The CBF Church of England Investment Fund

Scheme Information

Effective from 29 July 2026

CCLA

GOOD INVESTMENT

Issued by CCLA Investment Management Limited (the "**Manager**")

This document sets out the Scheme Information for The CBF Church of England Investment Fund (the "**Fund**"). The Fund is an Investment Fund, administered as a Common Fund and is established under the Church Funds Investment Measure 1958, as amended by the Church of England (Miscellaneous Provisions) Measure 1995, the Church of England (Miscellaneous Provisions) Measure 2000, the Church of England (Miscellaneous Provisions) Measure 2006, the Church of England (Miscellaneous Provisions) Measure 2010 and the Church Funds Investment Measure 2025 (together the "**Measure**") and the Trustee Act 2000. The Fund was formed in May 1958. The Fund is not a Collective Investment Scheme within the meaning of the Financial Services and Markets Act 2000 ("**FSMA**") as amended or changed from time to time.

Should the provisions of the Measure and the Scheme Information be in conflict, the provisions of the Measure shall prevail.

Any person relying on the information contained in this document, which was current at the date shown above, should check with the Manager that the document is the most current version and that no revisions or corrections have been made to the information contained herein. The latest version of this document is available on www.ccla.co.uk and alternative formats are available upon request from clientservices@ccla.co.uk.

While the Manager has taken all reasonable care to ensure that the facts stated in this Scheme Information are true, clear and not misleading, Shareholders and/or potential Shareholders should not treat this Scheme Information as advice relating to their own legal, tax or investment position. If a Shareholder or potential Shareholder is in any doubt as to the meaning of any information contained in this Scheme Information, they should consult their independent financial or other professional adviser.

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1. Definitions

1.1 Definitions

Accumulation Shares means those Shares where income distributions are reinvested and reflected in the Share price.

Administrator means HSBC Bank plc, or such successor entity appointed as administrator by the Manager from time to time.

Annual Management Charge means the periodic charge applied to the Fund by the Manager in payment for carrying out its duties and responsibilities.

Applicant means a Church Trust (or nominee company acting on its behalf) which is applying for an account.

Application Form means the application form to open an account available from the Manager's website.

Auditor means Deloitte LLP, or such successor entity appointed as auditor by the Board from time to time.

Base Currency means pounds sterling, the currency of the Fund and in which the Report and Accounts of the Fund are prepared.

Board means the board of trustees of the Trustee as listed in Appendix 1.

Business Day means any day on which the London Stock Exchange is normally open for business, being a day other than a Saturday, Sunday, public or bank holiday in England.

Charitable Purposes bears the meaning as set out in section 2 of the Charities Act 2011.

Charity means either a charity in England and Wales within the meaning of section 1(1) of the Charities Act 2011 or an "**appropriate body**" in Scotland and Northern Ireland within the meaning of section 97(3) of the Charities Act 2011.

Charity Commission means the Charity Commission for England and Wales of 102 Petty France, London SW1H 9AJ.

Church Trust means a charitable trust established by the Church of England.

Collective Investment Scheme means a collective investment scheme as defined by section 235 of the Financial Services and Markets Act 2000.

Common Deposit Fund means a common deposit fund established under section 100 of the Charities Act 2011.

Common Fund means a common fund within the meaning of section 4 of the Scheme.

Common Investment Fund means a common investment fund established under section 96 of the Charities Act 2011.

Conversion means the exchange of Income Shares for Accumulation Shares or vice versa and the act of so exchanging and **"Convert"** shall be construed accordingly.

Custodian means HSBC Bank plc.

Data Protection Legislation means the UK General Data Protection Regulation and the Data Protection Act 2018 or any successor legislations thereto, and any associated codes, regulation or guidance (as may be amended or replaced from time to time) and any related regulations and guidance and all other laws concerning the processing of data relating to living persons.

Dealing Day means each Business Day.

Dealing Deadline means 11:59am London time on a Dealing Day, or as otherwise determined by the Manager.

Distribution Account means an account for the purpose of holding income to be distributed to Shareholders.

Eligible Contributor means a Church Trust (or nominee company acting on its behalf) which is and continues to be eligible to hold Shares.

Equalisation means an adjustment to the price of the Shares to reflect the fact that investors buying Shares part way through the Fund's accounting period are not entitled to all the income earned in respect of those Shares over that period.

FCA means the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN or such regulatory authority which may replace or succeed it from time to time.

FCA Rules means the Handbook of Rules and Guidance issued by the FCA, as amended or replaced from time to time.

Fund means The CBF Church of England Investment Fund.

Global Standards refers to the UN's Global Compact Principles, International Labour Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

Group has the same meaning as listed in the glossary to the FCA Rules.

Income Reserve Account means an account in respect of the Fund for the purpose of evening out the amount of income distributed.

Income Shares means those Shares which pay income distributions to Shareholders.

Investment Committee means the body responsible for the oversight of the Manager's investment processes and activities.

Investment Fund means an investment fund as defined by section 1 of the Scheme.

Investment Management Agreement means the agreement dated September 2008 between the Trustee and the Manager delegating the portfolio management of the Scheme Property to the Manager (as amended, supplemented or replaced from time to time).

Jupiter Group means Jupiter Fund Management plc, a company incorporated in the UK together with its subsidiaries (which includes the Manager).

Key Information Document means the document published for the Fund which contains information to help investors understand the nature and the risks of investing in the Fund. A key information document must be provided to investors prior to subscribing for Shares so they can make an informed decision about whether to proceed.

Manager means CCLA Investment Management Limited, part of the Jupiter Group.

Money Laundering Regulations means The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as may be amended, updated or replaced from time to time.

Net Asset Value or **NAV** means the value of the Scheme Property less all the liabilities of the Fund.

Register means the register of Shareholders maintained by the Registrar on behalf of the Trustee.

Registrar means a corporate body appointed by the Trustee as registrar from time to time for the purpose of maintaining the Register.

Report and Accounts means the annual (audited) and interim (unaudited) report and financial statements for the Fund prepared by the Manager to the periods ending 31 December and 30 June respectively.

Scheme means the scheme as detailed in the schedule to the Measure.

Scheme Information means this Scheme Information of the Fund as amended or replaced from time to time.

Scheme Property means the investments, assets and property of the Fund.

Shareholder means an Eligible Contributor who is registered as a holder of Shares.

Share or Shares means shares in the Fund which may be Income Shares or Accumulation Shares.

Switch means the exchange of Shares for shares in another CBF Church of England Fund and the act of so exchanging and "**Switching**" shall be construed accordingly.

Transfer Agent means FNZ TA Services Limited, or such other entity as is appointed to act as transfer agent to the Fund from time to time.

Trustee means CBF Funds Trustee Limited of The Zig Zag Building, 70 Victoria Street, London SW1E 6SQ.

Valuation Point means the valuation point as at 12:00 noon London time on each Dealing Day for the purpose of determining the price at which Shares may be issued, cancelled or redeemed.

References to any statutory provision or FCA Rules in this Scheme Information shall include any statutory provision or FCA Rules which amends or replaces it and any subordinate legislation made under it.

2. The Structure of the Fund

2.1 Investment Fund and Charitable Status

The Fund is an Investment Fund, administered as a Common Fund and is established under the Measure (as amended or replaced from time to time). The Fund was formed in May 1958. The Fund is not a Collective Investment Scheme within the meaning of FSMA and is not regulated by the FCA or other regulatory bodies under FSMA. The Fund is entitled to charitable status by virtue of section 99(4) of the Charities Act 2011, as amended or replaced from time to time.

2.2 The Trustee and Operator

CBF Funds Trustee Limited is the Trustee and Operator of the Fund. The Trustee is a company incorporated under the Companies Act 1985 (now Companies Act 2006). It is a registered Charity (No. 1116932) and is incorporated in England and Wales as a company limited by guarantee. Under the provisions of FSMA, the Trustee is not considered to be operating the Fund "by way of business". Consequently, it is not required to be authorised or regulated by the FCA and its members are not required to be approved by the FCA for this purpose. This extends to the Manager in respect of its administrative, registrar and company secretarial functions for The CBF Church of England Funds. In the administration of the Fund, the Trustee is exempt from the jurisdiction of the Charity Commission by virtue of section 5(1) of the Church Funds Investment Measure 1958.

The Trustee is ultimately responsible for The CBF Church of England Funds and receives reports on the published Report and Accounts. The Trustee holds at least four meetings each year and monitors the investment, property and cash management, administration, registration and company secretarial services provided by the Manager under the Investment Management Agreement. The Trustee has appointed an audit committee to review the financial statements of the Fund and to receive and consider regular reports from the Manager on the management and administration of the Fund.

The Trustee has appointed the Custodian to hold the securities of the Fund in specially designated accounts in safe custody.

2.3 The Board

The Board of trustees of the Trustee are listed in Appendix 1.

The Board has been assigned certain duties. It meets regularly to receive reports and monitor the progress of the Fund. It is required to prepare annual Report and Accounts. The Board is made up of individuals who together have wide experience of finance, investments, charities and the law. No Board member is required to be approved by the FCA, in relation to their capacity as a member of the Board, because no Board member intends to offer investment advice or conduct investment business in relation to the Fund.

2.4 The Manager

CCLA Investment Management Limited is the appointed Manager of the Fund. The Manager is a limited liability company incorporated in England and Wales with company registration number 2183088, whose registered address and details are shown in Appendix 1.

The Manager is authorised and regulated by the Financial Conduct Authority in the conduct of investment business in the United Kingdom and is entered on the FCA's register under reference number 119281. The Manager holds the necessary permissions to provide, amongst other things, discretionary investment management services and is subject to the requirements of the FCA Rules in its management of the investments of the Fund.

The Manager has been appointed by the Trustee pursuant to the Investment Management Agreement to provide discretionary investment management services as well as administrative and registration services under the Investment Management Agreement.

