Legal & General (Unit Trust Managers) Limited

SCHEME PARTICULARS

CAF UK Equitrack Fund

A Common Investment Fund
operated by Legal & General (Unit Trust Managers) Limited
on behalf of the Charities Aid Foundation

14 January 2016
1 **DEFINITIONS**

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration Agent</td>
<td>Legal &amp; General (Unit Trust Managers) Limited</td>
</tr>
<tr>
<td>Advisory Board</td>
<td>The Advisory Board of the scheme, appointed according to clauses 21 and 22 of the Governing Scheme Document, the Board’</td>
</tr>
<tr>
<td>Associate</td>
<td>A company or other person connected to the Manager</td>
</tr>
<tr>
<td>Auditors</td>
<td>KPMG LLP</td>
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<tr>
<td>Commission</td>
<td>The Charity Commission for England and Wales</td>
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<td>Co-Promoters</td>
<td>CAF Financial Solutions Limited (CFSL)</td>
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<td></td>
<td>Legal &amp; General Investment Management Ltd</td>
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<td></td>
<td>Legal &amp; General (Unit Trust Managers) Ltd</td>
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<tr>
<td>Custodian</td>
<td>The Northern Trust Company</td>
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<tr>
<td>Customers</td>
<td>Participants in the Fund</td>
</tr>
<tr>
<td>Distribution Account</td>
<td>The account to which the income of the Fund is transferred prior to distribution to unit holders</td>
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<tr>
<td>The Fund</td>
<td>CAF UK Equitrack Fund</td>
</tr>
<tr>
<td>FCA</td>
<td>Financial Conduct Authority</td>
</tr>
<tr>
<td>FSMA</td>
<td>Financial Services and Markets Act 2000</td>
</tr>
<tr>
<td>Governing Scheme Document</td>
<td>The scheme of the Charity Commission establishing the CAF UK Equitrack Fund a scheme dated January 2005 as amended by a further scheme dated 20 March 2007 and a section 280 resolution dated 28 October 2014</td>
</tr>
<tr>
<td>The Index</td>
<td>FTSE All-Share Index</td>
</tr>
<tr>
<td>Investment Manager</td>
<td>Legal &amp; General Investment Management Limited</td>
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<tr>
<td>Manager</td>
<td>Legal &amp; General (Unit Trust Managers) Limited</td>
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<tr>
<td>Participating Charities</td>
<td>Charities or charitable organisations who hold units in the scheme</td>
</tr>
<tr>
<td>PRA</td>
<td>Prudential Regulation Authority</td>
</tr>
<tr>
<td>Registrar</td>
<td>Legal &amp; General (Unit Trust Managers) Limited</td>
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<tr>
<td>Trustee</td>
<td>Northern Trust Global Services Limited</td>
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2 COMMENCEMENT AND CONSTITUTION

The Charities Aid Foundation (CAF) UK Equitrack Fund (the “Fund”) is a Common Investment Fund (CIF) established by the Charity Commission for England and Wales (“the Commission”), under section 24 of the Charities Act 1993. The Fund is administered for the benefit of the participating charities under a Scheme of the Commission dated January 2005 as amended by a further scheme dated 20 March 2007 and a section 280 resolution dated 28 October 2014. Any charity, or organisation regarded as charitable in UK Law, and based in England, Scotland or Wales, can invest in the CAF UK Equitrack Fund.

The Fund is not an authorised unit trust within the meaning of the Financial Services and Markets Act 2000 (“FSMA”). The Fund is operated by Legal & General (Unit Trust Managers) Limited as an unregulated collective investment scheme in accordance with the Financial Conduct Authority (FCA) rules and customers investing in the fund may not therefore receive the full levels of protection available under FSMA.

The property of the Fund (including income received in respect of the Fund but excluding sums standing to the credit of the Distribution Account) is held by the Trustee on trust for the Participating Charities according to the number of units held by each of them or, if both income units and accumulation units are in issue, according to the number of undivided shares in the property of the fund, represented by the units held by each Participating Charity. The sums standing to the credit of the Distribution Account are held by the Trustee on trust to distribute to the holders of the income units.


Should the provisions of the approved Scheme of the Commission and these Scheme Particulars be in conflict, the provisions of the approved Scheme shall prevail.

