust Deed, and further instructions given by the Manager, the Investment Manager has discretion to take day to day investment decisions and to deal in investments in relation to the investment management of the Trust, without prior reference to the Manager.

5.5.3 The Manager may delegate its management and administration functions to third parties including Associates subject to the rules in the COLL Sourcebook.

5.5.4 The Investment Management Agreement may be terminated by not less than six month's written notice or immediately in certain circumstances. The Investment Manager is entitled to a fee paid out of the "Fund Management Fee", as explained in Section 15 below.

## 6 The Trustee and Depositary

The Trustee and Depositary is Northern Trust Investor Services Limited, a UK private limited company, incorporated on 29 April 2020 with company number 12578024. Its registered office and principal place of business is at 50 Bank Street, London E14 5NT.

The Depositary is authorised and regulated by the FCA.

The Depositary's ultimate holding company is Northern Trust Corporation, a company which is incorporated in the State of Delaware, United States of America, with its headquarters at 50 South La Salle Street, Chicago, Illinois.

### 6.1 Duties of the Depositary

The Depositary is responsible for the safekeeping of all Scheme Property of the Trust and must ensure that the Trust is managed in accordance with the Trust Deed and the provisions of the COLL Sourcebook relating to the pricing of, and dealing in, Units and relating to the income and the investment and borrowing powers of the Trust. The Depositary is also responsible for monitoring the cash flows of the Trust, and must ensure that certain processes carried out by the Manager are performed in accordance with the FCA Handbook, this Prospectus and the Trust Deed.

### 6.2 Terms of Appointment

6.2.1 The appointment of the Depositary has been made under an agreement (as amended and novated from time to time) between the Manager and the Depositary (the "Depositary Agreement"). The Depositary Agreement is terminable on receipt of six months' written notice given by either party. The Depositary may not retire voluntarily except on the appointment of a new depositary.

6.2.2 The Depositary Agreement contains provisions indemnifying the Depositary and limiting the liability of the Depositary in certain circumstances.

6.2.3 The Depositary is entitled to receive remuneration out of the Scheme Property of the Trust for its services, and such fees are included within the Fund Management Fee as set out in Section 15.3 of this Prospectus.

### 6.3 Delegation of Safekeeping Functions

6.3.1 Subject to the FCA Handbook, the Depositary has full power under the Depositary Agreement to delegate (and authorise its delegate to sub-delegate) any part of its safekeeping duties as Depositary. As a general rule, where the Depositary delegates any of its custody functions to a delegate, the Depositary will remain liable for any losses suffered as a result of an act or omission of the delegate as if such loss has arisen as a result of an act or omission of the Depositary. The use of clearing or settlement systems or order routing systems, does not constitute a delegation by the Depositary of its function.

6.3.2 As at the date of this Prospectus, the Depositary has delegated custody services to The Northern Trust Company, London Branch (the "**Custodian**").

6.3.3 The Custodian has sub-delegated custody services to sub-custodians in certain markets in which the Trust may invest. A list of sub-custodians is given in Appendix G. Investors should note that the list of sub-custodians in the Prospectus is updated only at each Prospectus review. An up to date list of sub-custodians is maintained by the Manager and is available on request.

## 6.4 Updated Information

Up to date information regarding (i) the Depositary's name, (ii) the description of its duties and any conflicts of interest that may arise between the Depositary and the Trust, the Unitholders or the Manager, and (iii) the description of any safekeeping functions delegated by the Depositary, the description of any conflicts of interest that may arise from such delegation, and the list showing the identity of each delegate and sub-delegate, will be made available to Unitholders on request.

## 6.5 Conflicts of interest

### 6.5.1 General

The Depositary may act as the depositary of other investment funds and as trustee or custodian of other collective investment schemes.

It is possible that the Depositary and/or its delegates and sub-delegates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with the Trust and/or other funds managed by the Manager or other funds for which the Depositary acts as the depositary, trustee or custodian.

There may also be conflicts arising between the Depositary and the Trust, the Unitholders or the Manager. In addition, the Depositary also has a regulatory duty when providing its services to act solely in the interests of Unitholders and the Trust. In order to comply with this requirement, the Depositary may in some instances be required to take actions in the interests of Unitholders and the Trust where such action may not be in the interests of the Manager.

### 6.5.2 Affiliates

From time to time conflicts may arise from the appointment by the Depositary of any of its delegates, as applicable.

The Depositary, and any other delegate, is required to manage any such conflict having regard to the FCA Handbook and its duties under the Depositary Agreement.

The Depositary will ensure that any such delegates or sub-delegates who are its affiliates are appointed on terms which are not materially less favourable to the Trust than if the conflict or potential conflict had not existed. The Custodian and any other delegate are required to manage any such conflict having regard to the FCA Handbook and its duties to the Depositary and the Manager.

### 6.5.3 Conflicting commercial interests

The Depositary (and any of its affiliates) may effect, and make a profit from, transactions in which the Depositary (or its affiliates, or another client of the Depositary or its affiliates) has (directly or indirectly) a material interest or a relationship of any description and which involves or may involve a potential conflict with the Depositary's duty to the Trust.

This includes circumstances in which the Depositary or any of its affiliates or connected persons: acts as market maker in the investments of the Trust; provides broking services to the Trust and/or to other funds or companies; acts as financial adviser, banker, derivatives counterparty or otherwise provides services to the issuer of the investments of the Trust; acts in the same transaction as agent for more than one client; has a material interest in the issue of the investments of the Trust; or earns profits from or has a financial or business interest in any of these activities.

#### 6.5.4 **Management of conflicts**

The Depositary has a conflict of interest policy in place to identify, manage and monitor on an on-going basis any actual or potential conflict of interest. The Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks. The system of internal controls, the different reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest and the Depositary issues to be properly identified, managed and monitored.

#### 6.5.5 **GDPR**

Northern Trust's EMEA Data Privacy Notice sets out how the Depositary will process Unitholders' personal information as a data controller where these details are provided to it in connection with Unitholders' investment in the Trust.

Northern Trust's EMEA Data Privacy Notice may be updated from time to time and readers should confirm that they hold the latest version which can be accessed at [www.northerntrust.com/united-kingdom/privacy/emea-privacy-notice](http://www.northerntrust.com/united-kingdom/privacy/emea-privacy-notice).

Any Unitholder who provides the Manager and its agents with personal information about another individual (such as a joint investor), must show Northern Trust's EMEA Data Privacy Notice to those individuals.

### **7 Permitted Fees and Benefits**

- 7.1 In accordance with its obligations under MiFID II, the Investment Manager will not pay to or accept from any party (other than the Manager or a person on behalf of the Manager), any fee or commission or acceptable non-monetary benefit unless minor and which is designed to enhance the quality of the service to the Manager without impairing the ability of the Investment Manager to fulfil its obligations to the Manager and is disclosed to the Manager prior to the provision of the relevant service.
- 7.2 As permitted by the FCA Handbook, the Investment Manager pays for research from its own resources unless the research is capable of being defined as an Acceptable Minor Non-Monetary Benefit as defined in the FCA Handbook in which case it may be received by the Investment Manager without payment.
- 7.3 The Investment Manager does not enter into soft commission arrangements.
- 7.4 In accordance with its obligations under MiFID II, the Investment Manager shall return to the Manager any fees, commissions or other monetary benefits paid or provided by a third party in relation to the investment management services provided by the Investment Manager to the Manager as soon as reasonably possible after receipt, and disclose in the annual report the fees, commissions or any monetary benefits transferred to them.
- 7.5 In particular, where the Investment Manager successfully negotiates the recapture of a portion of the commissions charged by brokers or dealers in connection with the purchase and/or sale of securities, permitted derivative instruments or techniques and instruments for the Manager, the rebated commission shall be paid to the Manager.

### **8 Registrar and Register of Unitholders**

- 8.1 The Manager has delegated to Legal & General (Unit Trust Managers) Limited responsibility for the maintenance of the Register.
- 8.2 The Register is kept at Legal & General Investments, Customer Services Centre, Brunel House, 2 Fitzalan Road, Cardiff CF24 0EB and may be inspected during normal business hours by any Unitholder or any Unitholder's duly authorised agent.

8.3 The Registrar's fee is included within the Fund Management Fee as set out in this Prospectus.

## 9 Valuation and trust accounting agents

The fund valuation and unit trust accounting functions for the Trust are outsourced to Northern Trust Global Services SE. The fees for carrying out these functions are included within the Fund Management Fee.

## 10 Unit Classes

### 10.1 Unit classes

10.1.1 The Trust Deed of the Trust permits Units to be issued in a variety of Classes. Classes of Unit are differentiated by their charging structures, entry and redemption requirements and minimum subsequent investment and holding requirements. The rights represented by Units are those of a beneficial interest under a trust.

10.1.2 The Trust can issue income and accumulation Units, although not necessarily both income and accumulation Units are currently in issue. Details of the Classes of Unit currently available in respect of the Trust, including details of their eligibility criteria for investment, subscription and redemption requirements and minimum subsequent investment and holding requirements and charging structure, are set out in Appendix A.

10.1.3 Holders of income Units are entitled to be paid the distributable income attributed to such Units on any relevant interim and annual allocation dates.

10.1.4 Holders of accumulation Units do not receive payments of income. Any income arising in respect of an accumulation Unit is automatically accumulated and is reflected in the price of each accumulation Unit. Tax vouchers will be issued in respect of income accumulated and tax accounted for.

10.1.5 Where the Trust has different Classes, each Class may attract different charges and so monies may be deducted from the Scheme Property attributable to such Classes in unequal proportions. In these circumstances, the proportionate interests of the Classes will be adjusted accordingly.

10.1.6 A Unit holding may include a fraction of a Unit.

10.1.7 The Trust may issue different Classes of Units. Classes of Units are distinguished by their criteria for subscription and fee structure - see Appendix A.

10.1.8 The Manager reserves the right to reduce or waive the minimum investment holding and the minimum investment top up amounts detailed in Appendix A.

10.1.9 Further Classes of Unit may be established from time to time by the Manager with the agreement of the Trustee and in accordance with the Trust Deed, the MMFR and the COLL Sourcebook. On the introduction of any new Class, either a revised prospectus or a supplemental prospectus will be prepared, setting out the details of each Class.

10.1.10 The currency in which each new Class of Units will be denominated will be determined at the date of creation and set out in the Prospectus issued in respect of the new Class of Units.

10.1.11 Units do not carry preferential or pre-emptive rights to acquire further Units.

## 10.2 **Benchmarks**

10.2.1 Unless otherwise disclosed in this Prospectus, the indices or benchmarks utilised by the Trust are, as at the date of this Prospectus, provided by an administrator that is listed on the register of benchmarks and administrators maintained by the FCA, as required by the Benchmark Regulation.

10.2.2 The Manager has adopted a written plan setting out actions, which it will take with respect to the Trust in the event that any relevant index materially changes or ceases to be provided (the “**Contingency Plan**”), as required by article 28(2) of the Benchmark Regulation. Unitholders may access the Contingency Plan, free of charge, upon request, from the Manager.

## 10.3 **Beneficial Ownership**

The nature of the right of the Unitholders represented by the Units is that of a beneficial interest under a trust.

## 10.4 **Voting rights**

Voting rights attached to each Class of Units are as described in Section 18.1.

## 10.5 **Compulsory redemption**

Units may be compulsorily redeemed in the circumstances described in Section 10.5.

## 11 **Purchase, Redemption and Switching of Units**

### 11.1 **General**

11.1.1 Requests for the purchase, redemption and switching of Units are normally dealt with by the issue or cancellation of Units by the Trustee on the instructions of the Manager. However, in certain circumstances the Manager may, in accordance with the COLL Sourcebook, deal with such requests by selling Units to, and/or repurchasing them from, the applicant, as appropriate. The Manager is entitled to hold Units for its own account and to satisfy requests for the sale of Units from its own holding; it is required by the COLL Sourcebook to procure the issue or cancellation of Units by the Trust where necessary to meet any obligation to sell or redeem Units.

11.1.2 If on receiving instructions from the Manager to issue or cancel Units, the Trustee is of the opinion that it is not in the interests of the Unitholders that the Units should be issued or cancelled either at all or in the number instructed by the Manager the Trustee must give notice to the Manager that it refuses to issue, or as the case may be cancel, all, or a specified number of the Units.

11.1.3 The Manager may not sell a unit at a higher price, or redeem a Unit at a lower price than the price notified to the Trustee in respect of the Valuation Point concerned.

11.1.4 The Manager is under no obligation to account to the Trust or to Unitholders for any profit it makes on the issue of Units or on the reissue or cancellation of Units which it has redeemed and will not do so.

### 11.2 **Purchase**

#### 11.2.1 **Applications**

Dealings are at forward prices i.e. at a price calculated by reference to the next Valuation Point following receipt of an application. Units to satisfy an application

received before the Valuation Point (see Section 12.2 for details of the Valuation Point) on a dealing day will be sold at a price based on that day's Valuation Point and Units to satisfy an application received after that time, or on a day which is not a dealing day, will be sold at a price calculated at the Valuation Point on the next dealing day. Each Business Day will constitute a dealing day.

- 11.2.2 Units can be bought by:
- 11.2.2.1 writing to Legal & General Investments at PO Box 6080, Wolverhampton, WV1 9RB;
  - 11.2.2.2 via the Legal & General website <https://www.legalandgeneral.com/investments/funds/prices-and-reports/> for R Class Units);
  - 11.2.2.3 by telephone application to the unit trust dealers on 0370 050 0955 between 8.30 a.m. and 6.00 p.m. (an earlier closure may occasionally apply) on Business Days; or
  - 11.2.2.4 or by placing a valid dealing instruction via an electronic trading system that is supported by Legal & General Unit Trust Managers.
- 11.2.3 The Manager has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for Units in whole or in part, and in this event the Manager will return any money sent, or the balance of such monies, at the risk of the applicant. In that event application moneys or any balance will be returned to the applicant by post at his or her risk.
- 11.2.4 The Trust and the Manager are subject to the Money Laundering Regulations 2007 (the "**Money Laundering Regulations**") and the Manager may in its absolute discretion require verification of identity from any person applying for Units (the "**Applicant**") including, without limitation, any Applicant who:
- 11.2.4.1 tenders payment by way of cheque or banker's draft on an account in the name of a person or persons other than the Applicant; or
  - 11.2.4.2 appears to the Manager to be acting on behalf of some other person.
- 11.2.5 In the former case verification of the identity of the provider of funds may be required in addition to the Applicant. In the latter case, verification of the identity of any person on whose behalf the Applicant appears to be acting may be required.
- 11.2.6 In order to establish the identity of new Applicants and existing Unitholders for the above purposes, the Manager may, in addition to requesting proof of identity from Applicants, Unitholders and connected third parties, use reference agencies to search sources of information relating to a Unitholder, Applicant or connected third parties (an identity search). This will not affect the individuals' credit rating.
- 11.2.7 Applications will not be acknowledged but a contract note will be sent to the Applicant (or the first named Applicant in the case of joint applications) on or before the Business Day next following the relevant dealing day. Where the total price payable for all Units for which the application is made would include a fraction of one penny it will be rounded up or down to the nearest penny.

