

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART OUTSIDE THE UNITED KINGDOM**

This document is issued by Polar Capital LLP (the 'Manager' or the 'AIFM') solely in order to make certain particular information available to investors and potential investors in the Polar Capital Global Healthcare Growth and Income Trust plc (the 'Company' or the 'AIF') before they invest, in accordance with the requirements of the Financial Conduct Authority ('FCA') Rules implementing the EU Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (the 'AIFM Directive' or 'AIFMD') in the United Kingdom ('UK'). It is made available to investors ('investors' or 'shareholders') in the Company by being made available at [www.polarcapitalhealthcaretrust.com](http://www.polarcapitalhealthcaretrust.com).

**Potential investors in the Company's shares should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Company.**

**Polar Capital Global Healthcare Growth and  
Income Trust plc**

**INVESTOR DISCLOSURE DOCUMENT**

**IMPORTANT INFORMATION**

**Regulatory status of the Company**

Polar Capital Global Healthcare Growth and Income Trust plc is an "alternative investment fund" ('AIF') for the purposes of the AIFM Directive and is incorporated under the Companies Act 2006 as a public limited company in England and Wales. It operates as an investment company as defined in the Act and has been granted investment trust status in accordance with section 1158 of the Corporation and Tax Act 2010 subject to continuing to meet the ongoing requirements.

The Company's shares are listed on the premium segment of the Official List of the UK Listing Authority ('UKLA') and are admitted to trading on the main market of the London Stock Exchange. The Company is subject to the provisions of its Articles of Association, the UKLA Listing, Prospectus and Disclosure and Transparency Rules, the UK Corporate Governance Code and the Companies Act 2006.

**Implications of the contractual relationship entered into for the purpose of investment**

While investors acquire an interest in the Company on purchasing or subscribing for the Company's ordinary shares ('shares'), the Company is the sole legal and/or beneficial owner of its investments. Consequently, shareholders have no direct legal or beneficial interest in those investments. The liability of shareholders for the debts and other obligations of the Company is limited to the amount unpaid, if any, on the shares held by them.

Shareholders' rights in respect of their investment in the Company are governed by the Company's Articles of Association and the Companies Act 2006. The Articles of Association set out the respective rights and restrictions attaching to the Company's shares. Under English law, the following types of claim may in certain circumstances be brought against a company by its shareholders: contractual claims under its Articles of Association; claims in misrepresentation in respect of statements made in its prospectus and other marketing documents; unfair prejudice claims; and derivative actions. In the

event that a shareholder considers that it may have a claim against the Company in connection with such investment in the Company, such shareholder should consult its own legal advisers.

### **Jurisdiction and applicable law**

As noted above, shareholders' rights are governed principally by the Articles of Association and the Companies Act. By subscribing for or purchasing shares, investors agree to be bound by the Articles of Association which is governed by, and construed in accordance with, the laws of England and Wales.

### **Recognition and enforcement of foreign judgments**

Regulation (EC) 593/2008 ('Rome I') must be applied in all member states of the European Union (other than Denmark). Accordingly, where a matter comes before the courts of a relevant member state, the choice of a governing law in any given agreement is subject to the provisions of Rome I. Under Rome I, the member state's courts may apply any rule of that member state's own law which is mandatory irrespective of the governing law and may refuse to apply a rule of governing law if it is manifestly incompatible with the public policy of that member state. Further, where all other elements relevant to the situation at the time of the choice are located in a country other than the country whose law has been chosen, the choice of the parties shall not prejudice the application of provisions of the law of that other country which cannot be derogated from by agreement.

Investors should note that there are a number of legal instruments providing for the recognition and enforcement of foreign judgments in England. Depending on the nature and jurisdiction of the original judgment, Council Regulation (EC) No 44/2001 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, Regulation (EC) No 805/2004 of the European Parliament and of the Council of 21 April 2004 creating a European Enforcement Order for uncontested claims, the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters done at Lugano on 30 October 2007, the Administration of Justice Act 1920 and the Foreign Judgments (Reciprocal Enforcement) Act 1933 may apply. There are no legal instruments providing for the recognition and enforcement of judgments obtained in jurisdictions outside those covered by the instruments listed above, although such judgments might be enforceable at common law.