3 THE ADVISORY BOARD

The Board shall be responsible for those aspects of the administration and management of the Fund and its property, which are specified in clause 32 of the Governing Scheme Document. To the extent of those duties and powers, the Board members are charity trustees of the Fund within the meaning of the Charities Act. The Board is made up of individuals who act as the independent Trustees of the CAF UK Equitrack Fund.

4 THE CORPORATE TRUSTEE

The Corporate Trustee of the Fund is Northern Trust Global Services Limited which is a private company limited by shares, incorporated in England and Wales on 11 June 2003 with registered number 226284. Its registered office and its principal place of business is at 50 Bank Street, London E14 5NT, United Kingdom. Northern Trust Global Services Limited is authorised by the Prudential Regulation Authority and dual regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

The Manager has delegated certain administrative functions to Northern Trust Global Services Limited, including fund accounting services. Northern Trust Global Services Limited has functionally and hierarchically separated the performance of its trustee functions from its administration tasks delegated to it by the Manager. The principal business activity of the Trustee is the provision of custody services, fund administration, banking, trustee and depositary services and other financial services including borrowing, stock lending and holding money as banker.
The Trustee is responsible for the safekeeping of all the property of the Trust and has a duty to take reasonable care to ensure that the Trust is managed in accordance with the provisions of the COLL Sourcebook relating to the income of the Trust.

The Trustee delegates the custody of Scheme Property to The Northern Trust Company. Their registered and head office is at 50 Bank Street, Canary Wharf, London, E14 5NT. The Trustee is entitled to receive remuneration out of the Scheme Property for its services, as explained in paragraph 16.2 below. The Trustee is under no obligation to account to the Manager, the Trust or the Unitholders for any profits or benefits it makes or receives that are made or derived from or in connection with its role as trustee.

Under the depositary agreement the Trustee (in its capacity as Depositary of the Trust) has agreed that it, and any person to whom it delegates safekeeping of the property of the Trust, may not re-use any of the Scheme Property with which it has been entrusted without the Manager’s prior consent.

The Corporate Trustee cannot discharge its liabilities without prior approval from the Financial Conduct Authority and unitholders will be notified after the change has been made. Any change will be conducted in accordance to the regulatory requirements laid down by the regulator.

5 THE MANAGER

The Manager of the Fund is Legal & General (Unit Trust Managers) Limited. The Manager is authorised and regulated by the Financial Conduct Authority for the conduct of regulated activities, including the establishment, operation and winding up of unregulated collective investment schemes. The Manager will provide management and administration services on behalf of the Fund.

6 THE INVESTMENT MANAGER

The investment management of the assets of the Fund is delegated by the Manager to the Investment Manager. The Investment Manager is Legal & General Investment Management Limited (LGIM).

The Investment Manager is authorised and regulated by the Financial Conduct Authority. The Investment Manager is a body corporate and a member of the same group of companies as the Manager and its principal business is investment management.

The main function of the Investment Manager under the terms of the agreement between it and the Manager is to invest the assets of the collective investment schemes run by the Manager. The Investment Manager acts at its discretion, on behalf of the Manager.

7 THE AUDITORS

KPMG LLP is appointed as auditors of the Fund. Their address is:

KPMG LLP
Auditors of the CAF UK Equitrack Fund
15 Canada Square,
London,
E14 5GL
8 THE REGISTRAR

The Trustee has appointed the Manager as registrar, who in turn has delegated responsibility to the Administration Agent, which keeps the register at the following address, where it is open to inspection free of charge, during normal office hours:

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

The names and addresses of unitholders will be entered in the register, which shall be conclusive evidence of entitlement.

9 INVESTOR ELIGIBILITY AND MARKETING

This Fund is open only to charities, as defined by S24 (7) of the Charities Act 1993, and charitable organisations which have been granted exemption under Section 505(1) of the Income and Corporation Taxes Act 1998, and is not available to members of the general public. Any Charity applying to participate may be required by the Trustee to give a declaration of eligibility to participate and an indemnity against liabilities arising out of its ineligibility.

The Manager, the Investment Manager and CAF Financial Solutions Limited (CFSL) will co-promote the Fund. CFSL is authorised and regulated by the Financial Conduct Authority.

10 CONDUCT OF BUSINESS

The following services are provided in relation to the Fund:

10.1 Dealing in units in the Fund

10.1.1 Purchase of Units

Units in the Fund may be purchased by application to Legal & General (Unit Trust Managers) Limited ("LGUTM"), which is the Manager’s Administration Agent. It is part of the Legal and General Group and is authorised and regulated by the Financial Conduct Authority.