- 11.2.8 Payment is due immediately on receipt of the contract note. Registration will take place after receipt of payment provided that:
- 11.2.8.1 the Applicant has supplied all such information about the proposed holder as will enable the Registrar to register the holding;
  - 11.2.8.2 the Manager has received the purchase price or other consideration for the issue of Units; and
  - 11.2.8.3 any period during which the purchaser has a right, under rules made under the rules of the FCA Handbook, to cancel the agreement to purchase Units has expired.
- 11.2.9 If an Applicant defaults in making any payment in money, or by way of a transfer of property, due to the Manager in respect of the sale or issue of Units, the Trustee is entitled to make any necessary amendment to the Register and the Manager will become entitled to the Units in place of the Applicant, subject, in the case of an issue of Units, to the Manager's payment of the purchase price to the Trustee. The Manager reserves the right to cancel investments for which settlement is not received, or fails to clear, and to recover from an Applicant, the amount of any decrease in value of the investment if this occurs.
- 11.2.10 There is a corporate criminal offence in force in the UK which is broad in scope and targets the failure by a 'relevant body' to prevent a person acting on its behalf from facilitating tax evasion (whether by an individual or legal entity). If it can be demonstrated that reasonable prevention procedures were in place which were designed to prevent such facilitation occurring, the relevant body will not be guilty of a criminal offence. The Manager reserves the right to adopt such practices and procedures as it deems at any point necessary to avoid committing an offence under the legislation.
- 11.2.11 **In specie application**
- 11.2.11.1 The Manager may, at its discretion, arrange for the issue of Units in exchange for assets other than cash, but will only do so where the Trustee has taken reasonable care to determine that the Trust's acquisition of those assets in exchange for the Units concerned is not likely to result in any material prejudice to the interests of holders or potential holders of Units in the Trust. The Manager has in place an internal policy for accepting subscriptions in specie (such policy is available upon request from the Manager). Where the Manager considers the deal to be substantial in relation to the total size of the Trust, it may require the investor to contribute in specie.
  - 11.2.11.2 The Manager will ensure that the beneficial interest in the assets is transferred to the Trust with effect from the issue of the Units.
  - 11.2.11.3 The Manager will not issue Units in the Trust in exchange for assets the holding of which would be inconsistent with the investment objective or policy of the Trust.
- 11.2.12 **Minimum initial purchase and subsequent investments**
- The minimum value of Units which may be the subject of any one initial transaction or purchase of Units in a particular Class of the Trust is detailed in Appendix A as is the minimum of each subsequent investment. The Manager may at its sole discretion accept subscriptions lower than the minimum amount set out in Appendix A.

### 11.2.13 **Minimum holding**

11.2.13.1 In respect of Units in each Class of the Trust, the minimum value of Units which any one person may hold is detailed in Appendix A. These minimum values of Units may be waived from time to time in the discretion of the Manager.

11.2.13.2 If following a redemption, cancellation, switch or transfer, a Unitholder's holding in any Class falls below the minimum holding for that Class, the Manager has discretion to effect either a redemption of that Unitholder's entire holding in that Class or switch the Unitholder's entire holding into another Class with a lower minimum holding (if available). The Manager may use this discretion at any time. Failure to do so immediately after such redemption, cancellation, switch or transfer will not constitute a waiver of this right.

11.2.13.3 The value of Units for this purpose is calculated by reference to their current price. The minimum holding requirements will not be treated as being breached if the value of Units held falls below the relevant minimum solely as a result of a fall in the Unit price.

## 11.3 **Redemption**

### 11.3.1 **Application**

11.3.1.1 Units in the Trust may be redeemed on any dealing day. Dealings are at forward prices as explained under "Purchase" above. Units to be redeemed pursuant to a redemption request received before the Valuation Point of the Trust on a dealing day will be redeemed at a price based on that day's Valuation Point and Units to be redeemed pursuant to a redemption request received after that time, or on a day which is not a dealing day, at a price calculated at the Valuation Point on the next dealing day. Each Business Day will constitute a dealing day.

11.3.1.2 In relation to deferred redemptions, if requested redemptions at a Valuation Point exceed 10% of the Trust's value, in order to protect the interests of continuing Unitholders the redemptions may be deferred to the next Valuation Point in accordance with procedures that ensure the consistent treatment of Unitholders who have sought to redeem at that Valuation Point. The procedures are that to the extent redemption requests are deferred, deferral will be pro-rata based on the value of Units being redeemed (provided that the Manager may determine in its discretion a value threshold below which all redemptions will be effected, and above which the foregoing pro-rata deferral shall apply) and that all deals relating to an earlier Valuation Point are completed before those relating to a later Valuation Point.

11.3.1.3 Requests to redeem Units may be made by application in writing to the Manager, or by telephone application to the unit trust dealers on 0370 050 0955 between 8.30 a.m. and 6.00 p.m. (an earlier closure may occasionally apply) on business days or by placing a valid dealing instruction via an electronic trading system that is supported by the Manager. Redemption instructions are irrevocable. The Manager may refuse a redemption instruction if it has reasonable grounds to do so.

11.3.1.4 A redemption contract note will be sent on or before the Business Day next following the relevant dealing day, together with a form of renunciation for completion and execution by the Unitholder or Unitholders. Where the total consideration for the transaction would include a fraction of one penny it will be rounded up or down to the nearest penny. The redemption proceeds will be paid not later than the close of business on the fourth Business Day after the later of the following times:

- (i) the Valuation Point immediately following the receipt by the Registrar of the request to redeem the Units; and
- (ii) the time when the Registrar (or the Manager, as the case may be) has received the form of renunciation (or other sufficient written instructions) duly signed by the relevant Unitholder or Unitholders together with such evidence as the Manager may lawfully require as proof of the identity of the Unitholder and all other duly executed instruments and authorisations as effect (or enable the Registrar to effect) transfer of title to the Units.

11.3.1.5 But neither the Trustee, the Manager nor the Registrar is required to make payment in respect of a redemption of Units where the money due on the earlier issue of those Units has not yet been received or where the Registrar considers it necessary to carry out or complete identification procedures in relation to the holder or another person pursuant to a statutory, regulatory or European Community obligation (such as the Money Laundering Regulations).

## 11.3.2 **Liquidity Management**

The Manager has a liquidity management policy and maintains tools and methods of monitoring the liquidity of the Trust, so that the Manager can attempt to ensure that the Manager can carry out investment requests. The liquidity risk management policies and procedures include the management, implementation and maintaining of appropriate liquidity limits for the Trust. In normal circumstances, dealing requests will be processed as set out above. In exceptional circumstances, other procedures, such as suspending dealings in the Trust, borrowing cash, deferring the redemption of Units, or applying in-specie redemptions may be used.

## 11.3.3 **In specie redemption**

11.3.3.1 If a Unitholder requests the redemption of Units, the Manager may at its discretion, where it considers the deal to be substantial in relation to the total size of the Trust or in some way advantageous or detrimental to the Trust, arrange, having given prior notice in writing to the Unitholder, that in place of payment for the Units in cash, the Trust transfers property or, if required by the Unitholder, the net proceeds of sale of the relevant property, to the Unitholder. Before the redemption proceeds of the Units become payable, the Manager must give written notice to the Unitholder that the relevant property or the proceeds of sale of the relevant property will be transferred to that Unitholder so that the Unitholder can acquire the net proceeds of redemption rather than the relevant property if he so desires.

11.3.3.2 For this purpose, the Manager may consider a deal to be substantial if the relevant Units constitute 5% (or a lesser or higher percentage if considered appropriate) of those in issue in the Trust.

11.3.3.3 The Manager will select the property to be transferred in consultation with the Trustee but will only do so where the Trustee has taken reasonable care to ensure the property concerned is not likely to result in any material prejudice to the interests of Unitholders.

#### 11.3.4 **Minimum redemption**

Unless the Manager in its discretion allows otherwise, a redemption request may not be made in respect of some of the Unitholder's Units of the Trust if:

11.3.4.1 it would result in a holding in a Class of less than the minimum holding in relation to that Class (see Appendix A); or

11.3.4.2 it relates to Units of the Trust having a value (calculated by reference to their current price) of less than the minimum withdrawal amount detailed in Appendix A.

### 11.4 **Client Money Accounts**

11.4.1 We bank all Payments into a Client Money Account no later than the business day after they are received.

11.4.2 A Client Money Account is a current or deposit account at a bank that is in our name. Its title will also include an appropriate description to indicate that it holds only clients' money in accordance with our regulatory responsibilities. Each Client Money Account is used to hold the money of one or more clients.

11.4.3 This Client Money Account will be held with The Royal Bank of Scotland plc or such other bank or authorised institution as we may nominate from time to time.

11.4.4 Your money will be held in the Client Money Account until fund settlement date with the Trustees.

11.4.5 It will also be held in a Client Money Account when you are taking money out. The sale proceeds of your withdrawal instruction will be transferred to a Client Money Account when we have received these from the Trustee. This will be done within four business days from the Valuation Point at which your Units are sold. From that date it is your money and is held and protected in the Client Money Account, it cannot be used by us for any other purpose. The money will be retained in the Client Money Account until we are able to release the payment to you. You are not entitled to any interest on the money held in a Client Money Account. Withdrawal payments will be paid in Sterling from a Client Money Account.

11.4.6 Where we haven't been provided with sufficient payment details, we will make reasonable efforts to contact you or your personal representative, as appropriate, and confirm them before any payment is made. Whilst we are waiting for any such query to be resolved, the money will be held in a Client Money Account and no interest will be paid. We may delay payment of the withdrawal proceeds if we reasonably believe that we should delay payment for your, or your personal representative's protection (such as to prevent fraud) or as required by law.

- 11.4.7 You will not be entitled to any interest earned on your Payments held in a Client Money Account unless we tell you otherwise.
- 11.4.8 We hold any money in a Client Money Account separate from our own money.
- 11.4.9 If we become insolvent, all the money held in a Client Money Account will be paid to clients in accordance with the rules of the FCA Handbook. If there is a shortfall in the money held in the Client Money Account, you will suffer in any shortfall in the same proportion to your share of the money held in the Client Money Account. You may be entitled to compensation under the Financial Services Compensation Scheme.

## 11.5 Switching

- 11.5.1 If applicable, a holder of Units may at any time switch all or some of his or her Units ("**Old Units**") for units in any other Legal & General scheme ("**New Units**"). The number of New Units issued will be determined by reference to the respective prices of New Units and Old Units at the Valuation Point applicable at the time the Old Units are repurchased and the New Units are issued.
- 11.5.2 Unitholders may be required to provide written instructions to the Manager (which, in the case of joint Unitholders must be signed by all the joint Unitholders) before a switch is effected. Switching may be effected in the same way as redemptions (as set out in 11.3 above). A switch to be made pursuant to a request received before the Valuation Point, on a day which is a dealing day, will be effected at prices based on that day's Valuation Point. Where a request is received after that time, or on a day which is not a dealing day, the switch will be effected at a price calculated on the Valuation Point on the next such dealing day.
- 11.5.3 A contract note giving details of the switch will be sent on or before the Business Day next following the relevant dealing day.
- 11.5.4 A switching Unitholder must be eligible to hold the Units into which the switch is to be made.
- 11.5.5 If the switch would result in the Unitholder holding a number of Old Units or New Units of a value which is less than the minimum holding, the Manager may, if it thinks fit, convert the whole of the applicant's holding of Old Units to New Units or refuse to effect any switch of the Old Units. No switch will be made during any period when the right of Unitholders to require the redemption of their Units is suspended. The general provisions on selling Units shall apply equally to a switch.
- 11.5.6 The Manager may adjust the number of New Units to be issued to reflect the imposition of any switching charge together with any other charges or levies in respect of the issue or sale of the New Units or repurchase or cancellation of the Old Units as may be permitted pursuant to the COLL Sourcebook and the MMFR.
- 11.5.7 Please note that, under current tax law, a switch of Units in the Trust for units in any other Legal & General scheme is treated as a redemption and sale and will, for persons subject to UK taxation, be a realisation for the purposes of UK taxation on chargeable gains, although a switch of Units in one Class of Units in the Trust for Units in another Class in the Trust will not normally be deemed to be a realisation for the purposes of UK taxation on chargeable gains in the UK.
- 11.5.8 A Unitholder who switches Units for units in any other Legal & General scheme will not be given a right by law to withdraw from or cancel the transaction.

## 11.6 Unit Class Conversions

- 11.6.1 If applicable, a holder of Units in a Class ("**Old Class Units**") may exchange all or some of his or her Units for Units of a different Class ("**New Unit Class**"). An exchange of Old Class Units for New Class Units will be processed as a conversion ("**Unit Class Conversion**"). Unlike a switch, a conversion of Old Class Units into New Class Units will not involve a redemption and issue of shares. This transaction will not be included in the calculations for SDRT (as set out in Section 12.7 below), and for the purposes of income equalisation the New Class Units will receive the same treatment as the Old Class Units.
- 11.6.2 The number of New Class Units issued will be determined by a conversion factor calculated by reference to the respective prices of New Units and Old Units at the Valuation Point applicable at the time the Old Class Units are converted to New Class Units.
- 11.6.3 Conversions may be effected in the same way as redemptions (as set out in Section 11.3 above). A conversion to be made pursuant to a request received before the Valuation Point, on a day which is a dealing day, will be effected at prices based on that day's Valuation Point. Where a request is received after that time, or on a day which is not a dealing day, the conversion will be effected at a price calculated on the valuations point on the next such dealing day.
- 11.6.4 A contract note giving details of the conversion will be sent on or before the Business Day next following the relevant dealing day.
- 11.6.5 A converting Unitholder must be eligible to hold the Units into which the conversion is to be made.
- 11.6.6 If the conversion would result in the Unitholder holding a number of Old Class Units or New Class Units of a value which is less than the minimum holding in the Class concerned, the Manager may, if it thinks fit, convert the whole of the applicant's holding of Old Class Units to New Class Units or refuse to effect any conversion of the Old Units.
- 11.6.7 Please note that, under current tax law, a conversion of Units between different Classes will not be deemed to be a realisation for the purposes of capital gains taxation.
- 11.6.8 A Unitholder who converts their Units in one Class to Units in a different Class will not be given a right by law to withdraw from or cancel the transaction.

## 11.7 Suspension of dealings

- 11.7.1 The Manager may with the prior agreement of the Trustee, and without delay if the Trustee so requires, at any time temporarily suspend the sale, redemption and switch of Units in the Trust for as long a period as is necessary if it, or the Trustee in the case of any requirement by the Trustee, is of the opinion that due to exceptional circumstances it is in the interests of Unitholders of the Trust.
- 11.7.2 The Manager must immediately inform the FCA of any suspension, stating the reason for its action, and ensure that notice of the suspension is given in writing to Unitholders as soon as practicable after the suspension commences. This notification will provide details of the exceptional circumstance which resulted in the suspension and inform Unitholders where further details of the suspension (including, if known, its likely duration) will be published.
- 11.7.3 During a suspension, while it will not generally be possible to deal in Units, the Manager may agree to accept instructions to deal in Units in which case all instructions to deal which are accepted will be undertaken at the first Valuation

Point following the end of the suspension. During the suspension, the Manager will comply with as many of its obligations in relation to valuation and pricing of the Units as is practicable.

- 11.7.4 The Manager and the Trustee must formally review the suspension at least every 28 days and inform the FCA of the result of this review with a view to ending the suspension as soon as practicable after the exceptional circumstances have ceased.
- 11.7.5 The Manager and the Trustee must ensure that the suspension is only allowed to continue for as long as it is justified having regard to the interests of Unitholders.

## 11.8 **Mandatory redemption or transfer of Units**

- 11.8.1 If the Manager reasonably believes that any Units are owned directly or beneficially in circumstances which:
  - 11.8.1.1 constitute a breach of the law or governmental regulation or rule (or any interpretation of a law or regulation by a competent authority) of any country or territory;
  - 11.8.1.2 may (or may if other Units are acquired or held in like circumstances) result in the Trust incurring any liability to taxation or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory); or
  - 11.8.1.3 may result in Units of a particular Class being acquired or held by any person not falling within the categories of persons (if any) who are permitted to hold Units of such Class,
  - 11.8.1.4 it may give notice to the holder of such Units requiring him or her to transfer them to a person who is qualified or entitled to own them, or to request in writing the redemption of the Units by the Trust and will, in the case of (a), give notice in writing requesting the redemption of the Units. If in the case of (b) or (c) the holder does not either transfer the Units to a qualified person or establish to the Manager's satisfaction that he or she and any person on whose behalf he or she holds the Units are qualified and entitled to hold and own them, he or she will be deemed on the expiry of a 30-day period to have requested their redemption.
- 11.8.2 The Manager is also able to effect a compulsory redemption or switch of Units where a unitholding falls below the specified minimum holding (as set out in Section 11.2.13) and a compulsory redemption of Units to meet certain withholding tax requirements (as set out in Section 16.2.6).

## 11.9 **Market Timing**

- 11.9.1 The Manager has a policy to prevent investments in the Trust which are associated with market timing activities as these may affect the overall interests of Unitholders. The repeated or frequent purchasing and selling of Units in response to short-term market fluctuations is known as "market timing".
- 11.9.2 The Manager also has a policy to prevent late trading. "Late trading" involves the acceptance of a dealing order received after the Valuation Point of the Trust for that Dealing Day. The Manager's policy is that orders will not be dealt with at the

Valuation Point established on that Dealing Day where they have been received by the Manager after that Valuation Point. Late trading does not include a situation where the Manager is satisfied that orders which are received after the Valuation Point have been made by applicants before then, or instance due to technical reasons the transmission of an order has been delayed.