The Manager provides the Trustee with administrative, registration and company secretarial services where necessary for the operation of the Fund. These include the issue and redemption of Shares, the valuation of the Fund's assets, the operation of the Register, the payment of distributions and the maintenance of the accounting records of the Fund.

The Manager may not have a lien over, or security interest in, the Scheme Property, act as principal in any transaction with the Fund, or undertake stock lending on behalf of the Fund.

Under the terms of the Investment Management Agreement, the Manager may be replaced by the Trustee on the expiry of a 12 months' notice period. The Manager accepts responsibility for loss of the investments of the Fund to the extent that such loss is due to the negligence, wilful default or fraud of itself or any delegates. The Manager will not otherwise be liable for any loss to the investments of the Fund. No warranty is given by the Manager as to the performance or profitability of the Fund (or any part of it) or that the investment objective of the Fund will be successfully accomplished.

2.5 The Registrar

The Trustee has appointed CCLA Investment Management Limited (the Manager) to act as the Registrar of the Fund. The agreement provides for

the appointment to be terminated by either party giving one years' written notice to the other. Earlier termination can only occur in specific circumstances, including a material and irremediable breach by either party.

2.6 The Transfer Agent

The Manager has appointed FNZ TA Services Limited to act as Transfer Agent to the Fund. The Transfer Agent's responsibilities include, but are not limited to, processing transactions in Shares (including recording changes in ownership of Shares on behalf of the Registrar), facilitating the payment of income distributions and processing changes to client static information on behalf of the Manager.

The Manager is responsible for any fees payable to the Transfer Agent and meets the fees of the Transfer Agent from the Annual Management Charge the Manager receives for its services to the Fund.

The registered address of the Transfer Agent is shown in Appendix 1.

2.7 The Administrator

HSBC Bank plc is the appointed Administrator of the Fund and undertakes the Fund pricing and Fund accounting functions and carries out certain administrative tasks including the preparation of valuations and other activities on behalf of the Fund. The Administrator has been appointed under an agreement with the Manager and the Manager meets the fees of the Administrator from the Annual Management Charge it receives for its services to the Fund.

The registered address of the Administrator is shown in Appendix 1.

2.8 The Auditor

The Auditor of the Fund is Deloitte LLP whose registered address is shown in Appendix 1.

2.9 Shareholders' Rights Against Service Providers

A number of third-party service providers provide services to the Fund, including the Transfer Agent, the Auditor and the Administrator, whose details are set out in this Scheme Information (the "**Service Providers**"). No Shareholder will have any direct contractual claim against any Service Provider with respect to such Service Provider's default. This is without prejudice to any right a Shareholder may have to bring a claim against an FCA authorised Service Provider, the Manager or the Trustee under Section 138D of FSMA (as a result of a breach of the FCA Rules by such Service Provider, the Manager or the Trustee), or any tortious or contractual cause of action.

3. Investment Objective and Policy of the Fund

3.1 Investment Objective

The Fund aims to provide a long-term total return comprising growth in capital and income.

3.2 Investment Policy

The Fund is an actively managed, diversified portfolio of assets designed to help protect both present and future beneficiaries from the effects of inflation. It will have an emphasis on equities but will also include property, bonds and other asset classes, which may be either liquid or illiquid in nature.

The Fund is managed in line with a faith-consistent investment policy, developed by the Manager, to meet Shareholders' desire to invest in a way that reflects Christian and Anglican teachings and is grounded in the advice produced by the Church of England's Ethical Investment Advisory Group. This can include restrictions from investment (or other implications for asset selection) and/or engagement activity that goes beyond CCLA's standard approach.

3.3 Sustainability Approach (including Faith-Consistent Investment Policy)

This product does not have a UK sustainable investment label. Sustainable investment labels help investors find products that have a specific sustainability goal. The Fund does not use a sustainable investment label because it does not have a sustainability goal. However, the Fund is managed in line with its faith-consistent investment policy which supplements CCLA's standard 'Act, Assess, Align' approach to sustainability that applies to the listed equity component of the Fund. Other assets are managed in line with the 'Align' approach – which includes a combination of restrictions applied to meet the Fund's faith-consistent investment policy and to be in common with CCLA's wider approach - as set out in the targeted restrictions below.

The 'Act, Assess, Align' approach includes:

Act: acting as an agent for 'change', because investment markets can only ever be as healthy as the environment and communities that support them. This includes:

- Using our ownership rights to improve the sustainability of the assets in which we invest.
- Bringing investors together to address systemic risks that have not received the attention that they require.
- Seeking to be a catalyst for change in the investment industry.

Engagement priorities are applied by the Manager to holdings within the Fund on a 'top-down basis'. By this it is meant that the Manager prioritises a number of sustainable themes, builds engagement programmes to tackle them and then identifies the correct holdings within the Fund to be included within them. This allows the Manager to control the number of ongoing dialogues and increase its ability to deliver the desired change.

At present, three engagement themes are applied to the Fund. These are:

i. **Better Health:** which includes working with companies to push for better standards to protect the mental health of employees and push for improvements in the nutritional standards of products.
ii. **Better Environment:** where we are working to accelerate the transition to a net-zero emissions economy and address concerns regarding biodiversity loss. This includes issues such as addressing climate change and tackling biodiversity loss.
iii. **Better Work:** where we are working to address modern slavery and wider concerns regarding human rights, poor labour standards and the living wage.

In the management of the Fund, CCLA may supplement these engagement themes with additional work to address specific issues prioritised to align with Shareholders' desire to reflect Christian, and specifically Anglican, teachings. These additional issues would then be part of the faith-consistent investment policy. Any additional issues will be disclosed to Shareholders through CCLA's website.

This work only applies to the listed equity component of the Fund. CCLA may change or add to these areas of focus, including items mandated by the faith-consistent investment policy, with the aim of aligning with the priorities of Shareholders.

Recognising the importance of engagement to the sustainability approach the Manager has adopted an engagement metric. The Manager, no less than annually, will disclose the proportion of portfolio holdings that have been engaged directly and report on the effectiveness of these engagements.

For details about engagement priorities and the outcomes that have been achieved please refer to the Stewardship Outcomes Report which is available at www.ccla.co.uk.

Assess: assessing the environmental, social, and governance (ESG) standards of listed equities with the aim of avoiding investment in companies that are deemed by the Manager as having an unacceptable social or environmental impact and supporting the financial returns of the Fund.

This approach is undertaken because the Manager believes that a combination of legislation, regulation and changing societal preferences will impact negatively on the most unsustainable business models.

The Manager's approach to assessing ESG standards has two components; (i) formal codified restrictions from investment of sectors and companies that the Manager believes pose significant environmental and social risks and (ii) an assessment process for the remaining eligible holdings.

The formal codified restrictions process is the method through which investments are 'screened out' on ESG grounds. An example would be that CCLA would be unable to buy a listed equity security of a company that generates more than 10% of its revenue from the extraction, refining or production of fossil fuels. The full restrictions applied by the Fund are included within the 'Align' section below.

The assessment process of the remaining 'eligible' universe is designed to assist in 'financial risk' management and – as such – it identifies companies that require further assessment and/or additional approvals (such as approval by the CCLA Investment Committee) due to the level of ESG Risk rather than explicitly restricting companies. There are three components to this approach:

I. **Corporate Governance:** assessments of companies' corporate governance is conducted using the CCLA Corporate Governance Rating. Companies with an E or F (the two lowest ratings provided) require the approval of the CCLA Investment Committee.

II. **ESG Risk/Wider Sustainability factors:** we assess ESG Risk using our third-party data provider's ESG Risk Rating. Companies which have an ESG Risk rating of 35 (high risk) or more are deemed high risk and require Investment Committee approval for investment. The ESG Risk Rating scale ranges from 0 (negligible risk) to 40+ (severe risk).

III. **Controversies:** companies which do not comply with Global Standards have the most severe level of controversy (as advised by our third-party provider) and are excluded. If they become non-compliant while they are in the Fund, a time-limited engagement plan is created with regular monitoring by the Investment Committee. Should the company not show sufficient improvement the Manager then has a 6-months divestment window. Finally, no further stock/shares can be purchased in this company.

In addition, the Fund is managed in line with CCLA's goal to achieve net-zero emission listed equity portfolios no later than 2050. Companies can be included in our net-zero approach as long as they pass the Fund's values-based screens, our wider ESG minimum standards and are covered by our third-party data providers which provide the basis for

assessment in our engagement framework. All our listed-equity portfolios are managed in a way that is less carbon intensive than the MSCI World Index. We determined a reducing maximum carbon ceiling by decarbonising the MSCI World Index's weighted average carbon intensity (Scope 1+2) using the Intergovernmental Panel on Climate Change (IPCC) 1.5°C/net zero pathway (P2). We commit to managing the listed-equity component of the Fund in a way that ensures that the portfolio footprint is lower than this maximum ceiling. The Manager currently does not provide Scope 3 emissions data due to concerns over accuracy and availability from data providers.

The 'Assess' criteria set out above only apply to the listed equities held within the Fund. In the management of the Fund the Manager may, over time, amend the process used to assess ESG standards.

Recognising the importance of climate change to the Fund's client base the Manager has adopted 'Weighted Average Carbon Intensity' as a key metric for managing the Fund. The Manager will disclose, no less than annually, the weighted average carbon intensity of the Fund, the proportion of the Fund that the disclosure applies to (as it is anticipated that the Manager will be unable to provide full disclosure due to unavailable data) and the listed-equity component of the Fund's position against the maximum carbon ceiling.

More detail is available in our 'Climate for Good Investment' publication – available at www.ccla.co.uk/documents/climate-good-investment-tcfd/download?inline.

Full details of our approach to net-zero listed equity portfolios are available on our website at www.ccla.co.uk/sustainability/initiatives/climate-action.

Align: investing in a way that we believe is aligned with the values and beliefs of our clients (as prescribed by the faith-consistent investment policy).