The minimum investment that will be accepted is £1000.

Applications from investors who have an existing relationship with Legal & General Investment Management Ltd can be either by telephone to the unit trust dealers on 0370 050 0634, (alternative 0870 050 0634) between 8.30 a.m. and 6.00 p.m. (an earlier closure may occasionally apply) on business days, or in writing, addressed to:

Legal & General (Unit Trust Managers) Limited Corporate Accounts Team (CAT)
PO Box 6080
Wolverhampton
WV1 9RB

Applications from all other investors are to be submitted in writing to the following address:

Charities Aid Foundation
CAF UK Equitrack Fund
Saving and Investment Services team
CAF Financial Solutions Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4TA
Applications for units will not be acknowledged, but the Administration Agent will despatch a contract note normally no later than the next business day following the day on which the relevant units are bought. Where telephone orders are allowed payment must be received within four working days. Registration will take place after receipt of payment provided that:

(a) the purchaser of units has supplied the Manager with all such information about the proposed holder as will enable the holding to be registered and
(b) the Manager has received the purchase price or other consideration for the issue of units (see also in specie transfers, section 11.1.2).

All applications to purchase units in the Fund must be from a charity, or an organisation regarded as charitable in UK law, based in England and Wales. Applications should include the registered charity number or Inland Revenue exemption number, and may not be accepted until evidence of charitable status has been verified. No certificates of title are issued for the Fund. Payments will only be accepted where the payment originates from the charity’s own bank account. Cancellation rights will not apply to investments in this fund.

The Manager is not obliged to issue units in the Fund to an investor if it has reasonable grounds for refusing to issue units. A purchase of units in writing and/or by telephone is a legally binding contract.

10.1.2 In specie transfers
The Investment Manager may accept the transfer of existing shares into the Fund in exchange for units. This facility can only be offered where the Investment Manager confirms that the shares to be transferred are consistent with the Fund’s investment policy and current trading requirements. Any other shares will need to be sold and the net proceeds then be invested in the Fund.

10.1.3 Redemption of Units
Customers may sell their units by application to the Administration Agent. Such sales will be subject to the policy on pricing set out in section 11.2 "Valuation and unit pricing of the Fund". A contract note and form for the renunciation of the units will be sent normally no later than the business day following the day in which falls the valuation point on which the relevant unit price is based. Settlement by BACS (Bankers Automated Clearing System) transfer for the proceeds will normally be sent no later than the fourth business day following receipt by the Administration Agent of the appropriate documents, which will usually be in the form of a written instruction or a duly completed renunciation form.

In the absence of any instruction to the contrary, units will be sold on a “first in-first out” basis. The minimum number of units in the Fund that may be redeemed is units to the value of £1000. If the value of the holding falls below £1000 the Manager reserves the right to terminate the holding. The Manager may, at its discretion, accept the in specie redemption of units from this Fund.

In agreement with the Trustee, the Manager may suspend the issue and redemption of units for a period not exceeding 28 days if it believes that there is good and sufficient reason to do so having regard to the interests of holders. Such suspension will be consequent upon an inability to price the units, through the unavailability of asset prices and an appropriate alternative available index of asset prices or a chronic systems failure and any backup thereto.

A redemption of units in writing and/or by telephone where permitted, is a legally binding contract.

10.1.4 Transfers of Title
Units may be transferred to another charity qualified to participate in the Fund by application to the Administration Agent through the provision of:
(a) an instrument of transfer in any usual common form or in any other form approved by the Trustee duly completed and executed on behalf of the transferor charity and, if necessary, duly stamped;
(b) such fee (if any) as the Trustee may from time to time determine.

The Trustee may require such evidence as it thinks fit as to the due completion and execution of the instrument of transfer and the authority of any signatory; once satisfied the Trustee shall complete the transfer by entering the name of the transferee charity in the register of unitholders and until that entry is made the transferor charity shall be deemed to remain the holder of the units; confirmation of the transfer shall be despatched to the transferee charity normally no later than 21 days after the transferee charity has supplied the Trustee with sufficient information to complete the transfer and with the address to which the confirmation is to be sent.

10.2 Valuation and unit pricing of the Fund

Valuations will be made every business day (being a day on which the London Stock Exchange is open) at 12.00 noon. The Manager may determine, with the agreement of the Trustee, that any business day so defined shall not be a business day.