11.9.3 As part of its policy, the Manager may refuse to accept an application to subscribe or redeem Units from persons that they reasonably believe are engaged in market timing or late trading.

#### 11.10 **The Manager dealing as principal**

Where the Manager deals as principal in the Units any profits or losses arising from such transactions shall accrue to the Manager and not the Trust. The Manager does not retain box profits from normal day to day transactions.

#### 11.11 **Publication of prices**

The prices of each Class of Units in the Trust will be published daily on the internet at <https://www.legalandgeneral.com/investments/funds/prices-and-reports/> (R Class only) and [www.landginvestments.com](http://www.landginvestments.com). Prices are also available by telephoning 0370 050 0955. The Manager issues and redeems Units in respect of the Trust on a forward pricing basis, not on the basis of the published prices.

### 12 **Valuations**

#### 12.1 **General**

Each Unit in the Trust represents the overall property of the Trust: so for any purpose a valuation of Units of any given Class in the Trust is achieved by valuing the property in the Trust attributable to that Class, less expenses and charges, and dividing that value by the number of Units of the relevant Class in existence.

#### 12.2 **Valuations**

12.2.1 Regular valuations are made in respect of the Trust on each Business Day as at 12.00 noon (UK time), which is the Valuation Point for the Trust.

12.2.2 The calculation of prices of Units commences at or about the Valuation Point on each dealing day. The Manager may carry out additional valuations in accordance with the COLL Sourcebook and the MMFR if it considers it desirable to do so. Valuations will not be made during a period of suspension of dealings (as set out in Section 11.7). The Manager is required to notify Unit prices to the Trustee on completion of a valuation.

12.2.3 The property of the Trust is valued on the basis set out in Appendix D in accordance with the Trust Deed and the MMFR.

#### 12.3 **Fair Value Pricing**

The Manager may apply a fair value price determined in accordance with the COLL Sourcebook if it has reasonable grounds for believing that no reliable price exists for a security at a Valuation Point or the most recent price available does not reflect the Manager's best estimate of the value at the Valuation Point.

#### 12.4 **Allocation of assets and liabilities**

The Trust has credited to it the proceeds of all sales of Units, together with the assets in which such proceeds are invested or reinvested and all income, earnings, profits or assets deriving from such investments. All liabilities and expenses attributable to the Trust are charged to it.

## 12.5 Prices of Units

12.5.1 The Trust deals on a forward price basis, that is at the price for each Class in the Trust at the next Valuation Point following receipt of a request to purchase or redeem Units.

12.5.2 Any initial charge or redemption charge, (or SDRT on a specific deal, if applicable) is payable in addition to the price or deducted from the proceeds and is taken from the gross subscription or redemption monies.

## 12.6 Single Swing pricing

Units in the Trust will be issued and redeemed at a single price on each Dealing Day. The price of the Units is calculated by taking the value of the Trust attributable to the relevant Class at the next Valuation Point of the Trust; and dividing the result by the number of Units of the relevant Class in the Trust in issue immediately before the Valuation Point concerned. The Trust operates Single Swing pricing where the price per Unit may be adjusted on each Dealing Day by way of a Dilution Adjustment.

### 12.6.1 Dilution Adjustment

12.6.1.1 The Net Asset Value of the Trust is determined from the value midway between the buying and selling prices of the Trust's underlying assets. The actual cost of buying or selling the Trust's underlying assets may be higher or lower than the mid-market value used in calculating the Unit price. This may be, for example, due to dealing charges or dealing at prices other than the mid-market price. There may be a Dilution or reduction in the value of the property of the Trust as a result of the costs of dealing in the underlying investments and of any spread between the buying and selling prices of those investments. In certain circumstances (such as a large number of deals), Dilution may have a material adverse effect on the continuing Unitholders' interest in the Trust; however it is difficult to predict accurately whether Dilution will occur at any point in time.

12.6.1.2 The Manager reserves the right to impose a Dilution Adjustment in the circumstances below. If imposed, the Dilution Adjustment will protect the financial interests of existing and continuing Unitholders. A Dilution Adjustment may be imposed on a purchase or redemption of Units in the following circumstances:

- (i) if on any day, the Trust experiences levels of net subscriptions which are deemed by the Manager to be significant for the Trust, the Manager will adjust the price of Units in the Trust upwards by the Swing Factor;
- (ii) where the Trust is experiencing large levels of net redemptions relative to its size, the price of Units in the Trust will be adjusted downwards by the Swing Factor;
- (iii) where the potential cost of the Trust justifies the application of an adjustment, for example where a large inflow is experienced, relative to the Trust's size; or
- (iv) in any other circumstances where the Manager believes that an adjustment is in the best interests of Unitholders.

- 12.6.1.3 If the Trust is not experiencing a significant level of net flows as assessed by the Manager (in either direction) then the Trust will price at a mid-price.
  - 12.6.1.4 It is not possible to accurately predict whether a Dilution Adjustment will occur at any point in any time or how frequently the Manager will need to impose such an adjustment. The Manager will aggregate all Unitholder deals for the Trust on a daily basis. The Manager will consider the net position for the Trust when deciding whether a Dilution Adjustment is to be applied.
  - 12.6.1.5 The Manager will assess the appropriate Swing Factor for the Trust on a periodic basis. The historic Swing Factor for the Trust is set out at Appendix I as a guide, although these may be adjusted up or down from time to time as decided by the Manager. It is anticipated that the application of a Dilution Adjustment will not be necessary in normal market conditions based on future projections of the Swing Factor.
- 12.6.2 **General**
- 12.6.2.1 The Manager's pricing policy is subject to periodic review to ensure that it is applied consistently and fairly.
  - 12.6.2.2 The Manager will, upon completion of each valuation, notify the Trustee of price of Units of each Class.
  - 12.6.2.3 A request for dealing in Units must be received by the Valuation Point on a particular Dealing Day in order to be processed on that Dealing Day. A dealing request received after this time will be held over and processed on the next Dealing Day, using the value per Unit calculated as at the Valuation Point on that next Dealing Day.
- 12.7 **Stamp Duty Reserve Tax (SDRT)**
- 12.7.1 Subscriptions and redemptions of Units are exempt from SDRT.
  - 12.7.2 Sales of Units by one Unitholder to another may trigger SDRT at 0.5 per cent payable by the purchaser. If a Unitholder redeems Units in specie, that is in return for an appropriate value of assets out of the Trust, there will be no SDRT on UK equities provided the Unitholder receives a proportionate part of each holding. Otherwise the Unitholder will be liable to SDRT at 0.5% on the value of any UK equities transferred.
- 13 **Transfer of Units**
- 13.1.1 A Unitholder is entitled (subject as mentioned below) to transfer Units by an instrument of transfer in any usual or common form or in any other form approved by the Manager. A Unitholder may not effect a transfer of Units on the authority of an electronic communication. The Manager is not obliged to accept a transfer if it would result in the holder, or the transferee, holding less than the minimum holding of Units of the Class in question. The instrument of transfer, duly stamped if it is required to be stamped, must be lodged with the Registrar for registration. The transferor remains the holder until the name of the transferee has been entered in the Register.
  - 13.1.2 The Manager or the Registrar may require the payment of such reasonable fee as the Manager and the Trustee may agree for the registration of any grant of

probate, letters of administration or any other documents relating to or affecting the title to any Unit.

## 14 **Distributions and Accumulation**

- 14.1 The annual accounting period for the Trust ends on 5 February (the “accounting reference date”) or another day chosen by the Manager, if the Manager notifies the Trustee, being within seven days of that date. The half-yearly accounting period ends on the day six months before the accounting reference date (that is, 5 August) or another day chosen by the Manager and notified to the Trustee, being within seven days of that date.
- 14.2 The amount of income to be accumulated by the Trust is calculated on the last day of each accounting period. In the case of accumulation Units, income is transferred to the capital account of the Trust on 5 January, 5 July, 5 October and 5 April.
- 14.3 Tax certificates and current valuations will be sent to Unitholders in the Trust at least once in each accounting year. A direct credit or warrant for the amount of any net distribution will, where applicable, be sent to the bank account or the registered address and made payable to the order of the Unitholder (or, in the case of joint holders, made payable to all and sent to the registered address of the first named holder on the Register).
- 14.4 The Manager and the Trustee may not distribute income to the extent that they agree that the amount available for distribution is de minimis. In such circumstances, any amount not distributed will be held until the next distribution date.
- 14.5 The Trust is entitled to reclaim any distribution which has been unclaimed for a period of six years from the date payment was due, and such reclaimed distribution shall become part of the capital of the Trust for the benefit of all Unitholders.

### 14.6 **Determination of distributable income**

The income available for distribution or accumulation in relation to the Trust is determined in accordance with the COLL Sourcebook. Broadly it comprises all sums deemed by the Trust, after consultation with the Auditor, to be in the nature of income received or receivable for the account of the Trust in respect of the accounting period concerned, after deducting net charges and expenses paid or payable out of such income in respect of the period and adding the Manager’s best estimate of any relief from tax on such charges and expenses and making such adjustments as the Manager considers appropriate, after consulting the Auditor in accordance with the COLL Sourcebook, in relation to taxation and other matters. For the Trust, ordinary stock dividends are treated as income for tax purposes however they do not form part of the distribution to Unitholders. This may have the effect of constraining income generation as the Trust may treat the generation of capital as a higher priority.

### 14.7 **Income equalisation**

- 14.7.1 The price of a Unit of a particular Class in the Trust is based on the value of that Class’ entitlement including the income of the Trust since the previous distribution or, in the case of accumulation Units, deemed distribution. In the case of the first distribution received or accumulation made in respect of a Unit, part of the amount, namely the equalisation payment, is a return of capital and is not taxable as income in the hands of the Unitholder.
- 14.7.2 Equalisation applies only to Units purchased during the relevant accounting period. It is calculated as the average amount of income included in the price of all Units of the Trust concerned issued during the period.

## 15 Fees and Expenses

### 15.1 Initial charge

There is no initial charge on this Trust.

### 15.2 Charges on switching

The Manager may impose a charge on switching of Units in each Class. At present, no switching charge is levied.

### 15.3 Fund Management Fee

15.3.1 The Manager is entitled to be paid an annual fee for its services in managing the Trust.

15.3.2 There is currently no charge payable on the redemption of Units in the Trust.

15.3.3 This fee is a fixed rate fee and is inclusive of all of the fees and expenses which are paid by the Manager in relation to the operation and administration of the Trust. The fee will be reimbursed as part of a single charge that is deducted from the Scheme Property, namely the FMF.

15.3.4 The FMF is a fixed rate fee charged by the Manager to the Trust, and which is comprised of the following:

15.3.4.1 the fees, expenses and disbursements payable to each of the service providers (including the Manager, the Investment Manager, the Registrar and the Auditor) and legal or other professional advisers; the fees, expenses and disbursements payable to the Trustee including custody and transaction charges and

15.3.4.2 those expenses properly incurred in the performance of, or arranging the performance of, functions conferred on the Trustee by the Trust Deed, the COLL Sourcebook or by the general law;

All of the costs, fees and expenses payable in relation to the operation and management of the Trust which may be taken under the COLL Sourcebook, excluding those set out in Section 15.6 below.

The Investment Manager will bear the costs of the provision of investment research by third parties out of the fee it receives from the Manager for its discretionary investment management and investment advisory services.

15.3.4.3 the permitted costs, charges, fees and expenses are:

(i) any costs incurred in modifying the deed, including costs incurred in respect of meetings of Unitholders convened for purposes which include the purpose of modifying the deed, where the modification is necessary or expedient by reason of changes in the law or to remove obsolete provisions;

(ii) any costs incurred in respect of meetings of Unitholders convened on a requisition by Unitholders not including the Manager or an Associate;

- (iii) unanticipated liabilities arising after the transfer of the property of a body corporate or of another collective investment scheme to a scheme which is in consideration of the issue of units in the scheme and which could be properly have been paid out of the transferred property; and
- (iv) the fees of the FCA and the corresponding periodic fees of any regulatory authority in a country or territory outside the UK in which units of the scheme are or may be marketed.

#### 15.4 Calculation and operation of the FMF

15.4.1 The FMF is calculated as a percentage of the Scheme Property and the amount each Unit Class will pay will depend on the costs, fees and expenses attributable to each such Unit Class. The FMF accrues on a daily basis by reference to the value of the Trust on the immediately preceding Dealing Day in accordance with the COLL Sourcebook and is payable to the Manager monthly. The current FMF is as set out in Appendix A.

15.4.2 In deducting the FMF at a fixed rate, the Manager is taking upon itself the risk that the market value of the Trust will fall to the extent that the FMF will not fully recompense it for the charges and expenses that the Manager would otherwise be entitled to charge to the Trust. Conversely, the Manager is not accountable to Unitholders should the aggregate fees generated by the FMF in any period exceed the charges and expenses that the Manager would be entitled to charge under the traditional charging method. The FMF will be allocated to the capital or income account of the Trust as set out in Appendix A.

15.4.3 If the FMF is taken from the income of the Trust and the income received by the Trust is insufficient to meet the FMF, then all or some of the FMF may be taken from the capital of the Trust, which may constrain capital growth.

#### 15.5 Changes to the FMF

15.5.1 Should the underlying fees and expenses that make up the FMF reduce or increase, the Manager may change the FMF where it reasonably considers this to be appropriate. The Manager reserves the right to increase or decrease the FMF.

15.5.2 In the event of any changes to the FMF the Manager will notify Unitholders in writing in accordance with the FCA's requirements under the COLL Sourcebook. For example:

15.5.2.1 before increasing the FMF, the Manager will give Unitholders at least 60-days prior notice in writing; or

15.5.2.2 before introducing a new category of costs, charges, fees or expenses which make up the FMF but which are not currently charged to the Trust, the Manager will seek the approval of an extraordinary resolution of Unitholders at an Extraordinary General Meeting; or

15.5.2.3 when decreasing the FMF, the Manager will give a reasonable period of notice (which may be before or after the decrease in the FMF becomes effective) utilising an appropriate method of communication as specified in the COLL Sourcebook, such as notice on the website and in the next Report and Accounts of the Trust.

## 15.6 Other payments from the Scheme Property

- 15.6.1 In addition to the FMF, and in accordance with the COLL Sourcebook, the following payments will be made out of the Scheme Property:
- 15.6.1.1 costs of dealing in the Scheme Property;
  - 15.6.1.2 taxation and duties and other fiscal charges or costs and expenses incurred in effecting transactions for the Trust (including costs and expenses incurred in acquiring and disposing of assets, including legal fees and expenses, whether or not the acquisition or disposal is carried out);
  - 15.6.1.3 broker's commission (excluding payment for research);
  - 15.6.1.4 in respect only of any new funds launched after 30 October 2021, any costs or expenses incurred in relation to the arbitration, dispute resolution and litigation relating to the defence of the Scheme Property of any such fund; and
  - 15.6.1.5 any value added or similar tax relating to any charge or expense set out above.
- 15.6.2 Currently, such expenses are paid by the Manager from the fee it receives out of the Fund Management Fee.

## 16 Taxation

The following is a general summary of current UK tax law and HMRC practice; changes can occur without warning. It does not describe the taxation treatment of Unitholders who do not hold their interests as an investment, who are subject to special tax regimes or the detailed taxation treatment of persons resident in jurisdictions other than the UK.

**This summary is not, and should not be relied upon by Unitholders as being, tax advice. Unitholders are advised to consult their professional advisers as to their individual tax position and see Section 16.5 below.**

### 16.1 Taxation of the Trust

- 16.1.1 As the Trust is an authorised unit trust to which the Authorised Investment Funds (Tax) Regulations 2006 (the “**AIF Regs**”) apply, the Trust is a separate taxable entity. The Trust is exempt from UK taxation in respect of capital gains realised on the disposal of investments held within it.
- 16.1.2 The Trust, however, is liable to UK corporation tax on most sources of income (other than, inter alia, dividends treated as being exempt under Part 9A of the Corporation Tax Act 2009 (the “**CTA 2009**”) and the portion of dividend distributions from UK authorised unit trusts and UK open-ended investment companies which are not themselves unfranked), net of allowable expenses (and, in relevant cases, interest distributions made by the Trust). The rate of corporation tax is equal to the basic rate of income tax, currently 20%. Dividends treated as being exempt under Part 9A CTA 2009 and the portion of dividend distributions from UK authorised unit trusts and UK open-ended investment companies which are not themselves unfranked will be exempt income of the Trust. Where foreign tax has been deducted from income from overseas sources, some or all of that tax may in some instances be offset against corporation tax payable by the Trust by way of double tax relief.