Note: We offer other multi-asset funds with similar investment objectives but different targeted restrictions to enable investors to better align with their values.

The implementation of this approach involves the application of targeted restrictions upon investment by the Fund. As such, companies and any other assets that meet the following criteria are restricted from investment by the Fund, in line with the Church's teachings:

- **Adult Entertainment:** companies that derive more than 3% of revenue from the production and/or distribution of adult entertainment.
- **Gambling:** companies that derive more than 10% of revenue from the operation of gambling establishments and the provision of key support services and products.
- **Alcohol:** companies that derive more than 25% of revenue from the production and/or retail of alcohol and related products or services.
- **Tobacco:** companies that have any involvement in the production of tobacco and/or derive more than 5% of revenue from the production and/or retail of tobacco and related products/services.
- **Cannabis:** companies that derive more than 10% of revenue from the production and/or retail of non-medicinal cannabis.
- **Controversial Weapons:** companies that have any involvement in the production of Controversial Weapons (core weapons and components). These are defined as landmines, cluster munitions, chemical and/or biological weapons.
- **Nuclear Weapons:** companies that have any involvement in the production of core weapons and/or components of nuclear weapons.
- **Military Weapons:** companies that derive more than 10% of revenue from the production of military weapons and equipment (core weapons, components and equipment/services) and/or the provision of key non-weapons related, tailor-made products for the defence industry.
- **Civilian Firearms:** companies that derive more than 10% of revenue from the production and/or retail of civilian firearms (including key components).
- **High Interest Rate Lending:** companies that derive more than 10% of their revenue from high interest rate lending.
- **Thermal Coal Extraction:** companies that derive more than 5% of revenue from the extraction of thermal coal and/or produce more than 10 million metric tonnes of coal (or have plans to expand their coal production).
- **Oil and Gas Extraction:** companies that derive more than 5% of revenue from the extraction of tar sands and/or companies that generate more than 10% of revenue from the extraction, production, and/or refining of oil and/or gas.
- **Generation of Electricity and Climate Change:** electrical utility and infrastructure companies that intend to expand their coal-fired generation capacity and/or businesses

whose principal activity is the generation of electricity and have not demonstrated the ability to align their business with the Paris Climate Change Agreement (as defined by the Manager).

- **Controversies and International Norms:** companies that fail CCLA's controversy process including non-conformance with the UN Global Compact, the UN Guiding Principles on Business and Human Rights and/or other factors defined by the Manager.
- **Sovereign Debt:** no direct investment in sovereign debt from countries identified by the Manager as being amongst the world's most oppressive.
- **Collective Investment Schemes:** Other investment funds that are assessed by the Manager as having any exposure to landmines, cluster munitions, chemical or biological weapons or exposures that materially contradict the above approach. This is defined as having more than 10% of Net Asset Value exposed to other precluded activity. As a final safeguard, we seek to ensure that the combined exposure to all restricted activities within such other investment fund holdings remains below 1% of the capital value of the Fund. Due to a lack of data this approach to assessing the eligibility of Collective Investment Schemes is implemented on a 'best-endeavours' basis.

These restrictions are applied based upon data points selected by CCLA and in accordance with our values-based screening policy which sets out our approach for implementing restrictions across different asset classes and investment structures. The full values-based screening policy is available on our website at www.ccla.co.uk/about-us/policies-and-reports.

Recognising the importance of restrictions to Shareholders the Manager will disclose the percentage of the MSCI World Index that is restricted from investment by the Fund.

3.4 Target Benchmark

The target benchmark sets a standard against which the long-term performance of the Fund can be assessed.

The Fund has a long-term investment target benchmark designed to help investors meet their objectives. Over time, the Fund aims to achieve a total return before the deduction of any fees, costs and expenses of UK Consumer Prices Index (CPI) inflation plus 5% per annum.

3.5 Comparator Benchmark

To provide additional guidance on returns, the Manager publishes regular performance information relative to a comparator index designed to represent the typical structure and strategy of the Fund's underlying portfolio. The typical asset mix may change over time, so it may be necessary to review the make-up of the comparator benchmark to ensure that it remains a useful guide to returns.

The composite comparator benchmark of the Fund (and the constituents' respective weightings within the comparator benchmark), as at the date of this Scheme Information is as follows:

MSCI World Index (75%), Markit iBoxx £ Gilts Index (15%), MSCI UK Monthly Property Index (5%) and Sterling Overnight Index Average (5%).

4. Participation in the Fund

4.1 Target Investors

The Fund is intended for eligible Charity investors, with at least a basic knowledge of relevant financial instruments, which are affiliated with the Church of England and seeking to invest in an actively managed fund that reflects the investment objective and investment policy of the Fund. Investors should be looking to invest for at least five years and understand that their capital may be at risk, have the ability to bear losses and appreciate that the value of their investment and any derived income may fall as well as rise.

Please note that the Manager is not required to assess the suitability or appropriateness of the Fund against each investor.

Investors may be either retail or professional clients (both per se and elective).

4.2 Eligible Contributors to the Fund

Any Church Trust with objects connected with the work of the Church of England may normally invest in the Fund. The Manager is required under the Money Laundering Regulations to satisfy itself as to the identity of Eligible Contributors (please see the section headed Anti-Money Laundering Requirements below).

Any Church Trust (or a nominee company acting on its behalf) applying to participate must give a declaration of eligibility of the Church Trust to invest in the Fund. Where a Shareholder (potential or otherwise) is found not to be eligible or becomes ineligible at a later date, it, or its nominee, must inform the Manager and disinvest. The Manager reserves the right to decline any application without giving any reason and to sell Shares on behalf of a Shareholder if it reasonably believes that the

Shareholder is no longer eligible to invest in the Fund.

4.3 Compulsory Sale of Shares where a Shareholder Ceases to be an Eligible Contributor

Where a Shareholder:

- is found not to be eligible or becomes ineligible at a later date; or
- suffers a change in circumstances or is in breach of any applicable law or government rule or regulation which may affect its ability to be an Eligible Contributor,

it, or its nominee, must inform the Manager immediately and at the Manager's request must sell their Shares.

As soon as the Manager becomes aware or has reasonable grounds to believe that a Shareholder no longer satisfies the requirements to be an Eligible Contributor, the Shareholder will be deemed to have submitted a sell Shares form to sell all the Shares held by them in the Fund. Where a Shareholder delays in informing the Manager that it has ceased to be, or may no longer be an Eligible Contributor, the Manager then has the right to treat the request to redeem Shares as being made on the date on which the Shareholder's circumstances changed.

The Shareholder agrees that any proceeds of sale in relation to the Shares sold as a result of the Shareholder ceasing to be an Eligible Contributor may be retained by the Manager in order to satisfy any losses suffered by the Fund as a result of the Shareholder ceasing to be an Eligible Contributor. Such losses may include, but shall not be limited to:

- any assessment for income or capital gains tax or any other tax to which the Fund would not have been assessed had the Shareholder remained as an Eligible Contributor;
- any distributions paid out to or settled in respect of the Shareholder's Shares after the date on which the Shareholder ceased to be an Eligible Contributor; and
- all costs and expenses including professional fees incurred in connection with such assessment.
- On the written request of the Manager any Shareholder who is required to sell their Shares must:
- irrevocably appoint one or more of the directors of the Manager as its attorney to execute all instruments and other documentation required to effect a sale of its Shares and the Shareholder agrees to ratify all and any acts of the attorney; and
- indemnify the Fund against all losses suffered by the Fund as a consequence of the Shareholder no longer remaining an Eligible Contributor.

If at the time a sell Shares form is submitted (or is deemed to have been submitted) to the Transfer Agent, the Transfer Agent has received instructions to sell Shares from one or more other Eligible Contributors, the sale of the Shares held by a Shareholder who has ceased to be eligible to remain invested in the Fund will be sold in priority to all other sale requests in the queue.

In the event that dealings in the Fund are suspended any deemed or actual instructions for the compulsory sale of Shares will not be frozen. In such circumstances the relevant Shares will be cancelled and the Manager will make an appropriate provision for the sale proceeds due to the affected Shareholder.

Where an event occurs during a period of suspension that results in a Shareholder ceasing to be an Eligible Contributor, the Shareholder's rights to accrued income will be apportioned according to the date on which the event occurred that triggered the ineligibility.

The sale proceeds will be calculated at the Valuation Point for the next Dealing Day after the lifting of the suspension and will be paid to the Shareholder within two Business Days of the Dealing Day.

4.4 Income and Accumulation Shares

Eligible Contributors to the Fund may purchase either Income or Accumulation Shares or both. Income Shares provide regular income distributions and each Share represents one undivided part in the Scheme Property. Holders of Income Shares receive income distributions quarterly.

Holders of Accumulation Shares do not receive distributions. The distributions allocated to the Accumulation Shares accumulate within the Fund and are reflected in the price of the Shares. The effect of this accumulation of distributions is an increase in the price of an Accumulation Share relative to the price of an Income Share. An Accumulation Share represents an increasing undivided part in the Scheme Property. The right represented by the holding of a Share is that of a beneficial interest under a trust.

A Church Trust may, subject to the terms of its governing instrument, Convert Income Shares into Accumulation Shares of the corresponding value or vice versa on any Dealing Day free of charge.

The Measure allows the Trustee to subdivide the Shares at any time. Shareholders will receive notice of any proposed subdivision.

4.5 Registration of Shares

The Register is maintained on behalf of the Trustee by the Registrar. Holdings are usually registered in the name of Shareholders (or where applicable, holdings may be registered in the name of a nominee

company acting on behalf of a Shareholder). Holdings cannot be registered in the names of individual trustees. No certificates are issued and the Register is the definitive evidence of title. The Shares have no par value and entitle the holder to a proportionate interest in the Fund. Shares cannot be assigned or transferred except from one Church Trust to another. The number of Shares held will be certified on written request for audit or other purposes.