### **Limited purpose of this document**

This document is not being issued for any purpose other than to make certain required regulatory disclosures to investors and, to the fullest extent permitted under applicable law and regulations, the Company and the Manager will not be responsible to persons other than the Company's shareholders for their use of this document, nor will they be responsible to any person (including the Company's shareholders) for any use which they may make of this document other than to inform a decision to invest in or dispose of shares in the Company.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation to buy or sell, or otherwise undertake investment activity in relation to, the Company's shares.

**This document is not a prospectus and it is not intended to be an invitation or inducement to any person to engage in any investment activity. This document may not include (and it is not intended to include) all the information which investors and their professional advisers may require for the purpose of making an informed decision in relation to an investment in or disposal of the Company's shares.**

### **No advice**

This document may include statements or direct the reader to statements that are, or may be deemed to be, “forward-looking statements”. In some cases, such forward-looking statements can be identified by the use of forward-looking terminology, including the terms “targets”, “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual performance, results of operations, returns, yields, financial condition, liquidity, distributions to investors and the development of its strategies may differ materially from any impression created by any forward-looking statement(s) contained in these materials. Opinions, estimates, forecasts, and statements of financial market trends that are based on current market conditions, constitute the authors' judgment and are subject to change without notice. Changes in exchange rates may cause the value of underlying investments to go down as well as up. The value of any investments and the income from them may fall as well as rise and investors may not get back the amount invested. Target yields or returns are targets only and there can be no guarantee that the Company will achieve such targets at the levels stated or at all. Prospective investors should not place any reliance on such targets in deciding whether to invest in the Company.

The Company and the Manager are not advising any person in relation to any investment or other transaction involving shares in the Company. Recipients must not treat the contents of this document or any subsequent communications from the Company, or any of its affiliates, officers, directors, employees or agents, as advice relating to financial, investment, taxation, accounting, legal, regulatory or any other matters. Prospective investors must rely on their own professional advisers, including their own legal advisers and accountants, as to legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment in shares.

**Potential investors in the Company's shares should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Company. Potential Investors should also consult the Articles of Association and the latest Financial Report, both of which are available from the Company's website.**

### **Overseas investors**

This document is not for release, publication or distribution, directly or indirectly, in whole or in part outside the UK.

The distribution of this document in certain jurisdictions may be restricted and accordingly persons into whose possession this document comes are required to inform themselves about and to observe such restrictions. The shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under any of the relevant securities laws of Canada, Australia or Japan. Accordingly, the shares may not (unless an exemption from such Act or such laws is available) be offered, sold or delivered, directly or indirectly, in or into the USA, Canada, Australia or Japan. The Company is not registered under the United States Investment Company Act of 1940 (as amended) and investors are not entitled to the benefits of such Act.

Prospective investors must inform themselves as to (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of shares.

## **THE COMPANY**

### **Investment policy**

The Company's annual report, which is available from its website, [www.polarcapitalhealthcaretrust.com](http://www.polarcapitalhealthcaretrust.com), sets out the Company's investment policy.

### **Investment restrictions and guidelines**

The Company's annual report, which is available from its website, [www.polarcapitalhealthcaretrust.com](http://www.polarcapitalhealthcaretrust.com), sets out the investment restrictions and guidelines currently applied in managing the Company's portfolio.

### **Leverage**

It is not intended that the Company incur borrowings to provide long-term structural debt. No borrowings have been made and no arrangements made for any banking loans. However the Articles of Association provide that the Company may borrow up to 15% of its NAV at the time of drawdown for tactical deployment when the Board of the Company believes that gearing will enhance returns to shareholders.

The AIFMD prescribes two methods of measuring and expressing leverage (as opposed to gearing) and requires disclosure of the maximum amount of 'leverage' the Company might be subject to. The definition of leverage is wider than that of gearing and includes exposures that are not considered to contribute to gearing. Without prejudice to the foregoing (on compliance with the investment policy and Articles of Association re gearing), the Company has set the following "leverage" limit: 200% (on both a "gross" and "commitment" basis).

The Company will disclose the following in its annual report or on its website at the same time as it makes its annual report and accounts available to investors or more frequently at its discretion:

- any changes to the maximum level of leverage that the AIFM may employ on behalf of the Company;
- any changes to the right of reuse of collateral or any guarantee granted under the leveraging arrangements; and
- the total amount of leverage employed by the Company.