## 16.2 Reporting of tax information

- 16.2.1 The Trust and the Manager are subject to obligations which require them to provide certain information to relevant tax authorities about the Trust, investors and payments made to them.
- 16.2.2 The International Tax Compliance Regulations 2015 give effect to reporting obligations under the OECD's Common Reporting Standard. The Trust is required to identify accounts maintained for account holders who are tax resident in the EU or jurisdictions with which the UK has entered into an agreement to automatically exchange tax information and collect and report such information to HMRC.
- 16.2.3 The International Tax Compliance Regulations 2015 also give effect to an intergovernmental agreement between the US and the UK in relation to FATCA. FATCA is designed to help the IRS combat US tax evasion. It requires financial institutions, such as the Trust, to report on US investors or US holdings, whether or not this is relevant. Failure to comply (or be deemed compliant) with these requirements will subject the Trust to US withholding taxes on certain US-sourced income and gains.
- 16.2.4 Provided the Trust complies with its obligations under the International Tax Compliance Regulations 2015 to identify and report US taxpayer information directly to HMRC, it should be deemed compliant with FATCA. HMRC will share such information with the IRS.
- 16.2.5 Unitholders may be asked to provide additional information to the Manager to enable the Trust to satisfy these obligations. Failure to provide requested information may subject a Unitholder to liability for any resulting US withholding taxes, US tax information reporting and/or mandatory redemption, transfer or other termination of the Unitholder's interest in the Trust.
- 16.2.6 **Withholding Tax Liability**

To the extent the Trust is subject to withholding tax or penalties as a result of:

- 16.2.6.1 a Unitholder failing (or delaying) to provide relevant information to the Manager;
- 16.2.6.2 a Unitholder failing (or delaying) to enter into a direct agreement with the IRS; or
- 16.2.6.3 the Trust becoming liable under FATCA or any legislation or regulation to account for tax in any jurisdiction in the event that a Unitholder or beneficial owner of a Unit receives a distribution, payment or redemption, in respect of their Units or disposes (or be deemed to have disposed) of part or all of their Units in any way,

(each a "**Chargeable Event**"), the Manager may take any action in relation to a Unitholder's holding to ensure that such withholding is economically borne by the relevant Unitholder and/or the Manager and/or its delegate or agent shall be entitled to deduct from the payment arising on a Chargeable Event an amount equal to the appropriate tax. The action by the Manager may also include, but is not limited to, removal of a non-compliant Unitholder or the Manager or its delegates or agents redeeming or cancelling such number of Units held by the Unitholder or such beneficial owner as are required to meet the amount of tax. Neither the Manager nor its delegate or agent, will be obliged to make any additional payments to the Unitholders in respect of such withholding or deduction.

**Unitholders should consult their own tax advisors regarding the possible implications of these rules on their investments in the Trust.**

**16.2.7 Indemnity**

Each investor agrees to indemnify the Trust and the Manager and its delegates/agents for any loss caused by such investor arising to the Trust and/or its delegates/agents by reason of them becoming liable to account for tax in any jurisdiction on the happening of a Chargeable Event.

**16.3 Taxation of Unitholders**

**16.3.1 Income distribution and accumulation**

For the purposes of UK taxation on income, the same consequences will arise whether the Trust's income is distributed to a Unitholder or accumulated on his or her behalf. The tax consequences set out in the following Sections apply equally to accumulations of income by the Trust as they apply to the distributions made by the Trust.

**16.3.2 Individual Unitholders**

The income tax liability of a UK resident individual depends on whether a dividend distribution or an interest distribution is paid (or retained in the Trust in the case of accumulation Units) as follows:

	<b>Allowances</b>	<b>Basic Rate Taxpayer</b>	<b>Higher Rate Taxpayer</b>	<b>Additional Rate Taxpayer</b>
<b>Dividend Distribution or Accumulation</b>	Dividend Allowance - the first £2,000 is taxed at 0%	7.5% tax due on distribution in excess of the 0% dividend allowance band	32.5% tax due on distribution in excess of the 0% dividend allowance band	38.1% tax due on distribution in excess of the 0% dividend allowance band
<b>Interest Distribution or Accumulation</b>	Personal Savings Allowance (PSA) – the first £1,000 (basic rate taxpayers) or £500 (higher rate taxpayers) is taxed at 0%	20% tax due on distribution in excess of the £1,000 PSA band	40% tax due on distribution in excess of the £500 PSA band	Distribution taxed at 45% - no PSA available

16.3.3 From 6 April 2017, interest distributions paid by the Trust are paid gross (i.e. without income tax being deducted at source). Non-tax paying Unitholders therefore do not need to reclaim tax from HMRC. Unitholders who are individuals resident in the UK for tax purposes will be obliged to include the full amount of the distribution on their tax returns and pay tax accordingly.

16.3.4 Unitholders subject to corporation tax will normally receive dividend distributions with an unfranked proportion so as to reflect the nature of the income received by the Trust. The amount of the reclaimable tax credit in relation to the unfranked income will be limited as shown on the dividend voucher.

16.3.5 The Trust is required to identify accounts maintained for Unitholders who are tax resident in the EU or jurisdictions with which the UK has entered into an agreement to automatically exchange tax information and collect and report information such as financial income, account balances and sale proceeds from financial assets to HMRC.

- 16.3.6 The first distribution received after the acquisition of Units will include an amount of equalisation. This is the average of the amount of income included in the price at which the Units were acquired for all incoming Unitholders for the period. It is treated as capital for UK tax purposes and not as income and is deducted from the cost of the Units in computing any capital gain realised on the subsequent disposal of the Units.
- 16.3.7 UK resident Unitholders may be liable to capital gains tax on gains arising from the sale or disposal of Units. For the 2021/2022 tax year this will be at a rate of 10% for basic rate taxpayers and 20% for higher and additional rate taxpayers. Individual Unitholders will have a liability to capital gains tax on the sale or disposal of their Units, if their total capital gains (less relief for any losses) from all sources exceed the capital gains annual exemption applicable for the tax year in which the sale or disposal takes place. The capital gains annual exemption for the 2021/2022 tax year is £12,300.
- 16.3.8 UK corporate taxpayers investing in 'Bond Funds' are required to adopt a fair value accounting policy for these funds for corporation tax purposes. Broadly, 'Bond Funds' are collective investment vehicles which hold 60% or more of their assets, by value, in qualifying investments at any time in the corporate investor's accounting period. Qualifying investments are broadly interest bearing assets or securities. If the Trust ceases to be a 'Bond Fund', then UK corporate taxpayers will need to treat their Unitholdings as loan relationships until the end of their accounting periods in which the Trust changes its status. Each corporate Unitholder should then treat its holding of Units as a new asset acquired at the start of the Unitholder's subsequent accounting period for the Units' issue price at that time.
- 16.3.9 Individual Unitholders who are not resident in the UK in the tax year when they dispose of Units are not liable to UK capital gains tax arising from the sale or disposal of Units, unless their non-residence was temporary and they resume tax residence in the UK within a certain time. In very broad terms, a period of temporary non-residence is a period of non-residence between two periods of UK residence. Any gains which arise in a tax year during which a Unitholder was temporarily non-resident are treated as arising, and therefore potentially taxable, in the year of return. The applicable rules can vary depending on the year of departure from and return to the UK, and Unitholders who may be affected should take professional advice in this regard.
- 16.3.10 Unitholders who are non-UK resident companies are not subject to UK corporation tax on gains arising from the sale or disposal of Units unless they carry on a trade in the UK through a UK permanent establishment.
- 16.3.11 Tax regulations require the Manager to collect certain information about each investor's tax arrangements.
- 16.3.12 If you are a UK resident you authorise the Manager to disclose all relevant information about you and your account to HMRC in connection with your tax responsibilities and in accordance with UK law.
- 16.3.13 If the Manager has reason to believe you are a resident for tax purposes outside of the UK you authorise the Manager to share information about you and your account with HMRC who may share it with relevant tax authorities, as prescribed by law.
- 16.3.14 **Exchange between Unit Classes**
- An exchange of one Class for another Class (i.e. an exchange of income Units (where available) for accumulation Units and vice versa) will generally not constitute a disposal for the purposes of capital gains taxation.

## 16.3.15 **Corporate Unitholders**

### 16.3.15.1 **Dividend distributions**

- (i) A UK resident corporate Unitholder receiving a dividend distribution is treated as receiving a payment which may consist of two parts; a “**franked**” portion and an unfranked portion. In broad terms, the portion treated as franked will be such proportion as is equal to the proportion of the total income of the Trust (brought into account when determining the distribution for the period in question) which consists of dividend income received which is treated as exempt under Part 9A CTA 2009. The “**franked**” portion of the payment is treated as dividend income, on which the UK resident corporate Unitholder is not chargeable to corporation tax (unless the Unitholder is deemed to be a financial trader under regulation 52E of the AIF Regs).
- (ii) The unfranked portion of the distribution is treated as an annual payment from which income tax at 20% has been deducted; it is therefore chargeable to corporation tax at the rate applicable to the UK resident corporate Unitholder but with credit for the income tax treated as deducted. Any repayment of the income tax credit is limited to the corporate Unitholder’s share of the Trust’s liability to corporation tax for the distribution period in question.

## 16.3.16 **Interest distributions**

Interest distributions paid by a bond fund to a UK tax paying corporate investor generally will be treated as a non-trading loan relationship credit. If the Trust fails the qualifying investments test referred to below, such that more than 60% (by market value) of its investments consist of qualifying investments throughout the relevant distribution period it will be able to allocate amounts for distribution as interest.

## 16.3.17 **Qualifying investments test**

Under the corporate debt tax regime in the UK, if more than 60% (by market value) of the investments of the Trust consist of “qualifying investments”, (the “**qualifying investments test**”) any corporate Unitholder who is within the charge to UK corporation tax will be taxed in an accounting period on the increase in the market value of its holding during that period (rather than on disposal), or will obtain tax relief on any equivalent decrease in market value. “Qualifying investments” are broadly those which yield a return, directly or indirectly, in the form of interest or equivalent to interest.

## 16.3.18 **Capital gains**

16.3.18.1 Any chargeable gains arising to UK resident corporate Unitholders on the sale, exchange or other disposal of their Units will be subject to corporation tax.

16.3.18.2 Where a Unitholder’s interest is treated as a creditor relationship as described above, its interest is not an asset for the purposes of corporation tax on chargeable gains so that any gain realised on disposal is also treated as a non-trading loan relationship credit.

### 16.3.19 **General**

16.3.19.1 The Trust is eligible to be held within the stocks and shares and cash component of an ISA. Income and capital gains within an ISA are tax free.

16.3.19.2 In the case of accumulation Units, reinvested income is deemed to have been distributed to the Unitholder for the purposes of taxation and a tax voucher will be issued to the Unitholder to provide the appropriate details for their returns.

## 16.4 **Automatic Exchange of Information**

16.4.1 Following the repeal of the EU Savings Directive a new automatic exchange of information regime has been implemented under Council Directive 2011/16/EU on administrative co-operation in the field of taxation, as amended by Council Directive 2014/107/EU as it applies in the UK from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11pm on 31 December 2020 ("**Directive on Administrative Co-operation**"). The Directive on Administrative Co-operation, which effectively implements the OECD's common reporting standard on automatic exchange of financial account information in tax matters, requires governments to obtain detailed account information from financial institutions and exchange that information automatically with other jurisdictions annually. The Directive on Administrative Co-operation is, generally, broader in scope than the EU Savings Directive and is likely to apply to the Trust regardless of the composition or asset class of its investments and whether or not the Trust is a UK UCITS.

16.4.2 The Manager is responsible for identifying the territory in which an account holder or a controlling person is resident for income tax or corporation tax purposes (or similar tax), applying due diligence procedures, keeping information for six years starting from the end of the year in which the arrangements applied to the account and for reporting to HMRC those accounts identified as reportable to a jurisdiction where an exchange of tax information requirement exists set out in the International Tax Compliance Regulations 2015, as amended from time to time.

16.4.3 If a Unitholder does not provide the requisite information for tax reporting purposes, the Manager may deduct the amount of any penalty imposed on it from the Unitholder's account.

## 16.5 **DAC 6**

Council Directive (EU) 2018/822 (DAC 6) as it applies in the EU, imposes mandatory disclosure requirements on intermediaries and, in certain circumstances, taxpayers effective from 1 July 2020 (albeit with an extension to the reporting timetable of up to six months in some EEA States as a consequence of COVID 19) in respect of reportable cross-border arrangements implemented on or after 25 June 2018. Subject to the implementation of DAC 6 in the relevant EEA States, the Manager, investors in the Trust, or any person that has advised or assisted could be legally obliged to file information in relation to the Trust and its activities with the competent authorities with a view to an automatic exchange of such information with other EEA States. Following the UK's exit from the EU on 31 December 2020, the International Tax Enforcement (Disclosable Arrangements) (Amendment) (No. 2) (EU Exit) Regulations 2020 were introduced, pursuant to which the UK disapplied the majority of the DAC 6 hallmarks, however, in certain circumstances DAC 6 disclosures will need to be made to HMRC.

## 17 Reports and Accounts

17.1 The annual report of the Trust will be published and sent to Unitholders (or the first named Unitholder, in the case of joint Unitholders) within four months from the end of each annual accounting period and the half yearly report will be published within two months of each interim accounting period. Short reports will be issued. The accounting dates are set out in Appendix A hereto.

17.2 A long report containing the full accounts is available to any person free of charge on request. The latest Fund Managers' Reports for selected funds are available at <https://www.legalandgeneral.com/investments/funds/prices-and-reports/>

### 17.3 Documents of the Trust

17.3.1 The following documents may be inspected free of charge during normal Business hours on any Business Day at the offices of the Manager:

17.3.1.1 the Prospectus;

17.3.1.2 the risk management process;

17.3.1.3 the most recent annual and half yearly reports of each of the Trust; and

17.3.1.4 the Trust Deed (and any amending documents).

17.3.2 Copies of the service contracts between the Trust and the Manager will be provided to Unitholders on request. The Manager may make a charge at its discretion for copies of documents (apart from the most recent versions of the Prospectus, risk management process and annual and half yearly long reports of the Trust which are available free of charge to anyone who requests).

### 17.4 Complaints

17.4.1 Complaints concerning the operation or marketing of the Trust may be referred to the Complaints Manager, Legal & General (Unit Trust Managers) Limited, at the following address Legal & General Investments, Customer Services, PO Box 6080, Wolverhampton, England, WV1 9RB.

17.4.2 A copy of the Manager's procedure for investigating complaints is available to you on request from this address.

17.4.3 If the Manager does not resolve your complaint to your satisfaction, you can refer your complaint to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR.

**Telephone Recordings** - Please note that the Manager, its delegates, its duly appointed agents and any of its respective related, associated or affiliated companies may record telephone calls for record keeping, security and/or training and monitoring purposes and to confirm investors' instructions. Recordings will be provided on request for a period of at least five years from the date of such recording, or, where requested by a competent regulatory authority, for a period of seven years, where we can identify the call coming from you. If you ask us to send you a recording of a particular call, we may ask for further information to help us identify the exact call to which your request relates.

### 17.5 Risk Management

The Manager will provide upon the request of a Unitholder further information relating to:

- 17.5.1 the quantitative limits applying in the risk management of the Trust;
- 17.5.2 the methods used in relation to (a) above; and
- 17.5.3 any recent development of the risk and yields of the main categories of investment.

## 17.6 **Non-Accountability of Profits**

Neither the Manager, the Trustee, the Investment Manager, any of their associates, nor the Auditor (an “**affected person**”) is liable to account to another affected person or to the Unitholder for any profits or benefits (e.g. box profits) it makes or receives that are made or derived from or in connection with dealing in Units of the Trust, any transactions in Scheme Property or the supply of services to the Trust.