The Register may be inspected by or on behalf of Shareholders during normal business hours at the office of the Registrar. Entry in the Register is conclusive evidence of title to the Shares. The Register contains the name of each Shareholder, the number of Shares held, the type of Shares and the name and address of the correspondent for each account. In addition, the Register may contain the following particulars:

- details of the nominee company acting on behalf of a Shareholder;
- client designation;
- bank account details for the remittance of distributions and withdrawals; and
- authorised signatory(ies) and the number of signatures required.

No notice of any trust, express, implied or constructive, shall be entered in the Register in respect of any Share, and the Manager and the Trustee shall not be bound by any such notice.

The expenses of maintaining the Register are currently borne by the Manager and covered by the Annual Management Charge paid out of the Scheme Property to the Manager.

4.6 Anti-Money Laundering Requirements

The Manager is required by law to maintain procedures to combat money laundering. In order to implement these procedures, electronic or manual identity checks will be undertaken by the Manager and/or Transfer Agent on certain persons, whether named within the Application Form or associated with the Eligible Contributor (or who are subsequently appointed to act for the Eligible Contributor) to satisfy itself as to the identity of the Eligible Contributor and those acting on its behalf. Proof of identity may sometimes be required either when buying or selling Shares from time to time, even of existing Shareholders. Until the necessary evidence of identity can be obtained the Manager and/or Transfer Agent may, at its sole discretion, freeze accounts, withhold income distribution payments or refuse to process sale requests or release sale proceeds.

4.7 Fair Treatment of Shareholders

The Manager has established policies and procedures and made arrangements to ensure the fair treatment of Shareholders. Such arrangements include, but are not limited to, ensuring that no one or more Shareholders are given preferential treatment over any rights and obligations in relation to their investment in the Fund that would result in a disadvantage to any other Shareholder. All rights and obligations to Shareholders, including those related to subscription and redemption requests, are set out in this Scheme Information.

The Manager has established fair and transparent pricing models and valuation systems and procedures for the Scheme Property and endeavours to ensure that there are no undue costs being charged to the Fund and the Shareholders.

The Manager has also established procedures to identify, manage and monitor conflicts of interest and, where applicable, disclose those conflicts of interest to prevent them from adversely affecting the interests of the Shareholders. The Manager has established a process for recognising and dealing with complaints fairly.

4.8 Changes to Authorised Signatories and Correspondents

A Church Trust must immediately notify the Transfer Agent of any change in its authorised signatories or correspondent. Changes to the authorised signatories or correspondent for a Church Trust's holding of Shares must be made on a change of signatory/correspondent form or (where considered appropriate by the Transfer Agent to do so), a mandate form duly completed by the Church Trust (or the nominee company acting on behalf of the Church Trust) and be authorised by the trustees/executive directors who have the authority to act on behalf of that Church Trust. Where an existing authorised signatory is removed by way of such instruction, the correspondent shall receive notification of the removal from the Transfer Agent. Where a correspondent is changed, the Transfer Agent will inform the outgoing correspondent.

4.9 Short-term or Excessive Trading and Market Timing

The Fund is designed and managed to support longer-term investment and frequent trading is discouraged. Short-term or excessive trading into and out of the Fund may harm performance by disrupting portfolio management strategies and by increasing expenses. The Manager may at its discretion refuse to accept applications for, or Switching of, Shares, especially where transactions are deemed disruptive, particularly from possible market timers or investors who, in its opinion, have a pattern of short-term or excessive trading or whose trading has been or may be disruptive to the Fund. For these purposes, the Manager may consider an investor's trading history in the Fund or other funds managed or operated by the Manager or an

associate and accounts under common ownership or control.

5. Risks

Investors should consider the following risk factors before investing in the Fund.

5.1 General Investment Risks

The investments of the Fund are subject to normal market fluctuations and other risks inherent in investing in shares, bonds and other market assets. These fluctuations may be more extreme in periods of market disruption and other exceptional events. The Fund may also invest in a range of non-traditional or alternative asset classes. The valuation of these assets can vary materially from those of stock and bond markets. There can be no assurance that any appreciation in value of investments will occur or that the investment objective will actually be achieved. The value of investments and the income from them will fall as well as rise and investors may not recoup the original amount they invested. Past performance is not a reliable indicator of future results.

5.2 Risk Associated with Investment in Other Collective Investment Schemes

The Fund may invest in one or more Collective Investment Schemes including schemes that are managed by the Manager or affiliated companies. In some cases, these Collective Investment Schemes may be unregulated. The Fund may invest in Collective Investment Schemes and other assets which may, on occasions, be illiquid. As the Fund may invest in other funds, Shareholders may incur a duplication of fees and commissions (such as management fees (including performance fees), custody and transaction fees, other administration fees and audit fees). To the extent these Collective Investment Schemes are permitted to invest in turn in other funds, Shareholders may incur additional fees to those mentioned below.

5.3 Political Risk

The performance of the Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements. The Fund may also be exposed to risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership.

5.4 Currency Risk

Currency exchange rate fluctuations may impact the value of the Fund which holds currencies or assets denominated in currencies that differ from the Base Currency of the Fund. The Fund may use currency hedging techniques within the limits set by the Board, which may mitigate this risk, however there is no guarantee that this will be either wholly or partially effective.

5.5 Counterparty Risk

Whilst the Manager will place transactions, hold positions and deposit cash with a range of counterparties, there is a risk that a counterparty may default on its obligations or become insolvent, which may put the Fund's capital at risk.

5.6 Credit Risk

Where the Fund holds bonds or other debt instruments the value of the Fund will fall in the event of the default or perceived increased credit risk of an issuer. This is because the capital and income value and liquidity of the investment is likely to decrease. Government and corporate bonds are assessed by credit rating agencies and given a rating. These ratings determine whether the bond is considered to be investment grade or non-investment grade. Investment grade bonds are considered to be lower risk. Within investment grade and non-investment grade there are a number of different rating levels; the higher the rating, the lower the expected risk of default. However, all ratings are subject to change and in periods of recession or slow growth the risk of non-investment grade bonds defaulting may be appreciably higher.

5.7 Settlement Risk

Settlement risk is the risk that a counterparty fails to deliver the terms of a contract (i.e. defaults at settlement) and of any timing differences in settlement between the two parties. The Fund bears the risk of settlement default due to exposure to the risk of default of certain counterparties. In addition, market practices in relation to the settlement of transactions and the custody of assets could provide increased risks.

5.8 Interest Rate Risk

Investment in both fixed rate and floating rate securities involves interest rate risk. Any change to the interest rate relevant for floating rate securities may result in future income either increasing or decreasing. Changes to prevailing rates or changes in expectations of future rates may also result in an increase or decrease in the market value of any fixed interest securities held.

In a negative interest rate environment, there is a risk that income derived from these types of securities will cease and could result in a reduction in their capital value.

5.9 Concentration Risk

To the extent the Fund invests in a greater amount in any one financial instrument, sector, asset class or geographical location, the performance of the Fund will depend to a greater extent on the overall condition of the financial instrument, sector, asset class or geographical location and there is increased risk to the Fund if conditions adversely affect that financial instrument, sector, asset class or geographical location.

5.10 Custody Risk

There may be a risk of a loss where the assets of the Fund are held in custody that could result from insolvency, negligence or fraudulent action of the Custodian or sub-custodian.

5.11 Emerging Market Risk

Securities markets in emerging market countries are generally not as large as those in more developed economies and have substantially less dealing volume which can result in a lack of liquidity. Accordingly, where the Fund invests substantially in securities listed or traded in such markets, its Net Asset Value may be more volatile than a fund that invests in the securities of companies in developed countries. Substantial limitations may exist in certain countries with respect to repatriation of investment income or capital or the proceeds of sale of securities to foreign investors or by restriction on investment, all of which could adversely affect the Fund. Many emerging markets do not have well developed regulatory systems and disclosure standards. In addition, accounting, auditing and financial reporting standards, and other regulatory practices and disclosure requirements (in terms of the nature, quality and timeliness of information disclosed to investors) applicable to companies in emerging markets are often less rigorous than in developed markets. Accordingly, investment opportunities may be more difficult to properly assess. Adverse market and political conditions arising in a specific emerging market country may spread to other countries within the region. Political risks and adverse economic circumstances (including the risk of expropriation and nationalisation) are more likely to arise in these markets, putting the value of the investment at risk. These factors may lead to temporary suspension of dealing in the Fund.

5.12 Operational Risk

The Fund, the Manager, the Trustee and other Service Providers, their delegates, and counterparties are exposed to operational risk, which is the risk of financial and non-financial impact resulting from inadequate or failed internal processes, personnel and systems errors, third party service provider errors or external events, and is present in all of its businesses. The Manager, Trustee and Service Providers seek to reduce these operational risks through controls and procedures and by implementing an operational risk framework in order to identify, assess, manage and report on the operational risks and associated controls including IT, data and outsourcing arrangements. However, operational risks are inherent in all activities and processes and exposure to such risk could disrupt the Manager's, Trustee's and Service Providers' systems and operations significantly, which may result in financial loss, regulatory censure and/or reputational damage.

5.13 Cyber Event Risk

Like other business enterprises, the use of the internet and other electronic media and technology exposes the Fund, the Manager, Trustee and Service Providers and their respective operations to potential risks from cyber-security attacks or incidents (collectively, "**cyber-events**"). Cyber-events may include, for example, unauthorised access to systems, networks or devices (such as, for example, through "hacking" activity), infection from computer viruses or other malicious software code and attacks which shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. In addition to intentional cyber-events, unintentional cyber-events can occur, such as, for example, the inadvertent release of confidential information. Any cyber-event could adversely impact the Fund and its Shareholders. A cyber-event may cause the Fund, or the Manager, Trustee and/or Service Providers to lose proprietary information, suffer data corruption, lose operational capacity (such as, for example, the loss of the ability to process transactions, calculate the Net Asset Value of the Fund or allow Shareholders to transact business) and/or fail to comply with applicable privacy and other laws. Among other potentially harmful effects, cyber-events also may result in theft, unauthorised monitoring and failures in the physical infrastructure or operating systems that support the Fund and the Manager, Trustee and/or Service Providers. In addition, cyber-events affecting issuers in which the Fund invests could cause the Fund's investments to lose value.