### **Investment strategy and investment techniques**

The Company's annual report, which is available from its website, [www.polarcapitalhealthcaretrust.com](http://www.polarcapitalhealthcaretrust.com), sets out the investment strategy and techniques currently applied in managing the Company's portfolio.

As a closed-ended investment fund whose shares are admitted to the Official List under Chapter 15 of the UKLA Listing Rules, the Company is required to obtain the prior approval of its shareholders to any material change to its published investment policy. Accordingly, the Company will not make any material change to its published investment policy without the approval of its shareholders by ordinary resolution. The Company will announce any such change through a Regulatory Information Service. The Company's published investment policy is set out in the annual report and on the website.

Any change in investment strategy or investment policy which does not amount to a material change to its published investment policy may be made by the Company without shareholder approval. An accumulation of small changes that over time constitute a material change also requires shareholder approval.

### **Risk in connection with derivatives**

The Company may use various derivative instruments, including options, futures, forward contracts and swaps, as part of its investment strategy for purposes of efficient portfolio management. Some of

these derivative instruments may be volatile and speculative in nature, and may be subject to wide and sudden fluctuations in market value. Derivatives, especially over-the-counter derivatives in the form of a privately negotiated contract against a principal counterparty, may also be subject to adverse valuations reflecting the counterparty's marks (or valuations), which might not correspond to the valuations of other market or exchange traded instruments. In addition, derivative instruments also may not be liquid in all circumstances, so that in volatile markets the Company may not be able to exit its position without incurring a loss. Investing in derivative instruments can result in large amounts of gearing, which may magnify the gains and losses experienced by the Company and could cause the Company's NAV to be subject to wider fluctuations than would otherwise be the case.

Any use of call and put options and futures by the Company will entail additional risks. Although an option buyer's risk is limited to the amount of the original investment for the purchase of the option, an investment in an option may be subject to greater fluctuation than an investment in the underlying securities. Futures markets are highly volatile and are influenced by factors such as changing supply and demand relationships, governmental programmes and policies, national and international political and economic events and changes in interest rates. Because of the low margin deposits normally required for investments in futures, a high degree of gearing is typical of a futures investment account, so that a relatively small price movement in a futures contract may result in substantial losses to the investor. Futures positions are marked to market each day and variation margin payments must be paid to or by the Company. Futures investments may also be illiquid and certain exchanges do not permit investing in particular contracts at prices that represent a fluctuation in price during a single day's trading beyond certain set limits. Should prices fluctuate during a single day's trading beyond those limits (which might last for several days with respect to certain contracts), the Company could be prevented from promptly liquidating unfavourable positions and thus be subjected to substantial losses.

In addition, the Company would be exposed to the credit risk of the counterparty bank or other market maker writing any derivative instrument.

## **ADMINISTRATION AND MANAGEMENT OF THE COMPANY**

### **The AIFM**

#### **Identity of AIFM**

The AIFM is Polar Capital LLP, whose registered office is 16 Palace Street, London, SW1E 5JD. The ultimate holding company of the AIFM is Polar Capital Holdings plc, which is public limited company incorporated in England and Wales.

The Manager has been authorised by the FCA to act as an Alternative Investment Fund Manager pursuant to the AIFMD and has been designated by the Company to perform the following functions:

- the investment management function in respect of the Company which includes portfolio management and risk management;
- the general administration of the Company, including:
  - Company Secretarial and fund management accounting services;
  - valuation and pricing of the assets of the Company, including tax returns;
  - regulatory compliance monitoring; and
  - record keeping.
- marketing functions.

### **Fees**

The Investment Manager is entitled to a fee at the rate of 0.85% per annum of the lower of the Company's market capitalisation and the Company's net asset value. 80% of the management fee is charged to the capital account.

The Investment Manager is also entitled to a performance fee paid in cash. The fee is equal to 10% of the excess return over the performance fee hurdle. The hurdle is 100p increased or decreased by reference to the return on the Benchmark plus 15p. The performance is adjusted for these purposes to take into account the dividends paid by the Company. The fee is calculated and payable at the liquidation of the Company expected following the seventh AGM in January 2018. Further details are given in the Annual Report. The Company Secretarial services are provided at no extra cost to the company.

## **The Administrator**

### **Identity of the Administrator**

The Administrator is HSBC Security Services (UK) Limited. The Administrator is public limited company incorporated in England and Wales and is regulated by the FCA. Its registered office is at HSBC Security Services (UK) Limited, 1 Lochside Way, Edinburgh Park, Edinburgh EH12 9DT.