## 17.7 **Best Execution**

The Manager’s best execution policy sets out the basis upon which the Manager will effect transactions and place orders in relation to the Trust whilst complying with its obligations under the FCA Handbook to obtain the best possible result for the Trust. Details of the best execution policy are available from the Manager on request.

## 18 **Voting**

### 18.1 **Voting rights**

- 18.1.1 Entitlement to receive notice of a particular meeting or adjourned meeting and to vote at such a meeting is determined by reference to:
  - 18.1.1.1 those persons who are holders of Units in the Trust on the date seven days before the notice is sent; or
  - 18.1.1.2 in respect of Units which are participating securities (as defined in the Uncertificated Securities Regulations 1995), those persons who are entered on the Register at a time determined by the Manager (and stated in the notice) not more than 48 hours before the time fixed for the meeting; but
  - 18.1.1.3 in respect of Unitholders with registered Units, excluding any persons who are known not to be holders at the time of the meeting.
- 18.1.2 The voting rights attached to each Unit shall be such proportion of the voting rights attached to all the Units in issue in the Trust or any Class (as the case may be) as the price of the Units bears to the aggregate price(s) of all the Units in issue in the Trust or of such Class.
- 18.1.3 Persons who are entitled to attend a meeting will receive not less than 14 days’ written notification by post.
- 18.1.4 A quorum at a meeting of Unitholders is two Unitholders present in person or by proxy, or in the case of a body corporate by a duly authorised representative, of all the Units in issue. If a quorum is not present, the meeting will be adjourned and at such adjourned meeting one person entitled to be counted in a quorum shall constitute a quorum.
- 18.1.5 At a meeting of Unitholders, on a show of hands every holder who (being an individual) is present in person or, if a corporation, is present by a properly authorised representative, has one vote.

- 18.1.6 On a poll votes may be given either personally or by proxy and the voting rights attached to a Unit are such proportion of the total voting rights attached to all Units in issue as the price of the Unit bears to the aggregate price of all Units in issue on the cut-off date. A holder entitled to more than one vote need not, if he votes, use all his or her votes or cast all the votes he uses in the same way. A vote will be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman, by the Trustee or by two Unitholders present or by proxy.
- 18.1.7 An instrument appointing a proxy may be in any usual or common form or in any other form approved by the Manager. It should be in writing under the hand of the appointor or his or her attorney or, if the appointor is a corporation, either under the common seal or under the hand of a duly authorised officer or attorney. A person appointed to act as a proxy need not be a holder.
- 18.1.8 A corporation, being a holder, may by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of holders and the person so authorised is entitled to exercise the same powers on behalf of the corporation which he represents as the corporation could exercise if it were an individual holder.
- 18.1.9 In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority is determined by the order in which the names stand in the Register.
- 18.1.10 The Manager is entitled to attend any meeting but, except in relation to third party units, is not entitled to vote or be counted in the quorum and any Units it holds are treated as not being in issue for the purpose of such meeting. An Associate is entitled to attend any meeting and may be counted in the quorum, but may not vote except in relation to third party units. For this purpose, third party units are units held on behalf of or jointly with a person who, if himself the registered Unitholder, would be entitled to vote, and from whom the Manager or the Associate (as relevant) has received voting instructions.
- 18.2 **Powers of a Unitholders' meeting**
- 18.2.1 The COLL Sourcebook empowers the Unitholders in general meeting to sanction or require various steps (which may also be subject to FCA approval), including (among other things):
- 18.2.1.1 changes to certain provisions of the Trust Deed and fundamental changes to this Prospectus; and
- 18.2.1.2 the removal of the Manager.
- 18.2.2 In certain cases (for example, the approval of changes to the investment objectives of the Trust) an extraordinary resolution, i.e. a resolution notified and proposed as such and passed by a majority of not less than three-quarters of the votes validly cast, is required.
- 18.2.3 Other provisions of the Trust Deed and the Prospectus may be changed by the Manager without the sanction of a Unitholders' meeting in accordance with the COLL Sourcebook.
- 18.3 **Class rights**
- The rights attached to a Class may be varied in accordance with the COLL Sourcebook and if fundamental may require the sanction of a resolution passed at a class meeting of the

holders of the Class concerned. The provisions about notice and conduct of meetings summarised above will apply, with the necessary alterations, to class meetings.

## 19 Risks

Investors should note that the Trust has the following risks:

### 19.1 General

19.1.1 Investors should appreciate that there are inherent risks in all types of investments. Stock market prices can move erratically and be unpredictably affected by many diverse factors, including political and economic events but also rumours and sentiment. Investment in the Trust should be regarded as a long term investment. There can be no guarantee that the objectives of the Trust will be achieved.

19.1.2 The capital value and the income from Units in the Trust can fluctuate and the price of Units and the income from them can go down as well as up and are not guaranteed. On encashment, particularly in the short term, investors may receive less than the original amount invested.

### 19.2 Brexit risk

On 31 January 2020, the UK formally withdrew from the EU and entered into a transition period which ended at 11 pm on 31 December 2020. An EU–UK Trade and Cooperation Agreement (the “TCA”) was concluded on 30 December 2020. Although the TCA was ratified by the European Parliament on 28 April 2021, the process to implement the new political, economic and regulatory framework between the UK and the EU remains uncertain and therefore such implementation may still have a detrimental impact on the Trusts’ ability to fulfil their investment objective or on the value of a Trust’s assets, and may increase the Trusts’ costs.

### 19.3 Short-Term Money Market Funds

The Trust aims to provide stability of principal and an income in line with money-market rates but it is not a guaranteed investment. An investment in the Trust is not the same as a deposit or an obligation guaranteed or endorsed by a bank or building society. The value of an investment in the Trust can fall as well as rise and involves investment risk, including the risk of the loss of the principal which will be borne by the investor. The Trust does not rely on external support for guaranteeing the liquidity of the Trust or stabilising the NAV per Unit.

### 19.4 Inflation

Unless the performance of the Trust meets or exceeds the rate of inflation, the real value of any investment will reduce.

### 19.5 Counterparty Risk

19.5.1 The Trust will be subject to the risk of the inability of any counterparty to perform with respect to transactions, whether due to its own insolvency or that of others, bankruptcy, market illiquidity or disruption or other causes and whether resulting from systemic or other reasons.

19.5.2 Some of the markets in which the Trust may effect transactions are “over-the-counter” (or “interdealer”) markets. The participants in such markets are typically not subject to the same credit evaluation and regulatory oversight as are members of “exchange-based” markets. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with such “over-the-counter” transactions. This exposes the Trust to the risk that

a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Trust to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Trust has concentrated its transactions with a small group of counterparties. Moreover, the Trust shall only transact with eligible counterparties meaning Eligible Institutions and Approved Banks or such other eligible counterparties as are permitted under the COLL Sourcebook.

## 19.6 **Derivative Risk and Techniques and Instruments Risk**

19.6.1 This Trust can invest in derivatives for EPM:

19.6.1.1 if the counterpart defaults, the Trust’s performance may suffer as a result.

19.6.1.2 there is no guarantee that the performance of a financial derivative instrument will result in a positive effect for the Trust and its investors.

19.6.1.3 the use of financial derivative instruments may result in increased losses.

19.6.1.4 the counterpart will forfeit its collateral if it defaults. However the value of the collateral, when sold may not be sufficient to settle the counterparties outstanding debt. This may result in losses for the Trust.

19.6.2 The prices of derivative instruments, including futures and options 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 programmes 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, among other things, interest rate fluctuations. The use of 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 hedging instruments and the securities or market sectors being hedged, (3) the fact that skills needed to use these instruments are different from those needed to select the Trust’s securities and (4) the possible absence of a liquid market for any particular instrument at any particular time, and (5) possible impediments to effective portfolio management or the ability to meet redemption.

## 19.7 **Redemption Risk**

Large redemptions of Units in the Trust might result in the Trust being forced to sell assets at a time and price at which it would normally prefer not to dispose of those assets.

## 19.8 **Credit Risk**

There can be no assurance that issuers of the securities or other instruments in which the Trust invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or instruments or payments due on such securities or instruments. The Trust will also be exposed to a credit risk in relation to the counterparties

with whom they transact or place margin or collateral in respect of transactions in financial derivative instruments and may bear the risk of counterparty default.

#### 19.9 **Changes in Interest Rates**

19.9.1 The value of Units and/or the yield per Unit may be affected by adverse movements in interest rates.

19.9.2 In periods of declining short-term interest rates, the inflow of net new money to the Trust from the continuous issue of Units will likely be invested in portfolio instruments producing lower yields than the balance of the Trust's portfolio, thereby reducing the current yield of the Trust. In periods of rising interest rates, the opposite can be true.

19.9.3 When interest rates are low and the Trust's income is not enough to pay charges, the Trust's capital will be used the remaining charge. This may reduce the potential for growth or cause the value of the Trust to fall.

#### 19.10 **Market Risk**

Although it is intended that the Trust will be diversified, the investments of the Trust are subject to normal market fluctuations and to the risks inherent in investment in equities, fixed income securities, currency instruments, derivatives, and other similar instruments.

#### 19.11 **Past performance**

It must be emphasised that past performance is not a guide to future growth or rates of return.

#### 19.12 **Suspension of dealing**

Investors are reminded that in certain circumstances their right to redeem Units may be suspended (as set out in Section 11.7). A suspension may occur where the Manager (with the agreement of the Trustee) or the Trustee is of the opinion that due to exceptional circumstances it is in the interests of Unitholders.

#### 19.13 **Asset-Backed Securities**

19.13.1 The Trust may invest in asset-backed securities. An asset-backed security is a security whose value and income payments are derived from and collateralised (or "backed") by a specified pool of underlying assets. The pool of assets is typically a group of small and illiquid assets that are unable to be sold individually. Pooling the assets into financial instruments allows them to be sold to general investors and allows the risk of investing in the underlying assets to be diversified because each security will represent a fraction of the total value of the diverse pool of underlying assets. The pools of underlying assets can include payments from credit cards, auto loans and mortgage loans.

19.13.2 The value and the quality of such securities depends on the value and quality of the underlying assets against which such securities are backed.

#### 19.14 **Repurchase/Reverse Repurchase Agreements**

The Trust may enter into repurchase and reverse repurchase agreements. If a counterparty to a repurchase/reverse repurchase agreement should default, as a result of bankruptcy or otherwise, the Trust will seek to sell any securities which it holds as collateral, which could involve procedural costs or delays in addition to a loss on the securities if the value should fall below their repurchase price.

## 19.15 Cancellation rights

Applicants who have the right to cancel will be sent a cancellation notice from the Manager. Any such customers can cancel their application to buy Units at any time during the 14 days after the date on which they receive the cancellation notice. If an 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 or she will not receive a full refund as an amount equal to any fall in value will be deducted from the sum originally invested.

- 19.15.1 Exemptions, thresholds, regimes and rates of tax may change in future tax years.
- 19.15.2 On request additional information to that contained in this Prospectus can be provided relating to:
  - 19.15.3 the quantitative limits applying in the risk management of the Trust;
  - 19.15.4 the methods used in relation to (a); and
  - 19.15.5 any recent development of the risk and yields of the main categories of investment.

## 19.16 Force Majeure risk

The Trust and its investments may be affected by force majeure events (including, for example, fire, flood, earthquakes, outbreak of an infectious disease, pandemic or any other serious public health concern). Some force majeure events may adversely affect the ability of the Trust or any of its respective counterparties to perform its obligations. Certain force majeure events (such as an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which the Trust may invest specifically. Any of the foregoing may therefore adversely affect the performance of the Trust and its investments.

## 20 Credit Quality Assessment

- 20.1 The Manager has procedures in place, in accordance with the MMFR, to determine whether the credit quality of a Money Market Instrument, securitisation or ABCP receives a favourable assessment.
- 20.2 In carrying out its credit quality assessment, the Manager takes into account at least the following factors and general principles:
  - 20.2.1 the quantification of the credit risk of the issuer and of the relative risk of default of the issuer and of the instrument;
  - 20.2.2 qualitative indicators on the issuer of the instrument, including in the light of the macroeconomic and financial market situation;
  - 20.2.3 the short-term nature of Money Market Instruments;
  - 20.2.4 the asset class of the instrument;
  - 20.2.5 the type of issuer distinguishing at least the following types of issuers: national, regional or local administrations, financial corporations, and non-financial corporations;
  - 20.2.6 for structured financial instruments, the operational and counterparty risk inherent within the structured financial transaction and, in case of exposure to securitisations, the credit risk of the issuer, the structure of the securitisation and the credit risk of the underlying assets; and

- 20.2.7 the liquidity profile of the instrument.
- 20.3 The Manager shall review its procedures on at least an annual basis to ensure that they are in line with regulatory requirements and market practices and that they remain valid and appropriate for the Trust.
- 21 **Stress testing**
- 21.1 The Trust has in place sound stress testing processes that identify possible events or future changes in economic conditions which could have unfavourable effects on the Trust. The Trust or the Manager shall assess the possible impact that those events or changes could have on the Trust. The Trust or the Manager shall regularly conduct stress testing for different possible scenarios.
- 21.2 The stress tests shall be based on objective criteria and consider the effects of severe plausible scenarios. The stress test scenarios shall at least take into consideration reference parameters that include the following factors:
- 21.2.1 hypothetical changes in the level of liquidity of the assets held in the portfolio of the Trust;
- 21.2.2 hypothetical changes in the level of credit risk of the assets held in the portfolio of the Trust, including credit events and rating events;
- 21.2.3 hypothetical movements of the interest rates and exchange rates;
- 21.2.4 hypothetical levels of redemption;
- 21.2.5 hypothetical widening or narrowing of spreads among indices to which interest rates of portfolio securities are tied;
- 21.2.6 hypothetical macro systemic shocks affecting the economy as a whole.
- 21.2.6.1 Stress tests shall be conducted at a frequency determined by the board of directors of the Trust, where applicable, or the board of directors of the Manager, after considering what an appropriate and reasonable interval in light of the market conditions is and after considering any envisaged changes in the portfolio of the Trust. Such frequency shall be at least bi-annual.
- 21.2.6.2 Where the stress test reveals any vulnerability of the Trust, the Manager shall draw up an extensive report with the results of the stress testing and a proposed action plan.
- 21.2.6.3 Where necessary, the Manager shall take action to strengthen the robustness of the Trust, including actions that reinforce the liquidity or the quality of the Scheme Property and shall immediately inform the competent authority of the Trust of the measures taken.
- 22 **Winding up of the Trust**
- 22.1 **Winding up the Trust**
- 22.1.1 The Trust is to be wound up if:
- 22.1.1.1 the order declaring the Trust to be an authorised unit trust scheme is revoked; or

- 22.1.1.2 an extraordinary resolution is passed winding up the Trust, provided the FCA's prior consent to the resolution has been obtained by the Manager or the Trustee; or
  - 22.1.1.3 in response to a request to the FCA by the Manager or the Trustee for the revocation of the order declaring the Trust to be an authorised unit trust scheme the FCA has agreed, subject to there being no material change in any relevant factor, that, on the conclusion of the winding up of the Trust, the FCA will agree to that request; or
  - 22.1.1.4 an approved scheme of amalgamation or reconstruction becomes effective pursuant to the COLL Sourcebook.
- 22.1.2 On a winding up (otherwise than in accordance with an approved scheme of amalgamation or reconstruction) the Trustee is required as soon as practicable after the Trust falls to be wound up, to realise the property of the Trust and, after paying thereout or retaining adequate provision for all liabilities properly so payable and retaining provision for the costs of the winding up, to distribute the proceeds of that realisation to the Unitholders and the Manager proportionately to their respective interests in the Trust. The Trustee may, in certain circumstances, (and with the agreement of the affected Unitholders) distribute property of the Trust (rather than the proceeds on the realisation of that property) to Unitholders on a winding-up.
- 22.1.3 Any unclaimed net proceeds or other cash held by the Trustee after the expiration of twelve months from the date on which the same became payable is to be paid by the Trustee into court subject to the Trustee having a right to retain thereout any expenses incurred in making the payment into court.
- 22.1.4 If the Trust is to be wound up in accordance with an approved scheme of amalgamation or reconstruction, the Trustee is required to wind up the Trust in accordance with the resolution of Unitholders approving such scheme.
- 22.1.5 Distributions will only be made to Unitholders entered on the Register. Any net proceeds or cash (including unclaimed distribution payments) held by the Trustee which have not been claimed after 12 months will be paid into court, after the deduction by the Trustee of any expenses it may incur.
- 22.1.6 On completion of the winding up, the Trustee will notify the FCA in writing of that fact and the Trustee or Manager will request the FCA to revoke the order or authorisation.