5.14 Indirect Property Risk

The Fund may invest indirectly in property which is an illiquid asset class. The Fund will achieve this indirect exposure by investing in Collective Investment Schemes which may include the COIF Charities Property Fund which invests directly in property and property related assets which are

valued by an independent external property valuer and as such are open to substantial subjectivity. The performance of the COIF Charities Property Fund may be adversely affected by a downturn in the property market which could impact on the capital and or income value of the Fund.

5.15 Smaller Capitalisation Companies Risk

Securities of smaller capitalisation companies may, from time to time, and especially in falling markets, become illiquid and experience short-term price volatility and wide spreads between bid and offer prices. Investment in smaller capitalisation companies may involve higher risk than investment in larger companies. The securities of smaller companies may be subject to more abrupt or erratic market movements than larger, more established companies or the market average in general. These companies may have limited product lines, markets or financial resources, or they may be dependent on a limited management group. Full development of those companies takes time. In addition, many small company securities trade less frequently and in smaller volume. The securities of small companies may also be more sensitive to market changes than the securities of large companies. These factors may result in above-average fluctuations in the price of the Shares of the Fund.

5.16 Suspension Risk

In certain circumstances, where the Manager determines that redemption requests may not be met the rights for Shareholders to redeem Shares may be suspended, as further set out in this Scheme Information. Shareholders should note that where a suspension is implemented, they may not be able to redeem their Shares as quickly as they would like to, and that this may have an impact on the price they receive on redemption and may consequently impact the Shareholder's own liquidity.

5.17 Inflation Risk

The real value of returns achieved from investment in the Fund will be affected by the rate of inflation experienced over the holding period.

5.18 Other Risks including Terrorism and Pandemic Risk

The Fund and counterparties with which the Manager on behalf of the Fund may do business could be severely disrupted in the event of a major terrorist attack or the outbreak, continuation or expansion of war or other hostilities, or as a result of governmental or regulatory actions in anticipation of the same. Additionally, a serious pandemic, or a natural disaster, such as a hurricane or a super typhoon, or governmental or regulatory actions in anticipation or mitigation of the same, such as a lockdown, or a typhoon warning, could severely disrupt the global economy and/or the operation of the Fund and its counterparties. In the event of a serious pandemic or natural disaster, for safety and public policy reasons, relevant persons and entities involved in the operations of the Fund and its counterparties may to the extent that they are affected by such pandemic or natural disaster or by such governmental or regulatory actions, be required to temporarily shut down their offices and to prohibit their respective employees from going to work. Any such closure could severely disrupt the services provided to the Fund and materially and adversely affect its operation.

5.19 Derivatives Risk

To the extent the Fund uses derivatives for hedging purposes it may have derivative risk, furthermore the Fund may invest in other Collective Investment Schemes that also use derivatives for hedging as well as investment purposes.

Derivatives can be volatile and involve various degrees of risk. In particular, because many derivative instruments provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also expose a portfolio to the possibility of a loss exceeding the original amount invested and in turn this may affect the value of the Fund's investment in a Collective Investment Scheme which uses derivatives for investment purposes.

5.20 Tax Risk

The tax information provided in the "Taxation" section is based on tax law and practice at the date of this Scheme Information. Tax legislation, the tax status of the Manager, the Fund, the taxation of Shareholders and the availability of any tax reliefs may change from time to time. Any change in the taxation legislation or practice in the UK or in any jurisdiction in which the Fund may be registered, marketed or invested could affect the tax status of the Fund and the value of the Fund's investments in the affected jurisdiction.

The availability and value of any tax reliefs to Shareholders will depend on the particular circumstances of individual Shareholders. The information in the "Taxation" section is not exhaustive and does not constitute tax or legal advice. Shareholders should seek professional advice from their tax advisors in respect of the tax consequences of an investment in the Fund.

5.21 Total Return Approach to Income Distribution Risk

The Fund operates on the basis of a total return approach to distributions which means that the Fund may return capital as well as dividend and interest income. Taking out distributions constrains future capital growth and there is a risk of capital erosion

5.22 Liquidity Risk

The Fund's investments may be subject to liquidity constraints which means that securities may trade infrequently and in small volumes. Normally liquid securities may also be subject to periods of significantly lower liquidity in difficult market conditions. As a result, changes in the value of investments may be more unpredictable and in certain cases, it may be difficult to deal a security at the last market price quoted or at a value considered to be fair. Where a fund owns non-traditional or alternative asset classes, it is possible that the liquidity in these assets is more variable than for traditional stocks or bonds.

5.23 ESG Risk

An environmental, social or governance risk is a factor or issue that may expose a security, issuer, investment or asset class to unexpected changes in its current and future financial, economic, reputational and legal situation.

5.24 Commodity (including precious metals) Risk

The Fund may gain exposure to commodities indirectly through investments in other instruments or funds linked to commodity performance. This may include exposure to precious metals (including gold). The value of these investments can fluctuate due to factors such as; changes in supply and demand for the underlying commodities; market sentiment and trading activity; political, economic, or regulatory developments; natural events such as weather conditions or disease outbreaks; technological changes affecting production or consumption.

5.25 Structured Notes and Certificates Risk

The Fund may invest in structured notes or certificates which may be issued by banks, brokerage firms, insurance companies and other corporations. Structured notes may not be listed and are subject to the terms and conditions imposed by their issuer. By seeking exposure to investments in securities through structured notes or certificates, the Fund is exposed to the credit risk of the issuer of the structured notes. Structured notes or certificates are typically investments which are linked to the performance of one or more underlying instruments or assets such as market prices, rates, indices, securities, currencies and commodities and other financial instruments that may introduce risk that may affect the performance of the Fund.

5.26 Risk Factors Not Exhaustive

The risks set out in this Scheme Information do not purport to be exhaustive and potential investors should be aware that an investment in the Fund may be exposed to risks of an exceptional nature from time to time.

5.27 Risk Management Process and Liquidity Management

The Manager employs a risk management process, including the use of appropriate stress-testing procedures, which enables it to identify, measure, manage and monitor at any time the relevant risks of the positions to which the Fund is or may be exposed and their contribution to the overall risk profile of the Fund.

The Manager maintains a liquidity management process to monitor the liquidity risk of the Fund, which includes, among other tools and methods of measurement, the use of stress tests under both normal and exceptional liquidity conditions.

The liquidity management systems and procedures allow the Manager to apply various tools and arrangements necessary to ensure that the Fund is sufficiently liquid to respond appropriately to redemption requests. In normal circumstances, redemption requests will be processed as set out in this Scheme Information.

Other arrangements may also be used in response to redemption requests, including, in extreme cases, temporary suspension which, if activated, will restrict the redemption rights investors benefit from in normal circumstances as set out in this Scheme Information.

6. Investment Powers, Controls and Restrictions

6.1 Investment and Borrowing Powers

The Manager, acting on behalf of the Fund, may borrow for the purpose of meeting any payment properly to be made out of the Fund. The borrowing shall not exceed 10% of the Net Asset Value of the Scheme Property.

6.2 Breach of Investment Limits

A breach of any of these limits does not prevent the exercise of rights conferred by investments held by the Fund if the consent of the Trustee is obtained but, in the event of a breach, the Manager must then take such steps as are necessary to restore

compliance with the investment limits within a reasonable period of time. The power to invest in direct property is among the wide investment powers of the Fund.

6.3 Investment in In-House Collective Investment Schemes

The Fund may invest in other Collective Investment Schemes, Common Investment Funds and Common Deposit Funds which may be operated or managed by the Manager or an associate of the Manager.

6.4 Securities Markets

The Manager may trade in securities that are admitted to or are traded on an exchange or under the rules of a securities market that has been approved by the Investment Committee from time to time.

7. Pricing of Shares and Valuation of the Fund

7.1 Valuation Point

The Manager values the Scheme Property at 12:00 noon on each Dealing Day for the purpose of determining the prices at which Shares may be issued, cancelled or redeemed. The Manager may, subject to the agreement of the Trustee, introduce additional or alternative Valuation Points.

The Manager may also, at any time during a Business Day, carry out an additional valuation of the Scheme Property for the determination of Share prices if, after consultation with the Trustee, it is considered desirable to do so.

7.2 Valuation of the Fund

The Scheme Property is valued in accordance with the requirements of the Measure and takes account of the provisions of the FCA Rules. The value of the Fund shall be the value of its assets less the value of its liabilities. The valuation of exchange traded securities is carried out at mid-market prices at the Valuation Point. The valuation of non-exchange traded securities is determined as follows:

- shares in a Collective Investment Scheme – if the scheme is single priced then that price will be used. If the scheme is dual priced the mid-market price will be used.
- private equity holdings – the Manager will calculate the price based on valuation information provided by the private equity company.
- other assets – the Manager will value all other assets at a value which, in the opinion of the Manager, represents a fair and reasonable value based on independent inputs.

The Share price includes the value of the income of the Fund which has not been declared as a distribution or accumulated by the Fund on the Dealing Day.

The amount of income to be included is the amount of income received by the Fund up to and including the Dealing Day, together with the amount of income accrued and including any UK tax credits to which the Fund is entitled. Any overseas income is treated on the same basis except that overseas tax deducted at source is only credited to the income of the Fund on receipt of claims made under double taxation treaties. All expenses paid or accrued on the same basis as the income will be deducted from the income.

7.3 Share Prices

Dealing in Shares takes place on a forward pricing basis. A forward price is the price calculated at the next Valuation Point after the purchase or redemption is deemed to be accepted by the Manager. Shares in the Fund are single priced and prices of Shares are expressed in the Base Currency. The prices of the Shares are based on the Net Asset Value per Share.