The Manager may carry out additional valuations if it considers it desirable to do so or value earlier than noon if the length of the business day is curtailed.

Valuations of securities held within the scheme will be based upon the midday bid and offer prices of the stocks quoted by a reputable pricing source.

Where prices are obtained otherwise than from the main pricing source (for example unquoted, suspended, or illiquid stocks), the manager will maintain a record of the source and basis for the value placed on the investment. Where values cannot be readily determined, the securities will be valued at the Manager’s best assessment of their value.

For cash, valuations will be based upon the records of the appointed custodian.

On each business day, the manager will calculate two prices. The offer price will be based on the buying valuation and the bid price will be based upon the selling valuation. On any given day, all sales and redemptions of units will normally take place at either the bid or the offer price, depending on whether the Manager is buying or selling assets on behalf of the fund that day. The difference between the two prices is referred to as the ‘spread’ and is usually quoted as a percentage of the offer price.

Unit prices will reflect the daily accrual of income and expenses in the Fund.

The Manager deals at forward prices, that is to say, at the price ruling at the next valuation point. Price information for the Fund, calculated to four significant figures, is published on a daily basis in the Financial Times and on the websites
www.bloomberg.com

10.3 Custody of the assets of the Fund

Scheme assets will be registered in the name of the Custodian’s nominee company. Entitlements of the scheme may not be identifiable by separate certificates or other physical documents of title. Should the Manager default, any shortfall in the investments of the scheme registered in that name may be shared proportionately amongst all other customers of the manager, whose investments are also so registered.

Scheme assets cannot be lent to, or deposited by way of collateral with, a third party.
10.4 Processing of distributions by the Fund

In accordance with the accounting dates as set out in section 12, the Manager shall calculate the income and the expenses of the Fund for each accounting period and the Trustee shall distribute the net income (after any adjustment for tax), if any, to unitholders by BACS transfer no later than the distribution date.

If distributions are unclaimed six years from the date of payment they will be forfeited and will be transferred to and become part of the capital property of the Fund.

Where the average income allocation to a unitholder is less than £10 the Trustee, after consulting the Manager, may decide not to proceed with the distribution and carry forward the income to the next accounting period.

Both distribution and accumulation units are available. A distribution unit entitles the holder to payment of the net income earned and attributable to the unit at the income distribution date and always represents one undivided share in the capital property of the scheme. An accumulation unit provides for the net income earned to be retained in the unit value (at the accounting date). It represents such number of undivided shares as is equal to an undivided share issued at the outset of the scheme and increased by the amount of retained net income proportionately equal to that paid on distribution units in respect of each intervening accounting period.

Treatment of Equalisation: included in the issue price of units (on an offer basis) and in the cancellation price of units (on a bid basis) and so reflected as a capital sum in the issue and redemption price will be the value of income attributable to the unit accrued since the record date for the last income allocation.

A portion of the distribution, if any, payable at the distribution date next following the purchase of the units will consist of such capital. However in accordance with the Governing Scheme Document, such capital will be an amount arrived at on an average price basis of the accrued net income per unit included in the issue price of units purchased during the income allocation period. Where both accumulation and distribution units are available that capital sum will be calculated separately for each type of unit.

11 FUND ACCOUNTING

The accounting dates for the scheme are:

<table>
<thead>
<tr>
<th>Accounting Dates Interim</th>
<th>Final</th>
<th>Income Distribution Dates Interim</th>
<th>Final</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAF UK Equitrack Fund</td>
<td>31 October</td>
<td>30 April</td>
<td>31 December</td>
</tr>
</tbody>
</table>

The Manager will issue interim and annual reports to those on the Register.

The annual report will account for:

(a) The investments of the scheme;
(b) Income received by the scheme; and
(c) Rights conferred in respect of investments or other property of the scheme.

Unitholders will receive a periodic statement issued by the Manager every 12 months in February of each year. The Manager will issue a quarterly fact sheet, showing details of the performance of the Fund.
12 INVESTMENT OBJECTIVE

The investment objective for the Fund is to track the capital performance of the UK equity market as represented by the FTSE All-Share Index ("the Index") by investment in a representative sample of stocks selected from various economic sectors (including a stock or stocks reasonably expected to become part of that index).

From time to time non index constituents may be held as a result of a corporate action and these holdings will be sold or transferred as soon as reasonably practical.