## 23 Other Information

### 23.1 Conflicts of interest

- 23.1.1 The Trustee, the Manager, or any associate of any of them may sell or deal in the sale of property to the Trust or purchase property from the Trust provided the applicable provisions of the COLL Sourcebook apply and are observed.
- 23.1.2 Subject to compliance with the COLL Sourcebook the Manager may be party to or interested in any contract, arrangement or transaction to which the Trust is a party or in which it is interested.
- 23.1.3 The Trustee, the Manager, or any associate of any of them will not be liable to account to the Trust or any other person, including the holders of Units or any of them, for any profit or benefit made or derived from or in connection with:

- 23.1.3.1 their acting as agent for the Trust in the sale or purchase of property to or from the Trust; or
- 23.1.3.2 their part in any transaction or the supply of services permitted by the COLL Sourcebook; or
- 23.1.3.3 their dealing in property equivalent to any owned by (or dealt in for the account of) the Trust.

Additional specific conflicts of interests related to the Trustee and Depositary are given in Section 6.5.

## 23.2 **General**

- 23.2.1 Unless otherwise expressly provided, terms used in this Prospectus have the meanings used in the COLL Sourcebook.
- 23.2.2 The Manager has established a procedure to investigate any complaints, a copy of which is available to you on request to the Manager, at the following address Legal & General Investments, Customer Services, PO Box 6080, Wolverhampton WV1 9RB, England. If a complaint cannot be resolved satisfactorily with the Manager it may be referred to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR, England.
- 23.2.3 Applications for the issue and redemption of Units are governed by English law and all communications with a Unitholder or prospective Unitholder shall be made in English.
- 23.2.4 Unitholders may be entitled to compensation from the Financial Services Compensation Scheme if the Trust cannot meet its obligations. This depends on the type of business and circumstances of the claim. In respect of most types of investment business the first £50,000 is protected in full.
- 23.2.5 Further information about compensation arrangements is available from the Financial Services Compensation Scheme website [www.fscs.org.uk](http://www.fscs.org.uk).
- 23.2.6 All documents and remittances are sent at the risk of the Unitholder.
- 23.2.7 A notice of an applicant's right to cancel the agreement to purchase Units will be forwarded, where this is required by rules made under the Financial Services and Markets Act 2000.
- 23.2.8 An applicant who is entitled to cancel and does so will not get a full refund of the money paid by him or her if the purchase price of the Units falls before the cancellation notice is received by the Registrar (on behalf of the Manager), because an amount equal to such fall (the "shortfall") will be deducted from the refund he would otherwise receive. Where the purchase price has not yet been paid the applicant will be required to pay the amount of the shortfall to the Manager. The deduction does not apply where the service of the notice of the right to cancel precedes the entering into of the agreement. Cancellation rights must be exercised by posting a cancellation notice to the Registrar (on behalf of the Manager) to its office at Customer Services Centre, Brunel House, 2 Fitzalan Road, Cardiff CF24 0EB, England on or before 14 days after the date on which the applicant receives the notice of the right to cancel.
- 23.2.9 The address for service on the Trust of notices or other documents required or authorised to be served on it is One Coleman Street, London EC2R 5AA, England.

- 23.2.10 The Trust will serve any notice or document on Unitholders by sending them by first class post to the name and address on the Register and in the case of joint Unitholders, to the first mentioned on the Register.
- 23.2.11 Copies of this Prospectus and the Trust Deed may be inspected at, and obtained from, the Manager at One Coleman Street, London EC2R 5AA during ordinary office hours. A fee may be charged for copies of the Trust Deed.
- 23.2.12 Upon written request the Manager will provide further information relating to:
- 23.2.12.1 the quantitative limits applying to the risk management of the Trust;
  - 23.2.12.2 the methods used in relation to the risk management of the Trust; and
  - 23.2.12.3 any recent developments of the risk and yields of the main categories of the Trust's investments.
- 23.2.13 The Manager's best execution policy sets out (i) systems and controls that have been put in place and (ii) the basis upon which the Manager will effect transactions and place orders whilst complying with its obligations to obtain the best possible result for the Trust. Details of the best execution policy are available from the Manager on request.
- 23.2.14 The Manager has a strategy for determining when and how voting rights attached to ownership of Trust property are to be exercised. A summary of this strategy, together with details of the actions taken on the basis of this strategy is available from the Manager on request.

## APPENDIX A

### Trust Details

<b>Name:</b>	Legal & General Cash Trust		
<b>Date of Authorisation</b>	23 July 1990		
<b>Type of Scheme:</b>	UK UCITS and a Short-Term VNAV MMF		
<b>Investment Objective and Policy:</b>	<p>The investment objective of the Trust is to maintain capital and to provide a return in line with money market rates, before charges.</p> <p>The Trust will invest in short term deposits, government bonds issued in pounds sterling and Repos. The maximum maturity of these instruments is 397 days but the Trust must maintain a weighted average maturity of less than 60 days.</p> <p>The bonds that the Trust invests in must be investment grade (rated as lower risk).</p> <p>The Trust may also invest in other money market instruments and other money market funds. The Trust may use derivatives for efficient portfolio management purposes only. Where the Manager considers it appropriate, for example, in times of market stress, the Trust may be significantly invested in government and public securities.</p>		
<b>Additional Information</b>	The Trust is not managed to a constraining or target benchmark		
<b>Comparator Benchmark:</b>	<p>Short Term Money Market IA Sector</p> <p>The Manager is not bound by the comparator benchmark when making their investment decisions and can invest in assets that are not included in the comparator benchmark. The comparator benchmark is selected to be representative of other funds that are classified in the same IA sector, and are therefore broadly comparable in terms of the main asset types and potential exposure to bonds.</p> <p>Further information on the comparator benchmark is available on:  <a href="https://www.theia.org/industry-data/fund-sectors/definitions">https://www.theia.org/industry-data/fund-sectors/definitions</a></p>		
<b>Valuation Point:</b>	12 Noon on each Dealing Day		
<b>ISA Status:</b>	Qualifying investment for stocks and shares ISAs		
<b>Final accounting date:</b>	5 February		
<b>Interim accounting date:</b>	5 August		
<b>Income allocation dates:</b>	5 January, 5 July, 5 October (interim) and 5 April (final)		
<b>Type of Units:</b>	Accumulation for all Unit Classes apart from Class I which also has Income Units.		
<b>Pricing:+</b>	Single Swing		
<b>Unit Classes and Charges</b>	<b>R Class</b>	<b>I Class</b>	<b>L Class*</b>

<b>Initial charge:</b>	N/A	N/A	N/A
<b>Redemption charge:</b>	Nil	Nil	Nil
<b>Fund Management Fee:</b>	0.25%	0.15%	0%
<i>Class L Units are only available to other Legal &amp; General funds and/or companies which have entered into an agreement with the Manager or an affiliate of the Manager.</i>			
<b>Investment Minima:</b>	<b>R Class</b>	<b>I Class</b>	<b>L Class*</b>
<b>Initial:</b>	£100	£1,000,000	£100,000
<b>Holding:</b>	£100	N/A	N/A
<b>Top-up:</b>	£100 (for lump sum investments) £20 (for regular savers)	£20,000	N/A
<b>Redemption:</b>	£100 provided minimum holding maintained**	Nil	N/A
<b>Investors must subscribe for the investment minima of each Class of Unit. The Manager reserves the right to reduce or waive the above investment minima.</b>			
<b>Allocation of Charges</b>	<b>Capital</b>		<b>Income</b>
<b>Fund Management Fee:</b>	None		100%
<b>Portfolio Transactions:</b>	100%		None

+From 1 December 2020, the pricing for the Trust moved from dual priced to Single Swing.

### Investor Profile

The Trust may be suitable for any eligible investors who are looking for an option that provides the potential for a return from a spread of deposits or short-term instruments with all income received being reinvested.

**All investors should be aware that they may get back less than they invested.**

## APPENDIX B

### Investment and Borrowing Powers

The Manager may exercise in respect of the Trust the full authority and powers permitted by the COLL Sourcebook and the MMFR for an authorised unit trust which is both a UK UCITS (as defined in the FCA Handbook) and a Short-Term VNAV MMF subject to its stated investment objective and policy and the restrictions stated in this Prospectus.

#### 1 General investment conditions for short-term money market funds

1.1 In addition to the investment and borrowing powers set out in the following Sections, as a Short-Term VNAV MMF the Trust must satisfy the following conditions:

1.1.1 it must ensure that its scheme property has a weighted average maturity (“**WAM**”) of no more than 60 days;

1.1.2 it must ensure that its scheme property has a weighted average life (“**WAL**”) of no more than 120 days;

1.1.3 at least of its 7.5% of its assets must be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day. The Trust is not to acquire any asset other than a daily maturing asset when such acquisition would result in that MMF investing less than 7.5% of its portfolio in daily maturing assets; and

1.1.4 at least 15% of its assets are to be comprised of weekly maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days, or cash which is able to be withdrawn by giving prior notice of five working days. The Trust is not to acquire any asset other than a weekly maturing asset when such acquisition would result in that MMF investing less than 15 % of its portfolio in weekly maturing assets.

1.2 For the purpose of the calculation referred to in 1.1.4 above, money market instruments or units or shares of other MMFs may be included within the weekly maturing assets of a Short-Term VNAV MMF up to a limit of 7.5 % of its assets provided they are able to be redeemed and settled within five working days.

1.3 When calculating the WAL for securities (including structured financial instruments), the maturity calculation must be based on either:

1.3.1 the residual maturity until the legal redemption of the instruments; or

1.3.2 if the financial instrument embeds a put option, the exercise date of the put option if the following conditions are fulfilled at all times;

1.3.2.1 the put option can be freely exercised by the Trust at its exercise date;

1.3.2.2 the strike price of the put option remains close to the expected value of the instrument at the exercise date; and

1.3.2.3 the investment strategy of the Trust implies that there is a high probability that the option will be exercised at the exercise date.

1.4 By way of derogation from Section 1.3 above, when calculating the WAL for securitisations and ABCPs, the Trust may instead, in the case of amortising instruments, base the maturity calculation on one of the following:

- 1.4.1 the contractual amortisation profile of such instruments; or
- 1.4.2 the amortisation profile of the underlying assets from which the cash-flows for the redemption of such instruments result.

## **2 Eligible assets**

2.1 The Trust may only invest in the following categories of assets, subject to and in accordance with the conditions set out in this Prospectus:

- 2.1.1 Money Market Instruments including financial instruments issued or guaranteed separately or jointly by the European Union, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements or any other relevant international financial institution or organisation to which one or more Member States belong;
- 2.1.2 eligible securitisations and ABCP;
- 2.1.3 deposits with credit institutions provided that all of the following conditions are fulfilled:
  - 2.1.3.1 the deposit is repayable on demand or is able to be withdrawn at any time;
  - 2.1.3.2 the deposit matures in no more than 12 months; and
  - 2.1.3.3 the credit institution has its registered office in an EEA State or, where the credit institution has its registered office in a third country, it is subject to prudential rules considered equivalent to those laid down in EU law;
- 2.1.4 financial derivative instruments provided that it is dealt in on a regulated market or OTC and provided that all of the following conditions are fulfilled:
  - 2.1.4.1 the underlying of the derivative instrument consists of interest rates, foreign exchange rates, currencies or indices representing one of those categories;
  - 2.1.4.2 the derivative instrument serves only the purpose of hedging the interest rate or exchange rate risks inherent in other investments of the Trust;
  - 2.1.4.3 the counterparties to OTC derivative transactions are institutions subject to prudential regulation and supervision and belonging to the categories approved by the FCA; and
  - 2.1.4.4 the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Trust's initiative.
- 2.1.5 repurchase agreements that fulfil the conditions described under "Eligible Repurchase Agreements" below;

- 2.1.6 reverse repurchase agreements that fulfil the conditions described under “Eligible Reverse Repurchase Agreements” below;
  - 2.1.7 units or shares of other money market funds.
- 2.2 The Trust is not permitted to undertake the following activities:
- 2.2.1 invest in assets other than those referred to in paragraph 2.1 above;
  - 2.2.2 short sell any of the following instruments: Money Market Instruments, securitisations, ABCPs and units or shares of other money market funds;
  - 2.2.3 take direct or indirect exposure to equity or commodities, including via derivatives, certificates representing them, indices based on them, or any other means or instrument that would give an exposure to them;
  - 2.2.4 enter into securities lending agreements or securities borrowing agreements, or any other agreement that would encumber the assets of the Trust; and/or
  - 2.2.5 borrow and lend cash.

### **3 Eligible Money Market Instruments**

A Money Market Instrument will be eligible for investment by the Trust provided that it fulfils all of the following requirements:

- 3.1 it falls within one of the following categories of Money Market Instruments:
- 3.1.1 Money Market Instruments admitted to or dealt in on a regulated market;
  - 3.1.2 Money Market Instruments dealt in on another regulated market in an EEA State, which operates regularly and is recognised and open to the public;
  - 3.1.3 Money Market Instruments admitted to official listing on a stock exchange in a third country or dealt in on another regulated market in a third country which operates regularly and is recognised and open to the public provided that the choice of stock exchange or market has been approved by the competent authorities or is provided for in this Prospectus or in the Trust Deed;
  - 3.1.4 Money Market Instruments other than those dealt in on a regulated market, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, provided that they are:
    - 3.1.4.1 issued or guaranteed by a central, regional or local authority or central bank of an EEA State, the European Central Bank, the European Union or the European Investment Bank, a third country or, in the case of a federal state, by one of the members making up the federation, or by a public international body to which one or more EEA States belong;
    - 3.1.4.2 issued by an undertaking any securities of which are dealt in on regulated markets referred to in 3.1.2, 3.1.3 or 3.1.4 above;
    - 3.1.4.3 issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the competent authorities to be at least as stringent as those laid down by EU law; or

- 3.1.4.4 issued by other bodies belonging to the categories approved by the FCA provided that investments in such instruments are subject to investor protection equivalent to that laid down in i, ii or iii immediately above and provided that the issuer is a company whose capital and reserves amount to at least €10,000,000 and which presents and publishes its annual accounts, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.
- 3.2 it displays one of the following alternative characteristics:
  - 3.2.1 it has a legal maturity at issuance of 397 days or less; or
  - 3.2.2 it has a residual maturity of 397 days or less;
- 3.3 the issuer of the Money Market Instrument and the quality of the Money Market Instrument have been favourably assessed by the Manager in accordance with the MMFR; provided that this will not apply to Money Market Instruments issued or guaranteed by the EU, a central authority or central bank of an EEA State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility; and
- 3.4 where the Trust invests in a securitisation or ABCP, it is subject to the requirements described under “Eligible Securitisations and ABCPs” below.

#### **4 Eligible securitisations and ABCPs**

Both a securitisation and an ABCP are eligible for investment by the Trust provided that the securitisation or ABCP is sufficiently liquid, has been favourably assessed by the Manager in accordance with the MMFR, and is any of the following:

- 4.1 a securitisation referred to in Article 13 of Commission Delegated Regulation (EU) 2015/61 (16); provided that the legal maturity at issuance of the securitisation is 2 years or less and the time remaining until the next interest rate reset date is 397 days or less and the securitisation is an amortising instrument which has a WAL of 2 years or less;
- 4.2 an ABCP issued by an ABCP programme which:
  - 4.2.1 is fully supported by a regulated credit institution that covers all liquidity, credit and material Dilution risks, as well as ongoing transaction costs and ongoing programme-wide costs related to the ABCP, if necessary to guarantee the investor the full payment of any amount under the ABCP;
  - 4.2.2 is not a re-securitisation and the exposures underlying the securitisation at the level of each ABCP transaction do not include any securitisation position; and
  - 4.2.3 does not include a synthetic securitisation,
  - 4.2.4 provided that the legal maturity at issuance or residual maturity of the ABCP is 397 days or less;
- 4.3 a simple, transparent and standardised (STS) securitisation or ABCP; provided that the legal maturity at issuance or residual maturity of the securitisation is 397 days or less and the securitisation is an amortising instrument which has a WAL of two years or less.