The Share prices represent the buying and selling prices for Shareholders and also the creation and cancellation prices for the Trustee. No Shares are held by the Manager or any other party involved in the management of the Fund other than in the capacity as a custodian or trustee for an Eligible Contributor.

7.4 Dilution Adjustment

The actual cost of purchasing or selling assets and investments in the Fund may vary due to dealing charges, taxes, and any spread between buying and selling prices of the underlying investments of the Fund. These costs could have an adverse effect on the value of the Fund, known as "**dilution**". In order to mitigate the effect of dilution the Manager may at its discretion adjust the sale and purchase price of Shares to take into account the possible effects of dilution to arrive at the price of the Shares. This practise is known as making a "**dilution adjustment**" or "**swing pricing**". The power to make a dilution adjustment may only be exercised for the purpose of reducing dilution in the Fund. If the price of the Shares does contain a dilution adjustment, such dilution adjustment will be paid into the Fund and will become part of the Scheme Property thus mitigating the effects of dilution that would otherwise constrain the future growth of the Fund.

The Manager reserves the right to make a dilution adjustment every Dealing Day. The dilution adjustment is calculated using the estimated dealing costs of the Fund's underlying

investments and taking into consideration any dealing spreads, commission and transfer taxes.

The discount or premium to NAV per Share (i.e. the rate of dilution adjustment) will depend on the volume of subscriptions or redemptions of Shares and the Manager is not currently able to predict the likely frequency of such events. The Manager may in its discretion make a dilution adjustment if, in its opinion, the existing Shareholders, in the case of subscriptions, or remaining Shareholders, in the case of redemptions, might otherwise be adversely affected, and making a dilution adjustment is, so far as practicable, fair to all Shareholders and potential Shareholders. In particular, the dilution adjustment may be made in relation to the Fund in the following circumstances:

- where the Fund is expanding or contracting;
- where the Fund is experiencing a large net subscription position or a large net redemption position relative to its size on any Dealing Day; and
- in any other case where the Manager is of the opinion that the interests of Shareholders requires the imposition of a dilution adjustment.

The Fund is regarded as expanding where, based on the daily movements in and out of the Fund, the Fund has experienced a material net inflow of money over a period of time. The Fund is regarded as contracting where, over a period of time, the Fund has experienced a material net outflow. The Fund is regarded as level where it is considered to be neither expanding nor contracting based on the above criteria.

Where the Fund is expanding, the Manager will normally swing the price to "**offer**" (i.e. increase the price by the adjustment rate referred to above), however the Manager may leave the price at "**mid**" (i.e. the price without any adjustment applied) if the flows are not of significant size relative to the size of the Fund.

Where the Fund is contracting, the Manager will normally swing the price to "**bid**", however the Manager may leave the price at "mid" if the flows are not of significant size relative to the size of the Fund.

The dilution adjustment will be applied to the Net Asset Value per Share resulting in a figure calculated up to four decimal places. The final digit in this figure will then be rounded either up or down in accordance with standard mathematical principles resulting in the final price for the Shares. The most recent dilution adjustment figures can be obtained from the Manager on request.

On the occasions when a dilution adjustment is not applied if the Fund is in a net subscription position or a net redemption position, there may be an adverse impact on the assets of the Fund attributable to each underlying Share, although the Manager does not consider this likely to be material in relation to the potential future growth in value of a Share. As dilution is directly related to the inflows and outflows of monies from the Fund it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently, it is also not possible to accurately predict how frequently the Manager will need to make a dilution adjustment.

In normal market conditions and under the tax and exchange fee regimes currently in operation in the relevant markets, the dilution adjustment is, based on historical data, likely to be in the range of minus 0.28% (for redemptions) to plus 0.28% (for subscriptions). Positive dilution adjustment figures indicate a typical increase from mid-price when the Fund is experiencing net inflows. Negative dilution adjustment figures indicate a typical decrease from mid-price when the Fund is experiencing net outflows. In more volatile or less liquid market conditions the dilution adjustment could be materially wider.

7.5 Publication of Prices and Performance

The Share prices are published on every Dealing Day on the Manager's website www.ccla.co.uk or can be obtained by calling 0800 022 3505 during the Manager's normal business hours. As the Manager deals on a forward pricing basis, the price that appears in these sources will not necessarily be the same as the one at which investors can deal.

The Share prices may also appear in other third party websites or publications. The Manager does not accept responsibility for the accuracy of the Share prices published in, or for the non-publication of Share prices by, these sources for reasons beyond the control of the Manager.

The Fund's past performance is set out in Appendix 2 and is also available on the Manager's website www.ccla.co.uk.

8. Dealing in Shares

8.1 Application for Shares

To apply for Shares, the Applicant must have an active open account. An application to open (or reactivate) an account will normally take up to five Business Days provided all documents required are provided along with the Application Form. Instructions cannot be accepted until the account is active.

All instructions to buy and sell Shares must be received on or prior to the Dealing Deadline if they are to be processed at the prices to be calculated on that day. Instructions received after this time will be held over to the next Dealing Day.

The Transfer Agent will execute purchases or redemptions on the instructions of the investor at the published Share price at the relevant Valuation Point. Shares can only be created or cancelled through the Trustee on behalf of the Fund.

8.2 Minimum Initial and Subsequent Investments

The normal minimum initial investment in the Shares is £1,000. Any additional amount may be invested thereafter. The Manager reserves the right to waive the minimum initial investment amount.

8.3 Buying Shares

Applications for the initial purchase may, (and all subsequent purchases of Shares will), require a buy Shares form to be completed. By completing the form, the Applicant/Shareholder will confirm that they have received, read and understood the Key Information Document. Appropriate payment must be made by bank transfer by the Dealing Deadline or by opting to debit a CBF Church of England Deposit Fund account in the Shareholder's name or their nominee at the same time as the submission of the buy Shares form.

Cheques, if used, must be drawn on an account in the name of the Applicant/Shareholder and made payable in the Base Currency of the Fund to "**CCLA Investment Management Limited CMPA**". Purchases will be processed on the relevant Dealing Day providing the instruction is received and the cheque is cleared (typically within two Business Days of receipt) on or before the Dealing Deadline.

Except as specified below (in the section titled Applications from nominees), applications to purchase Shares can only be actioned on a particular Dealing Day if, on or prior to the Dealing Deadline:

- a correctly completed buy Shares form has been received by the Transfer Agent; and
- the Trustee is in receipt of cleared funds.

Applications from nominees
Where a nominee company acts on behalf of an Applicant/Shareholder, the Transfer Agent may process an application to buy Shares which has been received on or prior to the Dealing Deadline even where the Trustee is not in receipt of cleared funds.

Where the Transfer Agent has acted upon such an instruction, cleared funds must be received by the end of two Business Days following the Dealing Day. Should cleared funds not be received by this time, the Manager reserves the right to immediately redeem any Shares created as a result of that instruction.

The nominee company will be responsible for any losses (including costs, expenses or other liabilities) incurred as a result of that nominee company failing to provide cleared funds by the end of two Business Days following the relevant Dealing Day. Such losses may include (without limitation) any loss sustained by the Manager or the Fund as a consequence of a fall in the price of Shares and any costs sustained by the Manager or the Fund when redeeming such Shares.

Provisions applicable to all applications
Bank accounts of Applicants/Shareholders should be held with a banking institution in the United Kingdom and payments made payable in the Base Currency of the Fund.

Applications to purchase, once made, are irrevocable. However, subject to its obligations under applicable law and regulation, the Manager has the right to reject, on reasonable grounds relating to the circumstances of the Applicant/Shareholder (or nominee company, where applicable), any application for Shares in whole or part, and in this event the Manager will return any money sent, or the balance of such monies, at the risk of the Applicant/Shareholder.

The Manager may also, at its discretion, suspend the issue of new Shares if any such new issue would prevent the orderly investment of monies by the Fund.

When monies are received early, they will be banked in a client money account for investment on the next Dealing Day providing a corresponding buy Shares form has been received. Interest will not be payable on these monies.

On acceptance of an application, Shares will be issued at the relevant Share price. A contract note will normally be dispatched by the end of the next Business Day following the Dealing Day. The contract note inter alia, will show certain information, such as the number of Shares and the issue price. Shares are issued to two decimal places.

The Manager reserves the right not to execute a transaction until the charitable status and eligibility of the Applicant has been demonstrated.

Conditional Orders
The Transfer Agent cannot accept conditional purchase or sale instructions from investors. A conditional order is one where the instruction specifically states that a purchase or sale may only proceed at a specified price, e.g. purchase £50,000 worth of the Fund Shares if the Share price is less than £5.

8.4 Selling Shares

All instructions to sell Shares must be made using a completed sell Shares form and be received by the Transfer Agent on or prior to the Dealing Deadline to obtain that day's price. On acceptance of a redemption, Shares will be redeemed at the relevant Share price. A contract note detailing the transaction

will normally be sent out by the close of business on the next Business Day.

In order for a redemption to be deemed as accepted, the Manager may, in its discretion, require that a telephone 'call-back' be performed in accordance with anti-fraud and other security measures. Where the Manager determines that a call-back is required, they will endeavour to do this in a timely manner, but reserve the right to not a process an instruction should an authorised signatory not be contactable.

Proceeds of sales will be remitted to the nominated bank account of the Shareholder or be paid direct to a CBF Church of England Deposit Fund account held in the name of the Shareholder. Proceeds relating to settlement of sales are usually remitted within two Business Days of the Dealing Day.

In the event funds are returned, the Manager will take reasonable steps to contact the Shareholder to re-confirm payment instructions and arrange for them to be updated as necessary. Neither the Trustee or the Manager accepts any responsibility for any delay in the repayment of funds that may arise as a result of a Shareholder's payment instructions being incorrect or not being kept up to date.