The investment objective set for the Investment Manager is to match the capital return of the Index to within a deviation of +/- 0.50% per annum, in two years out of three on a rolling basis, before the deduction of expenses.

For the purposes of measuring Fund performance relative to the Index, the Investment Manager will use proprietary performance data.

13 INVESTMENT POLICY

13.1 Policy

This investment policy shall apply subject to the limitations set out at paragraph 14.2 of these Scheme Particulars.

The Fund shall normally be invested in:

(a) securities which are constituents of the Index, or securities which are expected to become Index constituents, and are listed on a recognised stock exchange
(b) cash (including any near-cash short-term instruments)

The Fund may also invest in:

(a) investments which may be subject to stabilisation
(b) derivatives
(c) new issues
(d) underwriting (including sub-underwriting) of any issue or offer for sale, subject to the prior written approval of the Charity Commission
(e) foreign currency may be purchased as required to manage the Fund efficiently.

Cash will be held, from time to time, in the Fund which will include cash required for administration purposes but could also include cash available for investment which the Investment Manager may place on deposit pending acquisition of securities. Cash on deposit will be placed with banks approved by the Investment Manager.

Orders may be aggregated with an own account order, an order from a market counterparty, or with another customer order. The effect of aggregation may work either to the advantage or disadvantage of the Fund.

13.2 Limitations

The Fund may invest by way of underwriting any new issue of shares, stock or other securities only in order to secure an allocation of a new issue (and not for the sole or main purpose of obtaining commission) and where to do so is judged not unduly hazardous or speculative.

The investment manager may incur a temporary overdraft not exceeding three months of up to 2% of the market value of the portfolio for settlement purposes or to meet the short term liabilities if the fund. Other than this, no borrowing in relation to the Fund is permitted and no contract may be entered into which might entail such borrowing being required.
Soft commission arrangements will not be entered into.

No party listed in this document may have a lien or security interest in the property of the Fund.

The Manager accepts responsibility for loss of the investments of the scheme to the extent that such loss is due to the negligence, wilful default or fraud of itself or any delegates.

13.3 Material Interests

The Manager and any Associate may effect transactions in which the Manager or Associate has, directly or indirectly, a material interest or a relationship of any description with another party, which may involve a potential conflict with the Manager’s duty to the Customer. The Manager will take all reasonable steps to ensure that such transactions are effected on terms that are not materially less favourable to the Customer than if the potential conflict had not existed. Neither the Manager nor any Associate shall be liable to account to the Customer for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the Manager’s fees, unless otherwise provided, be abated.

The Manager notifies the Customer that such potential conflicting interests or duties may arise because:

(a) the Manager or an Associate undertakes Regulated Activities for other customers;
(b) a director or employee of the Manager, or of an Associate, is a director of, holds, or deals in securities of, or is otherwise interested in any company whose securities are held or dealt in on behalf of the Customer;
(c) a transaction is effected in securities issued by an Associate or the customer of an Associate;
(d) a transaction is effected in securities in respect of which the Manager or an Associate may benefit from a commission, fee, mark-up or mark-down payable otherwise than by the Customer, and/or the Manager or an Associate may also be remunerated by the counterparty to any such transaction;
(e) the Manager deals on behalf of the Customer with, or in the securities of, an Associate;
(f) the Manager may act as agent for the Customer in relation to transactions in which it is also acting as agent for the account of other customers and/or Associates;
(g) the Manager may effect transactions involving placings and/or new issues with an Associate which may be acting as principal or receiving agent’s commission;
(h) a transaction is effected in securities of a company for which the Manager or an Associate has underwritten, or managed an issue or offer for sale, within the previous 12 months;
(i) the Manager or an Associate may receive remuneration or other benefits by reason of acting in corporate finance or similar transactions involving a company whose securities are held by the Customer; or
(j) a transaction is effected in securities in respect of which the Manager or an Associate, or a director or employee of the Manager or an Associate, is contemporaneously trading or has traded on its own account or has either a long or short position.
(k) The Trustee may, from time to time, act as trustee, depositary or custodian of other collective investment schemes.

13.4 Corporate Actions

The Investment Manager will make reasonable endeavours to:

(a) ensure that votes attached to securities held by the Fund are exercised;
(b) all voting decisions attached to the securities held in the Fund are taken in the best interest of the Fund; and
(c) all decisions taken in respect of corporate actions are taken in the best interests of the Fund.