The Investment Manager has, with the consent of the Directors, delegated the provision of certain administrative functions to HSBC Securities Services (UK) Limited and to Polar Capital Secretarial Services Limited. The fees of HSBC Securities Services (UK) Limited in providing such services are paid by the Company.

## **Fees**

The functions of the Administrator are set out under the terms of the Administration Delegation Agreement. For these services, the Administrator is entitled to an administration fee calculated on an agreed tariff for the functions that it undertakes. However, to the extent that payment of the Administrator's fees by the Company would result in the Company being unable to pay aggregate dividends in the relevant year of at least 3 pence per Ordinary Share out of its net income, such excess fees will be borne by the Manager. The Administration fees are based on a rate card and are included within "other expenses" of the Annual Report.

## **The Depositary**

### **Identity of the Depositary**

The Depositary is HSBC Bank plc. The Depositary is a public limited company incorporated in England and Wales and is regulated by the FCA. Its registered office is at HSBC Bank plc, 8 Canada Square, London E14 5HQ.

The role of a Depositary is the provision of depositary services.

The Depositary has been appointed by the Company to act as the Company's depositary and shall perform its functions and responsibilities in accordance with the AIFMD. The principal duties of the Depositary are as follows:

a) safe-keeping of the assets of the Company that can be held in custody (including book entry securities);

- b) record-keeping of assets that cannot be held in custody in which case the Depositary must verify their ownership;
- c) ensure that the Company's cash flows are properly monitored, and in particular ensure that all payments made by or on behalf of investors upon the issue or buy-back of shares in the Company have been received and that all cash of the Company has been booked in cash accounts that the Depositary can monitor and reconcile;
- d) ensure that any issue or buy-back of the Company's shares are carried out in accordance with English law and the Articles of Association;
- e) ensure that the value of the Shares of the Company is calculated in accordance with English law, the Articles of Association and the valuation procedures;
- f) carry out the instructions of the AIFM and the Board of the Company, unless they conflict with English law;
- g) ensure that in transactions involving a Company's assets any consideration is remitted to the Company within the usual time limits; and
- h) ensure that a Company's income is applied in accordance with English law and the Articles of Association.

In relation to the duties of the Depositary regarding custody as referred to at paragraph (a) above, in respect of financial instruments which can be held in custody, (except to the extent that the Depositary has contractually transferred liability to a delegate in accordance with AIFMD) the Depositary is liable to the Company or the shareholders for any loss of such financial instruments held by the Depositary or any delegate.

In relation to all the other duties of the Depositary as referred to at paragraphs (b) - (h), the Depositary is liable to the Company or the shareholders for all other losses suffered by it or them as a result of negligent or intentional failure to properly fulfil such obligations.

The Depositary may delegate its safekeeping function to a custodian who in turn may delegate to sub-custodians. The Depositary currently does not delegate its safekeeping function and will notify the AIF and the AIFM should this be pursued.

## **Fees**

The fee paid to the Depositary is agreed by the Board and contains a fixed and variable element dependent on the size of the Company's assets. The fee paid each year is disclosed in the Company's Annual Report and Financial Statements. The Custody fee is charged at agreed rates dependent on the domicile of the Company's investments.

## **The Auditor**

### **Identity of the Auditor**

The auditors to the Company are PricewaterhouseCoopers LLP, whose registered office is Level 4, Atria One, 144 Morrison Street, Edinburgh EH3 8EX. The Auditor is incorporated in England and Wales as a limited liability partnership and is regulated by the FCA.

### **Duties Description of the duties of the Auditor and investors rights**

The Auditor carries out its duties in accordance with applicable laws, rules and regulations, including the audit of the accounting information contained in the Annual Report of the Company. The Auditors'

work has been undertaken so that they might state to the Company's members those matters they are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, the Auditors do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for their audit work, for their audit report, or for the opinions they formed.

## **Fees**

The fees payable to the auditors shall be determined by the Directors annually. The Company's Annual Report, which is available from its website, [www.polarcapitalhealthcaretrust.com](http://www.polarcapitalhealthcaretrust.com), details the fees paid to the Company's Auditor in the last financial year for both Audit and any non Audit work.

## **The Registrar**

### **Identity of the Registrar**

The registrar to the Company is Equiniti Limited, whose registered office is at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. The Registrar is incorporated in England and Wales as a private limited company.