Proceeds that are transferred to a CBF Church of England Deposit Fund account are usually credited with effect from the settlement date (two Business Days after the Dealing Day).

8.5 Deferred Redemptions

If requested redemptions from the Fund on a particular Dealing Day exceed 10% of the value of the Fund, redemptions of Shares may be deferred to the next Valuation Point. Any such deferral will only be undertaken in such manner as to ensure consistent treatment of all Shareholders who had sought to redeem Shares at the Valuation Point at which redemptions were deferred. Deferral will be pro-rated based on the value of Shares 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 so that all deals relating to an earlier Valuation Point are completed before those relating to a later Valuation Point are considered.

8.6 Regular Trades

An Applicant/Shareholder may buy and sell Shares at set intervals over a period of time not exceeding 12 months by making an application using the relevant form. For purchases, cleared funds must be presented as detailed in the form for the transactions to be placed. Should a payment be missed, the standing instruction will be terminated. By completing the form, the Applicant/Shareholder will confirm that they have received, read and understood the Key Information Document. For transactions beyond 12 months, or where a transaction is missed, a new instruction will be required to be submitted.

8.7 Conversion and Switching

A Shareholder may Convert or Switch all or some of their Shares ("**Original Shares**") for Shares of a different type or shares in another CBF Church of England Fund ("**New Shares**").

A Conversion is an exchange of Income Shares for Accumulation Shares or vice versa.

A Switch is an exchange of Shares for shares in another CBF Church of England Fund.

The number of New Shares issued to a Shareholder following a Conversion or a Switch will be determined by reference to the price of the Original Shares relative to the price of the New Shares at the relevant Valuation Point, and in the case of Switches, to the relevant valuation point of the other CBF Church of England Fund.

Shareholders are required to provide written instructions to the Transfer Agent before the Switch or Conversion is effected. Moreover, a Switch to another CBF Church of England Fund will require the Shareholder to confirm that they have received, read and understood the Key Information Document for the relevant fund.

Whilst Switches between The CBF Church of England Funds are permitted at any time, Switches involving The CBF Church of England Property Fund can only be undertaken on The CBF Church of England Property Fund dealing day. Further details are available in the relevant scheme information for this fund on the Manager's website.

8.8 Securities Exchange

Quoted securities in which the Fund has power to invest may be offered to the Fund in exchange for the issue of Shares on a Dealing Day. If accepted, securities are taken in at mid-market valuation. The Manager has absolute discretion as to the securities which will be accepted. The procedure for exchange is complex and may require some time for completion; further details are available upon request. Neither the Trustee nor the Manager accepts any responsibility for any fluctuation in asset values during the transition into Shares. It is the investor's responsibility to arrange for the transfer of acceptable securities to the Fund. Neither the Trustee nor the Manager accepts any responsibility or liability for any loss that may arise as a result of any failure or delay in the transfer of securities by an investor or an investor's investment manager.

8.9 Large Deals

Deals of any size can normally be completed without delay, and there is normally no restriction on the carrying out of transactions. For the purpose of this Scheme Information, a large deal is one of £1,000,000. The Manager may, at its discretion, elect to settle such deals by way of a transfer of securities from the assets of the Fund to the seller (in specie transfer) and may be applied at the discretion of the Manager and subject to the agreement of the Trustee.

8.10 Trustee's Refusal to Issue or Cancel Shares

The Trustee has the power to refuse to issue or cancel Shares where:

a) the Trustee is of the opinion that it is appropriate to do so; or
b) the Trustee considers that there may be an issue with the Manager's ability or competence to continue as the Manager of the Fund; or
c) on receipt of instructions from the Manager to issue or cancel Shares, the Trustee is of the opinion that such action would result in a breach of law or regulation; or
d) the Applicant may be ineligible for the Fund; or
e) there may be potential detriment to the Fund; or
f) it is not in the interests of Shareholders that:
    - Shares should be issued; or
    - Shares should be cancelled; or
    - Shares should be issued or cancelled in the number requested by the Manager.

In all the cases where the Trustee refuses to issue or cancel Shares the Trustee must give notice to the Manager that the Trustee refuses to issue or, as the case may be, cancel, all, or a specified number of, the Shares.

On giving such a notice the Trustee is relieved of the obligation to issue or cancel the number of Shares to which the notice relates.

8.11 Suspension of Dealing

In exceptional circumstances, the Manager may, if the Trustee agrees, or shall, if the Trustee requires, temporarily suspend the issue, cancellation, buying and selling of Shares. The Manager or the Trustee must be of the opinion that there is good and sufficient reason to do so having regard to the interests of the Shareholders. No Shares can be bought or sold during a period of suspension.

The Manager will notify the Shareholders in writing of a suspension as soon as reasonably practicable after the suspension commences. The Manager will review the grounds for suspension every 28 days to ensure that the suspension only continues for so long as it is justified, having regard to the interests of Shareholders. Shareholders will be informed of the outcome of this review.

Once the suspension has been lifted the Manager expects Shares to be priced at the Valuation Point for the next Dealing Day.

During a period of suspension, any application for the compulsory sale of Shares will not be frozen.

If dealing in the Fund is suspended for any reason, any application to sell Shares (other than for Shares which are being compulsorily redeemed) will be frozen until such time as the suspension of dealing is lifted.

8.12 Client Money

The Manager is obliged to comply with the FCA's Client Money Asset Rules ("**CASS**") where it holds client money (as defined by CASS).

Client money typically arises during the creation and redemption processes where a Shareholder passes money to the Manager for the purpose of investing in Shares or the Manager passes money due to the Shareholder as the result of the redemption of Shares. All subscriptions are received into a client money account and all redemptions are passed into, and paid from, a client money account. Shareholders should note that in their dealings in Shares the Manager is responsible for arranging for the issue and the cancellation of the Shares.

Money received for subscription or redemption of Shares: Any money which is received by the Manager prior to investment in the Fund or following a redemption of Shares will be held in accordance with the FCA's client money rules. Where the Manager is required to protect client money it will deposit the cash in the UK with an authorised bank to be held on its behalf in a 'client money' account separate to any account used to hold money belonging to the Manager in its own right. Interest will not be paid on cash balances held in the client money account. The purpose of client money accounts is to protect Shareholders' money should the Manager become insolvent. The Manager will not be responsible for any acts or omissions of the bank.

Paying money away: Where the Manager is holding unclaimed money, the Manager, may, in accordance with CASS, eventually pay away such amounts to a registered Charity. This would be after a period of six years has elapsed since the date of the last movement on the relevant account. Prior to paying away, the Manager will have ensured that it has taken reasonable steps in accordance with CASS, to attempt to pay these monies to the relevant Shareholder.

Insolvency of the third-party bank holding client money: If the third-party bank holding client money becomes insolvent, the Manager will have a claim on behalf of the investors against the bank. It is important to note that if the bank holding client money fails, there may be a shortfall between the

amount of client money held with the bank and any client money claimed by the Manager on behalf of investors. In these circumstances, investors will share that shortfall with all other clients in proportion to their respective claims, and investors may not receive back all the client money due to them.

Compensation payments: In the event that the Manager decides that compensation is payable to a Shareholder (the "**Compensation Payment**"), the Compensation Payment will become due and payable to the Shareholder on the date of the decision. The Manager will pay the Compensation Payment into a client money account within one Business Day of the date of such decision. The Compensation Payment will be held in a client money account until it is paid to the Shareholder.

8.13 Execution Services

In accordance with the FCA Rules, the Manager must act in the best interests of the Fund when executing decisions to deal on behalf of the Fund and must establish and implement an order execution policy to allow it to obtain the best possible result and to ensure that all sufficient steps are taken to act in the Shareholders' best interests in line with its treating customers fairly policy.

The Manager's order execution policy sets out the basis upon which the Manager will effect transactions and place orders in relation to the Fund whilst complying with its obligations in relation to execution. Details of the order execution policy are available on the Manager's website www.ccla.co.uk. A copy will also be made available on request.

9. Distributions to Shareholders

Both the capital and the income of the Fund will be available for distributions at the Manager's discretion.

9.1 Quarterly Distribution

Distributions are calculated quarterly on the last Business Day of each calendar quarter, being March, June, September and December (the "**Ex-dividend date**").

In respect of Income Shares, the annual rate of distribution is approved by the Board in discussions with the Manager. The Income Share distribution rate is set at a level that is expected both to allow the distribution amounts to be maintained or increased over time and to preserve the real (after inflation) value of Income Shares over the long-term. Both the capital and the income of the Fund may be used for the purpose of making distributions in respect of Income Shares. It is recognised that from time to time changing circumstances may require an amendment to the annual rate in order to increase the likelihood of maintaining the real value of Income Shares.

In respect of Accumulation Shares, the distributions consist of the total income accrued in the relevant quarter. Currently the Manager does not use the capital of the Fund for the purposes of distributions in respect of Accumulation Shares.

Distributions in respect of the preceding quarter are usually paid on the last Business Day of the second calendar month following the Ex-dividend date, being May, August, November and February. In order for a Shareholder to be eligible to receive a distribution in relation to Shares, the Shareholder concerned must have held the Shares on the Business Day immediately prior to the Ex-dividend date.

Monies will be paid directly to a bank account held in the name of the Shareholder (or a nominee company acting on behalf of the Shareholder) or paid into a CBF Church of England Deposit Fund account in the name of the Shareholder (or nominee company acting on behalf of the Shareholder).

In addition, if a distribution made in relation to any Income Shares remains unclaimed over the subsequent three accounting periods for which distributions are made for those Shares, the Manager may, at its discretion, re-invest that distribution. If a distribution made in relation to any Income Shares remains unclaimed for a period of six years after it has become due, it may be forfeited and will revert to the Fund.

Holders of Accumulation Shares do not receive distributions of income as explained under the section headed Income and Accumulation Shares in section 4 above.