13.5 Leverage

13.5.1 This section explains in what circumstances and how the Manager may use leverage in respect of the Scheme where the investment policy of that Scheme permits its use of leverage, the different leverage calculation methods and maximum level of leverage permitted.

13.5.2 The maximum level of leverage for the Scheme’s expressed as a ratio of the Fund’s total exposure to its Net Asset Value:

   (a) under the gross method is 115%; and
   (b) under the commitment method is 110%.

13.5.3 Leverage when used in these Scheme Particulars means the following sources of leverage can be used when managing the Fund:

13.5.4 cash borrowing, subject to the restrictions set out in 13.2 (“Limitations”);

13.5.5 financial derivative instruments.

13.5.6 The Manager is required to calculate and monitor the level of leverage of the Fund, expressed as a ratio between the exposure of the Fund and its Net Asset Value (Exposure/NAV), under both the gross method and the commitment method.

13.5.7 Under the gross method, the exposure of the Fund is calculated as follows:

   a) include the sum of all assets purchased, plus the absolute value of all liabilities;

   b) exclude cash and cash equivalents which are highly liquid investments held in the base currency of the Fund, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three month high quality bond;

   c) derivative instruments are converted into the equivalent position in their underlying assets;

   d) exclude cash borrowings that remain in cash or cash equivalents and where the amounts payable are known;

   e) include exposures resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of cash borrowed; and

   f) include positions within repurchase or reverse repurchase agreements and securities lending or borrowing or other similar arrangements.
13.5.8 Under the commitment method, the exposure of the Fund is calculated in the same way as under the gross method; however, where “hedging” offsets risk and “netting” eliminates risk, these values are not included.

13.5.9 The maximum level of leverage which the Fund may employ, calculated in accordance with the gross and commitment methods, is stated in paragraph 13.5.2 above.

13.5.10 In addition, the total amount of leverage employed by the Fund will be disclosed in the Scheme’s annual report.

14 CLIENT MONEY

The Manager will hold all money received from customers for the purposes of investment within the Fund in UK bank accounts in accordance with the FCA Client Money Rules.

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

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.

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.

Your organisation’s money will be held in the Client Money Account until fund settlement date with the Corporate Trustees.

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 Corporate Trustee. This will be done within four business days from the Valuation Point at which the Units are sold. From that date it is no longer part of the Fund 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 your organisation. Your organisation is 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.

Where we haven’t been provided with sufficient payment details, we will make reasonable efforts to contact your organisation through your nominated contact, or contacts, 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 organisation’s protection (such as to prevent fraud) or as required by law.

Your organisation will not be entitled to any interest earned on your Payments held in a Client Money Account unless we tell you otherwise.

We hold any money in a Client Money Account separate from our own money. If we become insolvent, all the money held in a Client Money Account will be paid to clients in accordance with the FCA Rules. If there is a shortfall in the money held in the Client Money Account, your organisation will suffer in any shortfall in the same proportion to your
15 CHARGES AND PAYMENTS FOR SERVICES

The Manager will make no preliminary charge on the issue of units and no redemption charge is applied.

The Manager shall be entitled to fees and expenses in relation to the Fund, comprising the aggregate of the annual management charge and the unit holder registration charge. All charges are stated exclusive of VAT, which will be added and payable where applicable.

16.1 Management Charge

| Management Charge | 0.25% of the funds under management |

The Management Charge accrues daily and is payable monthly in arrears out of the income of the Fund at the end of each monthly accrual period. This charge is subject to VAT.

The Manager may increase the annual management charge if the Advisory Board has given its prior written agreement, the Trustee and Participating Charities have been given 90 days notice in writing of the Managers' intention to increase the charge, and the Scheme Particulars have been revised to reflect the proposed increase.

Discounts to the investment management fee may be available for clients investing ten million pounds or more. Any agreed rebate will be calculated on a monthly basis and returned to the unit holder at the end of each six month period.

16.2 Trustee Charges

The Trustee shall be entitled to receive payment for its services from the Fund. The Trustee charge is 0.80 basis points on the first £250m, 0.65 basis points on next £500m, 0.50 basis points on next £1250m and 0 basis points on the balance of the fund, plus VAT. The Trustee Charge will accrue daily and be payable monthly in arrears out of the income of the Fund at the end of each monthly accrual period.