The duties of the Registrar include the maintenance of the register of shareholders, payment of dividends, processing of shareholder legal documentation, certifying and registering transfers and general meeting services.

## **Fees**

Under the terms of the Registrar Agreement, the Registrar is entitled to an annual maintenance fee of £1.05 per Shareholder account per annum, subject to a minimum fee of £3,250 per annum. The Registrar is also entitled to activity fees under the Registrar Agreement. The fees paid each year are disclosed in the Company's Annual Report and Financial Statements.

## **Investors' Rights**

The Company is reliant on the performance of third party service providers, including the Investment Manager, the Depository, the Auditor and the Registrar.

Without prejudice to any potential right of action in tort that a shareholder may have to bring a claim against a service provider, each shareholder's contractual relationship in respect of its investment in shares is with the Company only. Accordingly, no shareholder will have any contractual claim against any service provider with respect to such service provider's default.

In the event that a shareholder considers that it may have a claim against a third party service provider in connection with such shareholder's investment in the Company, such shareholder should consult its own legal advisers.

The above is without prejudice to any right a shareholder may have to bring a claim against an FCA authorised service provider under section 138D of the Financial Services and Markets Act 2000 (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious cause of action. Shareholders who believe they may have a claim under section 138D of the Financial Services and Markets Act 2000, or in tort, against



any service provider in connection with their investment in the Company, should consult their legal adviser.

Shareholders who are "Eligible Complainants" for the purposes of the FCA "Dispute Resolutions Complaints" rules (natural persons, micro-enterprises and certain charities or trustees of a trust) are able to refer any complaints against the Investment Manager to the Financial Ombudsman Service ('FOS') (further details of which are available at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)). Additionally, shareholders may be eligible for compensation under the Financial Services Compensation Scheme ('FSCS') if they have claims against an FCA authorised service provider (including the Investment Manager) which is in default. There are limits on the amount of compensation available. Further information about the FSCS is at [www.fscs.org.uk](http://www.fscs.org.uk). To determine eligibility in relation to either the FOS or the FSCS, shareholders should consult the respective websites above and speak to their legal advisers.

## **Delegation of functions by the AIFM**

### **Fund Accounting**

Fund accounting, including the calculation of net asset values has been delegated to HSBC Fund Services, which is authorised and regulated in the UK by the FCA.

### **Conflicts of Interest**

It is our policy to identify the conflicts of interest that may exist between a) ourselves or anyone linked to the firm (including managers, employers and controllers) and our clients or the investors in those clients or b) one client or the investors in that client and another client or c) a client or the investors in that client, and another client and the investors in that client or d) 2 clients of the firm or e) ourselves and any third party or 'delegate' as defined under AIFMD. We must as a priority aim to ensure that clients are not adversely affected by potential conflicts. It is therefore our policy to document the arrangements we have put in place to manage the conflicts identified.

A copy of the Conflicts of Interest Policy is available upon request.

## **SHAREHOLDER INFORMATION**

### **Reports and accounts**

Copies of the Company's latest annual and half year reports may be accessed at [www.polarcapitalhealthcaretrust.com](http://www.polarcapitalhealthcaretrust.com).

### **Publication of net asset values**

The latest net asset value of the Company may be accessed at [www.polarcapitalhealthcaretrust.com](http://www.polarcapitalhealthcaretrust.com). The Company also publishes its net asset values on a daily basis via a Regulatory Information Service.

### **Valuation Policy**

The valuation function is performed by the Depositary with oversight from the Polar Capital Valuation Committee. The valuation function is performed independently from the portfolio management function.

The Company's valuation policy is included in the accounting policies of the Annual Report.

### **Historical performance of the Company**

Details of the Company's historical financial performance are provided in the Company's Annual Reports and Accounts and monthly factsheets, which are available at [www.polarcapitalhealthcaretrust.com](http://www.polarcapitalhealthcaretrust.com).

Performance is shown net of fees and expenses and includes the reinvestment of dividends and capital gain distributions. Many factors affect fund performance including changes in market conditions and interest rates, and in response to other economic, political, or financial developments. Past performance is not a guide to or indicative of future results. Future returns are not guaranteed and a loss of principal may occur. Investments are not insured by the FDIC (or any other state or federal agency), are not guaranteed by any bank, and may lose value. No investment process or strategy is free of risk and there is no guarantee that the investment process or strategy described herein will be profitable.