## **5 Eligible Repurchase Agreements**

- 5.1 A repurchase agreement will be eligible to be entered into by the Trust provided that all of the following conditions are fulfilled:
- 5.1.1 it is used on a temporary basis, for no more than seven working days, only for liquidity management purposes and not for investment purposes other than as referred to in 5.1.3) below;
  - 5.1.2 the counterparty receiving assets transferred by the Trust as collateral under the repurchase agreement is prohibited from selling, investing, pledging or otherwise transferring those assets without the Trust's prior consent;
  - 5.1.3 the cash received by the Trust as part of the repurchase agreement is able to be:
    - 5.1.3.1 placed on deposits; or
    - 5.1.3.2 invested in assets referred to in paragraph 6.6 below, but will not otherwise be invested in eligible assets as referred to in this Appendix B, transferred or otherwise reused;
  - 5.1.4 the cash received by the Trust as part of the repurchase agreement does not exceed 10% of the Scheme Property;
  - 5.1.5 the Trust has the right to terminate the agreement at any time upon giving prior notice of no more than two working days.
- 5.2 The Trust does not currently enter into repurchase agreements. Should the Trust enter into such agreements in the future, the Prospectus shall be updated to include the disclosures required by the provisions of the European Regulation 2015/2365 on Reporting and Transparency of Securities Financing Transactions (the "SFTR").

## **6 Eligible Reverse Repurchase Agreements**

- 6.1 A reverse repurchase agreement will be eligible to be entered into by the Trust provided that the following conditions are fulfilled:
- 6.1.1 the Trust has the right to terminate the agreement at any time upon giving prior notice of no more than two working days; and
  - 6.1.2 the market value of the assets received as part of the reverse repurchase agreement is at all times at least equal to the value of the cash paid out.
- 6.2 The assets received by the Trust as part of a reverse repurchase agreement must be eligible Money Market Instruments (as described under "Eligible Money Market Instruments" above).
- 6.3 The assets received by the Trust as part of a reverse repurchase agreement may not be sold, reinvested, pledged or otherwise transferred.
- 6.4 Securitisations and ABCPs may not be received by the Trust as part of a reverse repurchase agreement.
- 6.5 The assets received by the Trust in exchange for providing cash, as part of a reverse repurchase agreement, must be sufficiently diversified with a maximum exposure to a given issuer of 15% of the NAV of the Trust, however this maximum exposure may be up to 100% where those assets take the form of the Money Market Instruments set out in paragraph 6.1.1 above. In addition, the assets received by the Trust as part of a reverse repurchase agreement must be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

- 6.6 Where the Trust enters into a reverse repurchase agreement it must ensure that it is able to recall the full amount of cash at any time on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement shall be used for the calculation of the NAV of the Trust.
- 6.7 By way of derogation from paragraph 6.2 above, the Trust may receive liquid transferable securities or Money Market Instruments other than those that fulfil the requirements set out under “Eligible Money Market Instruments” above as part of a reverse repurchase agreement provided that those assets comply with one of the following conditions:
- 6.7.1 they are issued or guaranteed by the European Union, a central authority or central bank of an EEA State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility provided they have been favourably assessed by the Manager in accordance with the MMFR; or
- 6.7.2 they are issued or guaranteed by a central authority or central bank of a third country, provided that they have been favourably assessed by the Manager in accordance with the MMFR.
- 6.8 The Trust does not currently enter into reverse repurchase agreements. Should the Trust enter into such agreements in the future, the Prospectus shall be updated to include the required SFTR disclosures.

## **7 Eligible units or shares of money market funds**

- 7.1 The Trust may invest in units or shares of any other money market funds (“**targeted MMF**”) provided that all of the following conditions are fulfilled:
- 7.1.1 no more than 10% of the assets of the targeted MMF are able, according to its fund rules or instruments of incorporation, to be invested in aggregate in units or shares of other money market funds; and
- 7.1.2 the targeted MMF does not hold Units in the Trust and will not hold Units in the Trust during the period that the units or shares are held in the targeted MMF.
- 7.2 The Trust may invest in units or shares of other money market funds, provided that no more than 5% of its assets are invested in units or shares of a single money market fund.
- 7.3 The Trust may, in aggregate, invest no more than 10% of its assets in units or shares of other money market funds.
- 7.4 Units or shares of other money market funds are eligible for investment by the Trust provided that all of the following conditions are fulfilled:
- 7.4.1 the targeted MMF is authorised under the MMFR; and
- 7.4.2 where the targeted MMF is managed, whether directly or under a delegation, by the Manager or by any other company to which the Manager is linked by common management or control, or by a substantial direct or indirect holding, the Manager, or that other company, is prohibited from charging subscription or redemption fees on account of the investment by the Trust in the units or shares of the targeted MMF.
- 7.5 The Trust may only invest in units or shares of other short-term money market funds.

## **8 Spread - general**

- 8.1 The Trust may not invest more than:

- 5% of its assets in Money Market Instruments, securitisations and ABCPs issued by the same body;
  - 10% of its assets in deposits made with the same credit institution.
- 8.2 Notwithstanding paragraph 8.1, the Trust may invest:
- 8.2.1 up to 10% of its assets in money market instruments, securitisations, and ABCPS issued by the same body provided that the total value of such money market instruments, securitisations and ABCPs held by the Trust in each issuing body in which it invests more than 5% of its assets does not exceed 40% of the value of its assets; and
- 8.2.2 no more than 10% of its assets in bonds issued by a single credit institution that has its registered office in an EEA State and is subject by law to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of those bonds shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.
- 8.3 The aggregate of all of the Trust's exposures to securitisations and ABCPs must not exceed 20% of its assets, whereby up to 15% of the Scheme Property may be invested in securitisations and ABCPs that do not comply with the criteria for the identification of STS securitisations and ABCPs.
- 8.4 The aggregate risk exposure to the same counterparty stemming from OTC derivative transactions may not exceed 5% of the Scheme Property.
- 8.5 The aggregate amount of cash provided to the same counterparty in reverse repurchase agreements may not exceed 15% of the Scheme Property.
- 8.6 Notwithstanding the limits set out in paragraphs 8.1 and 8.4 above, where to do so would result in an investment of more than 15% of the assets of the Trust in a single body, the Trust may not combine any of the following:
- 8.6.1 investments in Money Market Instruments, securitisations and ABCPs issued by that body;
- 8.6.2 deposits made with that body; and
- 8.6.3 OTC financial derivative instruments giving counterparty risk exposure to that body.
- 8.7 Notwithstanding Section 8.1, the Trust may invest no more than 10% of its assets in bonds issued by a single credit institution that has its registered office in an EEA State and is subject by law to special public supervision designed to protect bond-holders.
- 8.8 Where the Trust invests more than 5% of its assets in the bonds issued by a single issuer, the total value of those investments may not exceed 40% of the value of its assets.
- 8.9 Notwithstanding Section 8.1, the Trust may invest no more than 20% of its assets in bonds issued by a single credit institution. Where the Trust invests more than 5% of its assets in the bonds issued by a single issuer, the total value of those investments must not exceed 60% of the value of its assets, including any possible investment in assets referred to in Section 8.7.
- 8.10 Companies which are included in the same group for the purposes of consolidated accounts under Directive 2013/34/EU of the European Parliament and of the Council (18) or in

accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits referred to in paragraphs 8.1 to 8.6 of this Section.

## **9 Spread - government and public securities**

- 9.1 Notwithstanding the limits in paragraph 8.1 above, up to 100% of the Trust's assets may be invested in different money market instruments issued or guaranteed separately or jointly by the Union, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong.
- 9.2 In the case of this Trust, up to 100% of the scheme property of the Trust may be invested in government and public securities issued by or on behalf of or guaranteed by a single named issuer which may be one of the following: the Government of the UK; a member State of the European Community or EEA; or by or on behalf of the Governments of Australia, Canada, Japan, New Zealand, Switzerland or the United States of America.
- 9.3 If more than 35% in value of the scheme property of the Trust is invested in government and public securities issued by any one issuer, no more than 30% in value of the scheme property of the Trust may consist of such securities of any one issue and the scheme property must include at least six different issues whether of that issuer or another issuer.

## **10 Concentration**

- 10.1 The Trust shall not acquire more than 10% of the money market instruments, securitisations and ABCPs issued by a single body.
- 10.2 The limit set out in paragraph 10.1 above shall not apply in respect of holdings of Money Market Instruments issued or guaranteed by the European Union, national, regional and local administrations of the EEA States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong.

## **11 Cash and near cash**

The Manager may at its discretion and as considered appropriate retain liquid funds in the Trust at any time. This cash will be held in pursuit of the Trust's objectives or to facilitate the redemption of Units, efficient management of the Trust in accordance with its objectives or any other purposes which may reasonably be regarded as ancillary to the objectives of the Trust.

## **12 Derivatives contracts**

Subject to the COLL Sourcebook, the MMFR and the provisions below the Trust may enter into derivatives contracts for the purposes of EPM. Transactions involving derivatives contracts will be subject to the parameters set out below.

- 12.1 Pursuant to the COLL Sourcebook the Manager may enter into a transaction for the Trust which is:

- 12.1.1 a permitted transaction; and
  - 12.1.2 fully covered in accordance with the COLL Sourcebook.
- 12.2 Permitted transactions are derivatives transactions (i.e. options, futures or contracts for difference) and forward transactions. A derivatives transaction must be:
- 12.2.1 in an approved derivative (i.e. one which is traded or dealt in on an eligible derivatives market (as set out in Appendix C)) and effected on or under the rules of an eligible derivatives market; or
  - 12.2.2 one which complies with the provisions in the COLL Sourcebook regarding “over-the-counter” (“**OTC**”) derivatives, which requires:
    - 12.2.2.1 that the counterparty to the transaction must be an Eligible Institution; or an Approved Bank; or a person whose permission (including any requirements or limitations), as published in the FCA Register or whose home state authorisation, permits it to enter into the transaction as principal off exchange;
    - 12.2.2.2 that the transaction is on approved terms, the terms of the transaction are only approved if the Manager:
      - (i) carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value (being the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction) and which does not rely only on market quotations by the counterparty; and
      - (ii) can enter into one or more further transactions to sell, liquidate or close out that transaction at any time, at its fair value; and
    - 12.2.2.3 that the transaction is capable of reliable valuation; a transaction in derivatives is capable of reliable valuation only if the Manager having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy:
      - (i) on the basis of an up-to-date market value which the Manager and the Trustee have agreed is reliable; or
      - (ii) if the value referred to in (i) is not available, on the basis of a pricing model which the Manager and the Trustee have agreed uses an adequate recognised methodology; and
    - 12.2.2.4 subject to verifiable valuation; a transaction in derivatives is subject to verifiable valuation only if, throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out by:
      - (i) an appropriate third party which is independent from the counterparty of the derivative, at an adequate frequency and in such a way that the Manager is able to check it; or

- (ii) a department within the Manager which is independent from the department in charge of managing the Scheme Property and which is adequately equipped for such a purpose.
- 12.3 Eligible derivatives markets consist of any derivatives market which the Manager considers appropriate after consultation with the Trustee, subject to the COLL Sourcebook. The eligible derivatives markets for the Trust are as set out in Appendix C.
- 12.4 A transaction in a derivative must not cause the Trust to diverge from its investment objectives stated in the Trust Deed and the most recently published version of this Prospectus.
- 12.5 A derivatives or forward transaction which would or could lead to delivery of property to the Trustee may be entered into only if such property can be held by the Trust and the Manager reasonably believes that delivery of the property pursuant to the transaction will not lead to a breach of the COLL Sourcebook.
- 12.6 Transactions may only be entered into if the maximum potential exposure created by the transaction, in terms of the principal or notional principal of the derivative, does not exceed the Net Asset Value of the Scheme Property and their global exposure to the underlying assets does not exceed the investment limit laid down in the COLL Sourcebook.
- 12.7 Global exposure within the Trust is a measure of the maximum potential loss to the Trust from the use of derivative instruments. This is calculated using the Commitment Approach which converts derivatives into the equivalent position in the underlying assets and thereby measures the incremental exposure provided by derivatives, after all appropriate netting or hedging positions have been removed.
- 12.8 The Trust may not undertake transactions in commodity derivatives.
- 12.9 The purpose of EPM is to achieve reduction of risk and/or reduction of cost and/or the generation of additional capital or income with a risk level which is consistent with the risk profile of the Trust and the risk diversification rules in the COLL Sourcebook. The purpose must relate to the property of the Trust, property (whether precisely identified or not) which is to be or is proposed to be acquired for the Trust and anticipated cash receipts of the Trust, if due to be received and likely to be so within one month.
- 12.10 To be economically appropriate to the EPM of the Trust, the Manager must reasonably believe that:
- 12.10.1 for transactions undertaken to reduce risk or cost (or both), the transaction (alone or in combination) will diminish a risk or cost of a kind or level which it is sensible to reduce;
  - 12.10.2 where, for example, the Manager wishes to achieve a switch in exposure, he may do so, rather than through sale and purchase of property of the Trust, by use of derivatives (a technique commonly called "tactical asset allocation") if the transactions concerned reasonably appear to him to be economically appropriate to the EPM of the Trust and to diminish a risk or cost of a kind or level which it is sensible to reduce. Where the transaction relates to the actual or potential acquisition of transferable securities, then the Manager must intend that the Trust should invest in transferable securities within a reasonable time; and it must thereafter ensure that, unless the position has itself been closed out, that intention is realised within that reasonable time.
- 12.11 The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% in value of the property of the Trust. When calculating exposure, the Manager must use the positive mark-to-market value of the OTC derivative positions of the Trust with the same counterparty provided they are able to legally enforce netting agreements with the counterparty on behalf of the Trust. The exposure in respect of an OTC derivative may be

reduced to the extent that collateral is held provided that it is sufficiently liquid so that it can be sold quickly at a price that is close to its pre-sale valuation.

- 12.12 The Trust may invest in derivatives and forward contracts as long as the exposure to the Trust resulting from those transactions is suitably covered by its property. Exposure will include any initial outlay in respect of that transaction. Global exposure within the Trust is measured using the Commitment Approach which converts derivatives into the equivalent position in the underlying assets and thereby measures the incremental exposure provided by derivatives, after all appropriate netting or hedging positions have been removed. The Manager considers that the risk profile of the Trust is not adversely affected by the use of derivatives.

In summary, the use of derivatives for EPM is not likely to affect the volatility or risk profile of the Trust.

Transactions may be effected in which the Manager has, either directly or indirectly, an interest that may potentially involve a conflict of its obligation to the Trust. Where a conflict cannot be avoided, the Manager will have regard to its fiduciary responsibility to act in the best interests of the Trust and its investors. The Manager will ensure that investors are treated fairly and that such transactions are effected on terms which are not less favourable to the Trust than if the potential conflict had not existed.

Operational costs and fees arising from EPM techniques and/or the use of derivatives are paid for by the Trust. The identity of the entities to which operational costs and fees are paid will be disclosed in the annual report.

The Trust may receive cash, high quality government bonds and equities to the extent deemed necessary by the Investment Manager in respect of over-the-counter derivative transactions for the Trust, provided however that such collateral must comply with the requirements of the FCA.

A documented haircut policy is in place for the Trust detailing the policy in respect of each class of assets received and which takes into account the characteristics of the assets and the results of any stress tests conducted as required. Any re-investment of cash collateral shall be diversified in accordance with the requirements of the FCA. Re-invested cash collateral exposes the Trust to certain risks such as the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested. Investors should consult Section 19 for information on counterparty risk and credit risk in this regard.

### **13 Stock lending**

The Trustee will not enter into stock lending transactions in respect of the Trust.

## **APPENDIX C**

### **Eligible Securities and Derivatives Markets**

Subject to its investment objective and policy, the Trust may deal in certain securities and derivative markets. Securities are typically traded over the counter (“**OTC**”) between eligible counterparties.