The Trustee charges may be increased if the Board has given its prior written agreement, the Manager and Participating Charities have been given 90 days notice in writing of the Trustees' intention to increase the charge, and the Scheme Particulars have been revised to reflect the proposed increase.

16.3 Other Charges and Expenses

The following other charges and expenses (where applicable) are payable out of the property of the Fund together with any VAT applicable:

(a) the fee, expenses and disbursements of any person incurred in maintaining the register, currently £20 per annum for each designated account maintained for any unit holder
(b) the audit fees of the auditor and any expenses of the auditor
(c) all costs of dealing in the property of the fund, including fees paid to the Custodian in relation to custody account and security transaction charges
(d) any printing and distribution costs incurred in amending and supplying modified copies of the Governing Scheme Document or the Scheme Particulars.

These other charges and expenses are not expected to exceed 0.04% per annum. All charges and expenditure will be debited from the income account. (Please note the risk warning in section 17.3).
For the most up to date information on the Total Expense Ratio (TER) which shows the total costs for the fund please see the report and accounts. The latest report and accounts can be found at


17 RISK CHARACTERISTICS OF THE FUND

Investment in the Fund will involve exposure to the risks normally associated with investment in securities.

17.1 Fund Performance

No warranty is given by the Manager as to the performance or profitability of the Fund or that the investment objective of the Fund will be achieved. The Fund aims to track the Index and if the Index performs poorly, then this will be reflected in the performance of the Fund.

17.2 Prices

A Participating Charity should always bear in mind that the price of units in the Fund and the income from them can go down as well as up and are not guaranteed. A unitholder may not get back the amount invested.

17.3 Fund Charges

In the event that there is insufficient income to meet the charges of the Fund any shortfall will be deducted from the capital of the Fund. This could cause capital erosion.

17.4 Investment Term

As the CAF UK Equitrack Fund is subject to the risks normally associated with investing in UK company shares, it should be regarded as a medium to long-term investment. However, while the fund is exposed to movements in the UK stock market, unlike actively managed funds it is not exposed to the risks associated with selecting only a small number of individual stocks.

18 TAXATION

The Fund is a registered charity and is exempt from Stamp Duty/Stamp Duty Reserve Tax on purchases of securities, under legislation current at the date of these Scheme Particulars. The tax treatment of Common Investment Funds may change if UK legislation and regulations and the UK tax regime are amended.

19 REPLACEMENT OF THE MANAGER

If the Board is of the opinion for good and sufficient reason that a change of manager is desirable in the interests of Participating Charities, it shall apply to the Charity Commission for an order to discharge the Manager from the provisions of the Fund and will serve notice on the Manager. The Board shall use its best endeavours to find a qualified replacement to act as Manager. The Manager shall only be discharged by an order from the Commissioners and any new Manager shall be appointed by an order of the Commissioners.

20 WINDING UP OF THE FUND

If the Trustee is of the opinion that it is in the interests of the Participating Charities to wind up the Fund it shall serve on the Board a notice of it’s intention to wind up the Fund. The Board has one
month from the date of the notice to make any representations to the Trustee. Where the Trustee then makes a written declaration to wind up the Fund, it shall:

(a) send a copy of the declaration to the Commission, the Manager and the Board
(b) inform the participating Charities in writing that the Fund is to be wound up
(c) as soon as practicable after the Fund falls to be wound up realise the property of the fund. Immediately following the realisation by the Manager of that part of the Scheme Property not held in cash (save for any such non-cash property proposed to be distributed in specie), the Manager shall be discharged entirely from its obligations in respect of the Fund. After paying out of the Fund, or retaining adequate provision out of the Fund for, all liabilities properly payable out of the Fund, and the costs of the winding up, the Trustee shall distribute that part of the proceeds of the realisation represented by income units to the Participating Charities holding income units immediately before the date of the declaration pro rata to such holdings, and that part of the proceeds of the realisation represented by accumulation units to the Participating Charities holding accumulation units immediately before that date pro rata to such holdings.