## **How to Invest**

The ordinary shares of Polar Capital Global Healthcare Growth and Income Trust plc are listed and traded on the London Stock Exchange. There are a number of ways to invest as set out in the company website [www.polarcapitalhealthcaretrust.com](http://www.polarcapitalhealthcaretrust.com) and Annual Report.

## **Fair Treatment of Investors**

The legal and regulatory regime to which the Company and the Directors are subject ensures the fair treatment of investors. The UKLA Listing Rules require that the Company treats all shareholders of the same class of shares equally.

In particular, as directors of a company incorporated in the United Kingdom, the Directors have certain statutory duties under the Companies Act 2006 with which they must comply. These include a duty upon each Director to act in the way she or he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

No investor has a right to obtain preferential treatment in relation to their investment in the Company and the Company does not give preferential treatment to any investors.

The Company's ordinary shares rank *pari passu* with each other.

## **RISK MANAGEMENT**

### **Key risks**

The key risks facing the Company and the mechanisms in place to monitor and measure these risks are set out in the Company's annual report, a copy of which is available from its website, [www.polarcapitalhealthcaretrust.com](http://www.polarcapitalhealthcaretrust.com).

### **Risk management systems**

The AIFM employs a risk management process in accordance with COLL 5.6.16 R, FUND 3.7.5R and Articles 38 to 45 of the AIFMD as reviewed by the Depositary and filed with the FCA. This process enables the AIFM to identify, measure, manage and monitor at any time the relevant risks of the positions to which a Fund is or may be exposed and their contribution to the overall risk profile of the Fund and which includes the use of appropriate stress testing procedures. Further details regarding the risk management process can be found in the Polar Capital Pillar 3 Disclosure Document which is available on the AIFM website, [www.polarcapital.co.uk](http://www.polarcapital.co.uk) and the Polar Capital Internal Adequacy Assessment Process (ICAAP) which is available to view upon request. The address of the AIFM is Investor Relations, 16 Palace Street, London, SW1E 5JD.

The Company will periodically disclose to investors the risk management systems which it employs to manage the risks which are most relevant to it. The Company will make this disclosure on its website at the same time as it makes its annual report and accounts available to investors or more frequently at its discretion.

### **Liquidity risk management**

The AIFM has a liquidity management policy in relation to the Company which is intended to ensure that the Company's investment portfolio maintains a level of liquidity which is appropriate to the Company's obligations. This policy involves an assessment by the AIFM of the prices or values at which it expects to be able to liquidate its assets over varying hypothetical periods in varying market conditions, taking into account the sensitivity of particular assets to particular market risks and other relevant factors.

Shareholders do not have the right to redeem their shares or to require their shares to be purchased by the Company. Accordingly, the liquidity management policy ensures that the Company's investment portfolio is sufficiently liquid to meet the following principal obligations:

- the Company's operating and financing expenses: in practice, these expenses are typically covered by dividends received from the Company's investments; and
- the possible need to repay borrowings at short notice, which would require to be met by the sale of assets.

The liquidity management policy requires the AIFM to identify and monitor its investment in asset classes which are considered to be relatively illiquid. The majority of the Company's investment portfolio is invested directly in liquid equities and this equity portfolio is monitored on an ongoing basis to ensure that it is adequately diversified.

The liquidity management policy is reviewed and updated, as required, on at least an annual basis.

Investors will be notified, by way of a disclosure on its website, in the event of any material changes being made to the liquidity management systems and procedures or where any new arrangements for managing the Company's liquidity are introduced.

### **Professional negligence liability risks**

The AIFM covers its potential liability risks arising from professional liability by holding the appropriate additional 'own funds' within the meaning of the AIFMD.

### **Amendment of this document**

When there is a material change to the information contained in this document, it shall be updated.

## **AIFM REMUNERATION DISCLOSURES**

All authorised Alternative Investment Fund Managers are required to comply with the AIFMD Remuneration Code.

The annual report of the AIF will comprise the AIF's audited financial statements together with the additional (unaudited) content required by AIFMD Article 22, namely an investment adviser's report and certain specific disclosures on the amount of remuneration the AIFM pays to its staff.

AIFMD disclosure requirements that are required in advance of investment in the AIF and information that substantiates the remuneration disclosures is made available in the annual report of the AIF. This has been and will be the case for the annual reports from 2016.