The Trust will only enter into trades with suitably regulated counterparties in the UK or an EEA State or the following:

NASDAQ;

NYSE Euronext;

and settled in local markets or by internationally recognised global custodians or clearing systems, after appropriate due diligence has been conducted by the Manager.

## APPENDIX D

### Valuation

The value of the property of the Trust shall be valued in accordance with the MMFR. The value of the property of the Trust shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions.

- 1 The value per Unit shall be rounded to the nearest basis point or its equivalent when the value is published in a currency unit.
- 2 All the property of the Trust (including receivables) is to be included, subject to the following provisions.
- 3 The Scheme Property shall be valued by using mark-to-market whenever possible. When using mark -to-market:
  - 3.1 the asset of the Trust shall be valued at the more prudent side of bid and offer unless the asset can be closed out at mid-market;
  - 3.2 only good quality market data shall be used; such data shall be assessed on the basis of all of the following factors:
    - 3.2.1 the number and quality of the counterparties;
    - 3.2.2 the volume and turnover in the market of the asset of the Trust; and
    - 3.2.3 the issue size and the portion of the issue that the Trust plans to buy or sell.
- 4 Where use of mark-to-market is not possible or the market data is not of sufficient quality, an asset of the Trust shall be valued conservatively by using mark-to-model.

The model shall accurately estimate the intrinsic value of the asset of the Trust, based on all of the following up-to-date key factors:

  - 4.1 the volume and turnover in the market of that asset;
  - 4.2 the issue size and the portion of the issue that the Trust plans to buy or sell; and
  - 4.3 market risk, interest rate risk, credit risk attached to the asset.

When using mark-to-model, the amortised method shall not be used.
- 5 A valuation carried out in accordance with paragraph 3 and 4 above shall be communicated to the competent authorities.
- 6 Property which is not cash (or other assets dealt with in paragraphs 7 and 8 below) shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:
  - 6.1 units or shares in a money market fund:
    - 6.1.1 if a single price for buying and selling units or shares is quoted, at that price; or
    - 6.1.2 if separate buying and selling prices are quoted, at the average of the two prices provided the buying price has been reduced by any initial charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or

- 6.1.3 if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a value which, in the opinion of the Manager, is fair and reasonable;
- 6.2 exchange-traded derivative contracts:
  - 6.2.1 if a single price for buying and selling the exchange-traded derivative contract is quoted, at that price; or
  - 6.2.2 if separate buying and selling prices are quoted, at the average of the two prices;
- 6.3 over-the-counter derivative contracts shall be valued in accordance with the method of valuation as shall have been agreed between the Manager and the Trustee;
- 6.4 any other investment:
  - 6.4.1 if a single price for buying and selling the security is quoted, at that price; or
  - 6.4.2 if separate buying and selling prices are quoted, at the average of the two prices; or
  - 6.4.3 if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if the most recent price available does not reflect the Manager's best estimate of the value, at a value which, in the opinion of the Manager, is fair and reasonable; and
- 6.5 property other than that described in paragraphs 6.1 to 6.4 above: at a value which, in the opinion of the Manager, represents a fair and reasonable mid market price.
- 7 Cash and amounts held in current, deposit and margin accounts and in other time-related deposits shall be valued at their nominal values.
- 8 In determining the value of the property of the Trust, all instructions given to issue or cancel shares shall be assumed (unless the contrary is shown) to have been carried out and any cash payment made or received and all consequential action required by the FCA Handbook or the relevant Trust Deed shall be assumed (unless the contrary has been shown) to have been taken.
- 9 Subject to paragraphs 10 and 11 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the Manager, their omission shall not materially affect the final net asset amount.
- 10 Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 9.
- 11 All agreements are to be included under paragraph 9 which are, or ought reasonably to have been, known to the person valuing the property assuming that all other persons in the Manager's employment take all reasonable steps to inform it immediately of the making of any agreement.
- 12 Deduct an estimated amount for anticipated tax liabilities (on unrealised capital gains where the liabilities have accrued and are payable out of the property of the Trust; on realised capital gains in respect of previously completed and current accounting periods; and on income where liabilities have accrued) including (as applicable and without limitation) capital gains tax, income tax, corporation tax, value added tax, stamp duty and stamp duty reserve tax.
- 13 Deduct an estimated amount for any liabilities payable out of the scheme property and any tax thereon treating periodic items as accruing from day to day.

- 14 Deduct the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings.
- 15 Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.
- 16 Add any other credits or amounts due to be paid into the property of the Trust.
- 17 Add a sum representing any interest or any income accrued due or deemed to have accrued but not received and any stamp duty reserve tax provision anticipated to be received.
- 18 Currencies or values in currencies other than the base currency or (as the case may be) the designated currency of the Trust shall be converted at the relevant valuation point at a rate of exchange that is not likely to result in any material prejudice to the interests of Unitholders or potential unitholders.

## APPENDIX E

### Past Performance Information

The performance data has been calculated on a bid to bid basis in Sterling, with income reinvested. The performance data does not take into account any initial charge.

The following table shows the past performance of the Class I Acc for the Trust for each of the five consecutive 12 month periods (or as many as possible since launch if applicable).

The figures for the Trust show performance after the deduction of charges.

Please note that past performance is not an indication of future performance.

<b>Fund Name</b>	<b>31/12/2015 To 31/12/2016 (%)</b>	<b>31/12/2016 To 31/12/2017 (%)</b>	<b>31/12/2017 To 31/12/2018 (%)</b>	<b>31/12/2018 To 31/12/2019 (%)</b>	<b>31/12/2019 To 31/12/2020 (%)</b>
<b>Legal &amp; General Cash Trust</b>	0.21	0.20	0.51	0.66	0.23

*Data source: Lipper*

## APPENDIX F

### Other Schemes managed by the Manager

- 1 The following is a complete list of all Unit Trust Schemes offered and managed by the Manager. Details can be requested from the Manager.

Legal & General All Stocks Gilt Index Trust  
Legal & General All Stocks Index Linked Gilt  
Legal & General Asian Income Trust  
Legal & General Cash Trust  
Legal & General Distribution Trust  
Legal & General Dynamic Bond Fund  
Legal & General Emerging Markets Government Bond (Local Currency) Index Fund  
Legal & General Emerging Markets Government Bond (US\$) Index Fund  
Legal & General European Equity Income Fund  
Legal & General European Index Trust  
Legal & General European Trust  
Legal & General Fixed Interest Trust  
Legal & General Future World Climate Change Equity Factors Index Fund  
Legal & General Global 100 Index Trust  
Legal & General Global Emerging Markets Index Fund  
Legal & General Global Equity Index Fund  
Legal & General Global Health And Pharmaceuticals Index Trust  
Legal & General Global Inflation Linked Bond Index Fund  
Legal & General Global Infrastructure Index Fund  
Legal & General Global Real Estate Dividend Index Fund  
Legal & General Global Technology Index Trust  
Legal & General Growth Trust  
Legal & General High Income Trust  
Legal & General International Index Trust  
Legal & General Japan Index Trust  
Legal & General Managed Monthly Income Trust  
Legal & General Mixed Investment 0-20% Fund  
Legal & General Mixed Investment 0-35% Fund  
Legal & General Mixed Investment 20-60% Fund  
Legal & General Mixed Investment 40-85% Fund  
Legal & General Mixed Investment Income 0-35% Fund  
Legal & General Mixed Investment Income 20-60% Fund  
Legal & General Msci World Socially Responsible Investment (SRI) Index Fund  
Legal & General Multi-Asset Target Return Fund  
Legal & General Multi-Index Funds  
Legal & General Pacific Index Trust  
Legal & General Real Capital Builder Fund  
Legal & General Short Dated Sterling Corporate Bond Index Fund  
Legal & General Sterling Corporate Bond Index Fund  
Legal & General Sterling Income Fund  
Legal & General UK 350 Index Fund  
Legal & General UK Equity Income Fund  
Legal & General UK Index Trust  
Legal & General UK Mid Cap Index Fund  
Legal & General UK Property Feeder Fund  
Legal & General UK Select Equity Fund  
Legal & General UK Smaller Companies Trust  
Legal & General UK Special Situations Trust  
Legal & General UK 100 Index Trust  
Legal & General Unit Trust Managers I  
Legal & General Unit Trust Managers II  
Legal & General Unit Trust Managers III

Legal & General US Index Trust  
Legal & General Worldwide Trust  
Legal & General (N) Tracker Trust

- 2 The Manager is the authorised corporate director of the Legal & General Investment Funds ICVC and the Legal & General Investment Management Funds ICVC.
- 3 The Manager is the authorised contractual scheme manager of the co-ownership scheme, Legal & General Authorised Contractual Scheme.
- 4 The Manager also operates the following unregulated collective investment scheme, which is not available to the general public: Charities Aid Foundation UK Equitrack Fund.

## APPENDIX G

### Sub-custodians

Country	Sub-custodian	Sub-delegates
Argentina	Citibank N.A., Buenos Aires Branch	
Australia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Australia Limited
Austria	UniCredit Bank Austria AG	
Bangladesh	Standard Chartered Bank	
Belgium	The Northern Trust Company	
Bosnia and Herzegovina – (Federation of Bosnia-Herzegovina)	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Bosnia and Herzegovina (Republic of Srpska)	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Botswana	Standard Chartered Bank Botswana Limited	
Brazil	Citibank N.A. , Brazilian Branch	Citibank Distribuidora de Titulos e Valores Mobiliarios S.A ("DTVM")
Bulgaria	Citibank Europe plc, Bulgaria Branch	
Canada	The Northern Trust Company, Canada	
Canada*	Royal Bank of Canada	
Chile	Citibank N.A.	Banco de Chile
China B Share	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
Clearstream	Clearstream Banking S.A.,	
Colombia	Cititrust Columbia S.A. Sociedad Fiduciaria	
Costa Rica	Banco Nacional de Costa Rica	
Côte d'Ivoire	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Côte d'Ivoire SA
Croatia	UniCredit Bank Austria AG	Zagrebacka Banka d.d.
Cyprus	Citibank Europe PLC	

<b>Country</b>	<b>Sub-custodian</b>	<b>Sub-delegates</b>
Czech Republic	UniCredit Bank Czech Republic and Slovenia, a.s.	
Denmark	Nordea Bank AB	
Egypt	Citibank N.A., Cairo Branch	
Estonia	Swedbank AS	
Eswatini (formerly Swaziland)	Standard Bank Swaziland Ltd	
Finland	Nordea Bank Abp (publ)	
France	The Northern Trust Company	
Germany	The Northern Trust Company	
Ghana	Standard Chartered Bank Ghana Limited	
Greece	Citibank Europe plc	
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited	
Hong Kong (Stock and Bond Connect Shanghai/Shenshen)	The Hongkong and Shanghai Banking Corporation Limited	
Hungary	UniCredit Bank Hungary Zrt	
Iceland	Landsbankinn hf	
India	Citibank N.A.	
Indonesia	Standard Chartered Bank	
Ireland	Euroclear Bank S.A./N.V.	
Israel	Bank Leumi Le-Israel B.M.	
Italy	Citibank Europe plc	
Japan	The Hongkong and Shanghai Banking Corporation Limited	
Jordan	Standard Chartered Bank	
Kazakhstan	Citibank Kazakhstan JSC	
Kenya	Standard Chartered Bank Kenya Limited	
Kuwait	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited

<b>Country</b>	<b>Sub-custodian</b>	<b>Sub-delegates</b>
Latvia	Swedbank AS	
Lithuania	AB SEB bankas	
Luxembourg	Euroclear Bank S.A./N.V	
Malaysia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Malaysia Berhad
Mauritius	The Hongkong and Shanghai Banking Corporation Limited	
Mexico	Banco Nacional de Mexico S.A. integrante del Grupo Financiero Banamex	
Morocco	Société Générale Marocaine de Banques	
Namibia	Standard Bank Namibia Ltd	
Netherlands	The Northern Trust Company	
New Zealand	The Hongkong and Shanghai Banking Corporation Limited	
Nigeria	Stanbic IBTC Bank Plc	
Norway	Nordea Bank Abp	
Oman	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Oman S.A.O.G
Pakistan	Citibank N.A., Karachi Branch	
Panama	Citibank N.A., Panama Branch	
Peru	Citibank del Peru S.A.	
Philippines	The Hongkong and Shanghai Banking Corporation Limited	
Poland	Bank Polska Kasa OpiekiSpółka Akcyjna	
Portugal	BNP Paribas Securities Services	
Qatar	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Romania	Citibank Europe PLC	
Russia	AO Citibank	
Saudi Arabia	The Northern Trust Company of Saudi Arabia	

<b>Country</b>	<b>Sub-custodian</b>	<b>Sub-delegates</b>
Senegal	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Côte d'Ivoire SA
Serbia	UniCredit Bank Austria A.G.	UniCredit Bank Serbia JSC
Singapore	DBS Bank Ltd	
Slovakia	Citibank Europe PLC	
Slovenia	UniCredit Banka Slovenija d.d.	
South Africa	The Standard Bank of South Africa Limited	
South Korea	The Hongkong and Shanghai Banking Corporation Limited	
Spain	Deutsche Bank SAE	
Sri Lanka	Standard Chartered Bank	
Sweden	Nordea Bank Abp	
Switzerland	Credit Suisse (Switzerland) Ltd	
Taiwan	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Taiwan) Limited
Tanzania	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Tanzania Limited
Thailand	Citibank N.A., Bangkok Branch	
Tunisia	Union Internationale De Banques	
Turkey	Citibank A.S.	
Uganda	Standard Chartered Bank Uganda Limited	
United Arab Emirates (ADX)	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Arab Emirates (DFM)	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Arab Emirates (NASDAQ)	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
UK	Euroclear UK and Ireland Limited (Northern Trust self-custody)	
United States	The Northern Trust Company	
Uruguay	Banco Itau Uruguay S.A.	
Vietnam	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Vietnam) Ltd
Zambia	Standard Chartered Bank Zambia PLC	

\* The Royal Bank of Canada serves as The Northern Trust Company's sub-custodian for securities not eligible for settlement in Canada's local central securities depository

## APPENDIX H

### Remuneration Policy

The Manager has designed and implements a remuneration policy which is consistent with and promotes sound and effective risk management by having a business model which by its nature does not promote excessive risk taking that is inconsistent with the risk profile of the Trust or the Trust Deed and which does not impair the Manager's duty to act in the best interests of the Trust. The Manager's remuneration policy is consistent with the business strategy, objectives, values and interests of the Manager, the Trust and the Unitholders and includes measures to avoid conflicts of interest.

The Manager's remuneration policy applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls into the remuneration bracket of senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or the Trust.

In line with the provisions of the UCITS Directive and ESMA Guidelines on Sound Remuneration Policies under the UCITS Directive and AIFMD (ESMA/2016/411) as they apply in the UK from time to time including as retained, amended, extended, re-enacted or otherwise given effect on or after 11pm on 31 December 2020 (the "**ESMA Remuneration Guidelines**"), the Manager applies its remuneration policy and practices in a way and to the extent that is proportionate to its size, its internal organisation and the nature, scope and complexity of its activities.

Where the Manager delegates certain portfolio management and risk management functions in respect of the Trust, which it does to the Investment Manager, it will in accordance with the requirements of the ESMA Remuneration Guidelines ensure that;

- 1 the entities to which investment management activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Remuneration Guidelines; or
- 2 appropriate contractual arrangements are put in place to ensure that there is no circumvention of the remuneration rules set out in the ESMA Remuneration Guidelines.

Details of the remuneration policy of the Manager including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits including the composition of the remuneration committee, where such a committee exists, will be available at <https://www.lgim.com/uk/en/remuneration/>.

## APPENDIX I

### Estimated Swing Factor

The table below sets out the estimated Swing Factor. Please note, the percentages below are intended as a guide to Unitholders, and Swing Factors may be adjusted up or down from time to time as decided by the Manager.

The Manager reserves the right to impose a higher Dilution Adjustment on any day where, due to the size of the net inflow or net outflow, higher trading cost will be incurred.

<b>Fund</b>	<b>TOTAL BID SWING FACTOR (%)</b>	<b>TOTAL OFFER SWING FACTOR (%)</b>
<b>Legal &amp; General Cash Trust</b>	0.000	0.000

All figures are correct as at the date of this Prospectus.