21 COMPLAINTS PROCEDURE

The Manager has established a procedure to investigate all complaints. Any complaints should first be made in writing to the Head of Operations of the Administration Agent at the address stated in 11.1.1. In addition, eligible complainants have the right to complain direct to the Financial Ombudsman Service, at the address below:

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR

22 COMPENSATION

Under the Financial Services Compensation Scheme, should the Manager be unable to meet all its liabilities to investors, compensation may be available to eligible investors. The maximum level of compensation payable by the Scheme for a claim is £50,000 (100% of the first £50,000) per investor. Further information can be obtained on request from the Manager or direct from the Financial Services Compensation Scheme, by visiting their website www.fscs.org.uk or calling 0800 678 1100.
23 ADDITIONAL INFORMATION

23.1 Verification of Identity

The Manager is responsible for the verification of clients in accordance with UK legislation. In order to meet these requirements, in certain circumstances unit holders will be required to provide proof of identity when buying or selling units. The Manager reserves the right to retain the proceeds of a redemption of units, until satisfactory evidence of identity has been received.

23.2 Tax reporting

Tax regulations require the Manager to collect certain information about each investor's tax arrangements.
If you are a UK resident you authorise the Manager to disclose all relevant information about you and your account to HM Revenue & Customs in connection with your tax responsibilities and in accordance with UK law.
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 relevant tax authorities, as prescribed by law.

23.3 The Scheme Particulars

Any person relying on the information contained in this document, which was current at the date shown, should check with the Manager that this document is the most current version and that no revisions have been made nor corrections published to the information contained in these Particulars since the date shown. Copies of these Scheme Particulars will be supplied free of charge.

23.4 Data Protection

The Manager in accordance with data protection legislation will hold relevant personal details that have been supplied to the Manager for the purposes of carrying out its agreement with the investor. The details of Customers introduced by CFSL will be made available to the Charities Aid Foundation to assist in the provision of the products and services you request. The Manager will not sell or pass on your details to any other third party except to the extent that a third party, which provides services to the Fund, requires such information to perform its obligations.

23.5 Index Information

The units in the CAF UK Equitrack Fund are not in any way sponsored, endorsed, sold or promoted by FTSE International Ltd ("FTSE") or by The London Stock exchange PLC, (the "Exchange") or by The Financial Times Limited ("FT") and neither FTSE nor Exchange nor FT makes any warranty or representation whatsoever, expressly or implied, either as to the results to be obtained from the FTSE All-Share Index ("the Index") and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSE. However, neither FTSE nor Exchange nor FT shall be liable (whether in negligence or otherwise) to any person for any error in any of the Index and neither FTSE or Exchange or FT shall be under any obligation to advise any person of any error therein.

“FTSETM”, “FT-SE®” and “Footsie®” are trade marks of the London Stock Exchange Plc and The Financial Times Limited and are used by FTSE International Limited ("FTSE") under licence. “All-Share” is a trade mark(s) of FTSE.
23.6 Professional Liability Risk

In accordance with the requirements of the AIFMD Legislation, the Manager covers its potential liability risks arising from professional negligence by holding the appropriate additional own funds within the meaning of Article 14 of the AIFMD Regulation.

23.7 Fair Treatment of Unitholders

To ensure the fair treatment of the unitholders, all of the unitholders invest on the terms of the Prospectus and the trust deed. As set out in section 11, the manner in which the units in the scheme are applied for by each unitholder and the form of contract note received by each unitholder will be on substantially the same terms for each unitholder.

23.8 Unitholders’ Rights

No unitholder receives preferential treatment over another unitholder. Unitholders have the rights specified in this Prospectus and trust deed.

However, in certain limited circumstances, and subject at all times to the provisions of the Conduct of Business Sourcebook of the FCA’s Handbook of rules and Guidance, the Manager may at its sole discretion rebate its initial or periodic charges in respect of any application for, or holding of units. Such rebates may be offered to investors that direct significant investment flow to the Trust.

23.9 Additional Information available to unitholders

The following information will be made available to unitholders as part of the periodic reporting and, as a minimum, in the annual Manager’s Reports and Accounts:

(a) the percentage of each Scheme’s assets which will be subject to special arrangements arising from their illiquid nature, including an overview of any special arrangements in place, the valuation methodology applied to assets which are subject to such arrangements and how management and performance fees will apply to these assets;

(b) the current risk profile of each Scheme, and information on the risk management systems used by the Manager to manage those risks;

(c) the total amount of leverage employed by each Scheme calculated in accordance with the gross and commitment methods; and

(d) any material changes to the information above.

Unitholders will be notified appropriately of any material changes to the liquidity management systems and procedures such as the suspension of redemptions, the deferral of redemptions or similar special liquidity arrangements. It is intended that any changes to the maximum level of leverage which a Scheme may employ will be provided to unitholders without undue delay.

Legal & General (Unit Trust Managers) Limited