Changes in tax law and regulations may affect the basis of calculation and payment of distributions.

9.2 Income Reserve Account

Each quarter income may be transferred to an Income Reserve Account which reduces the amount available for distribution in respect of that quarter, or income can be transferred from the Income Reserve Account to the Distribution Account, which increases the amount available for distribution. The Income Reserve Account is used to even out fluctuations in income available for distribution which may arise from time to time. The amount held in the Income Reserve Account forms part of the capital of the Fund and is included in the price of Income Shares until it is used in the payment of a distribution. The Income Reserve Account is used in respect of Income Shares only. Additionally, where there is a balance brought forward on the Income Reserve Account new holders of Income Shares are acquiring a right to a proportion of the income reserve, and

those selling are giving up the right to the income reserve of the Fund.

The Fund allows for distributions of both the capital and income of the Fund (see above), but the Income Reserve Account must be fully exhausted before any capital can be paid. The exhaustion of the Income Reserve Account does not preclude it from being used again in the manner described above.

9.3 Equalisation

The first allocation of income within a distribution to which a Shareholder is entitled, following the purchase of Shares, is calculated as if the purchase had been made at the beginning of the quarter. The distribution will therefore include that part of the purchase price consisting of income from the beginning of the quarter to the date of purchase.

10. Reporting

10.1 Regular Statements

Applicants can opt to receive regular statements on a monthly, quarterly or biannual basis when completing the Application Form. Applicants should note that monthly statements are only available via the CCLA Digital Portal.

10.2 Report and Accounts of the Fund

The Report and Accounts of the Fund are normally prepared for the half year to 30 June (unaudited) and the year to 31 December (audited).

The Manager will make available on its website, www.ccla.co.uk, the annual Report and Accounts for the period to 31 December (the accounting reference date) and half-yearly Report and Accounts for the period to 30 June (the interim accounting date) within six months of the end of the relevant period.

The Report and Accounts include, amongst other things, information on the Fund's risk profile and details of any changes to the Fund's liquidity management.

If a hard copy or an email of the Report and Accounts is required, please contact Client Services on 0800 022 3505.

11. Complaints and Compensation

11.1 Complaints

The Manager has established a complaints policy to investigate complaints received.

Any complaints regarding the operation of the Fund should be addressed in writing to the addresses shown in Appendix 1.

Shareholders who are eligible complainants (as defined in the FCA Rules) may have the right to complain directly to the Financial Ombudsman Service (FOS) if a complaint is not dealt with to the satisfaction of the Shareholder. The address, telephone number and website of the FOS is shown in Appendix 1.

A copy of the Manager's complaints policy is available on www.ccla.co.uk.

11.2 Compensation

The Manager will pay fair compensation on eligible claims arising from its negligence or error in the management and administration of the Fund. The Manager will not be liable for any loss arising where it has acted on the instructions of the Shareholder (or nominee company acting on behalf of the Shareholder) in accordance with the mandate.

If the Manager cannot meet its obligations (for example, where the Manager has stopped trading and there are insufficient assets to meet their obligations), investors in the Fund are not covered by any compensation scheme and could, in the worst case, lose their entire investment.

12. Charges and Expenses

12.1 Remuneration and Expenses of the Trustee

The Trustee is entitled to be reimbursed or retain out of the income or capital of the Fund, any reasonable costs or expenses incurred by it, including a due proportion of any overhead expenses of the Trustee, in administering or winding up the Fund. These include the costs of conducting the Trustee's business relating to the Fund; the attendance expenses of the Trustee's meetings; legal and other costs incurred in respect of the Fund. The certification of the Trustee as to the amount of any such costs or expenses shall be conclusive.

The expenses will include charges of the Trustee's nominees and agents. The duties of the Trustee for which reimbursement may be made, involve and include (without limitation):

- delivery of securities to the Trustee;
- custody of assets;
- collection of income;
- submission of tax returns;
- handling of tax claims;
- preparation of the Trustee's annual report; and
- such other duties as the Trustee is required or empowered by law to perform.

12.2 Remuneration and Expenses of the Manager

The Annual Management Charge is currently 0.55% (plus VAT, if applicable) per annum of the Net Asset Value of the Scheme Property. The Annual Management Charge accrues daily and is calculated by reference to the Net Asset Value of the Scheme Property on the immediately preceding Valuation Point. The accrued Annual Management Charge is paid from the Fund monthly in arrears.

The Annual Management Charge will be paid 100% from capital. The policy of taking the Annual Management Charge from capital could lead to capital erosion. However, it should not change the overall return on the Fund, taking capital and income together.

Where applicable, to avoid double charging, rebates of charges on holdings in the other funds managed or operated by the Manager or an associate are calculated and applied to the Fund. However, it should be noted that such rebate would not include any management charges paid to any sub-investment manager/advisor.

Any increase in the rate of the Annual Management Charge shall be subject to:

- notice of at least 90 days being given to Shareholders; and
- the prior written agreement of the Trustee.

Further information on costs and charges can be found on the Manager's website www.ccla.co.uk.

12.3 Preliminary Charge

No preliminary charge is currently levied. The introduction of a preliminary charge and any increase in the actual or maximum amount of a preliminary charge made by the Manager shall be subject to:

- notice of at least 90 days being given to Shareholders; and
- the prior written agreement of the Trustee.

12.4 Redemption Charge

No redemption charge is currently levied. The introduction of a redemption charge and any increase in the actual or maximum amount of a redemption charge made by the Manager shall be subject to:

- notice of at least 90 days being given to Shareholders; and
- the prior written agreement of the Trustee.

12.5 Inducements

In accordance with the FCA Rules, the Manager when executing orders or placing orders with other entities in relation to financial instruments for execution on behalf of the Fund must not accept and retain any fees, commission or monetary benefits from a third party.

The Manager must not accept any non-monetary benefits when executing orders or placing orders with other entities for execution in relation to financial instruments on behalf of the Fund, except those which are capable of enhancing the quality of the service provided to the Fund, and which are of a scale and nature such that they could not be judged to impair the Manager's compliance with its duty to act honestly, fairly and professionally in the best interests of the Fund.

12.6 Research

Certain brokers may from time to time provide research services to the Manager which are used by the Manager in its management of the Fund. The costs and expenses for such research services will be borne by the Manager.

12.7 Other Expenses

Payments that may additionally be made out of the Scheme Property include all costs and expenses reasonably incurred in the management of the Fund including:

a) brokers' commission (where such payment may be made in accordance with the FCA Rules), fiscal charges and other disbursements which are:
   - necessary or properly to be incurred in effecting transactions for the Fund;
   - normally shown in contract notes, confirmation notes, and margin accounts as appropriate;

b) interest on borrowing permitted by the Fund and charges incurred in effecting or terminating such borrowing or in negotiating or varying the terms of such borrowing;

c) taxation and duties payable in respect of the Scheme Property or the issue of Shares, if applicable;

d) liabilities on a unitisation, amalgamation or reconstruction arising in certain circumstances;

e) the audit fee properly payable to the Auditor and VAT which may be chargeable thereon and any proper expenses of the Auditor;

f) the fees of any relevant regulatory authority in a country or territory in which Shares are or may be marketed;

g) any costs incurred through purchasing and holding of third-party funds; and

h) such other fees or expenses as may from time to time be agreed with the Trustee and Custodian.

13. Conflicts of Interest

13.1 Conflicts of Interest Policy

The Manager operates a conflicts of interest policy to ensure that its clients are treated fairly. The policy seeks to avoid circumstances which the Manager considers may give rise to potential conflicts of interest and materially disadvantage its clients. It describes the controls and arrangements for preventing the Manager and its staff from:

- favouring one client over another;
- making a financial gain, or avoiding a financial loss, at the expense of the client;
- favouring a member of staff over a client;
- providing to (or receiving from) a person other than the client, an inducement in relation to a service provided to the client, in the form of a financial interest;
- market abuse and disclosing confidential information;
- giving or receiving gifts and entertainment, monetary or otherwise that would be in breach of the conflicts of interest policy;
- favouring one of the Manager's owners at the disadvantage of its clients;
- not disclosing the Manager's close association with The CBF Church of England Funds, COIF Charities Funds and the Local Authorities' Property Fund; and
- not disclosing any remaining conflicts of interest to clients before advising or transacting on their behalf.

Full details of the conflicts of interest policy are available on request and on the Manager's website www.ccla.co.uk.

13.2 Material Interests and Conflicts

The Manager, the Trustee, the Transfer Agent and the Administrator are or may be involved in other financial, investment and professional activities which may, on occasion, cause conflicts of interest in the management of the Fund. In addition, the Fund may enter into transactions at arm's length with companies in the same Group as the Manager.

The Trustee may, from time to time, act as trustee of other funds.

Each of the parties will, to the extent of their ability and in compliance with the FCA Rules, ensure that the performance of their respective duties will not be impaired by any such involvement.

The Fund has power to invest in other funds operated or managed by the Manager or an associate of the Manager and a rebate of charges is made to ensure no double charging of the management fee. However, it should be noted that such rebate would not include any management charges paid to any sub-investment manager/advisor.

The Manager operates a client relationship management service to offer suitable support to Church Trusts.

14. Taxation

14.1 General

The Fund has charitable status and is recognised as a Charity for UK tax purposes. As a Charity, the Fund should not be subject to UK tax on gains (provided such gains are applied for Charitable Purposes) or income from investments (provided such income is applied for Charitable Purposes). Tax suffered on investment income from UK equity dividends is not recoverable. To the extent that the Fund invests overseas, it may not be possible for the Manager to recover withholding tax suffered. As a Charity, the Fund is exempt from UK Stamp Duty.

Distributions by the Fund are made gross (i.e. without deduction of tax). Shareholders should not be liable to UK tax in respect of such distributions provided such income is applied for Charitable Purposes.

Distributions are paid and reinvested income is credited gross to Shareholders on the basis that all UK taxation has been both reclaimed and recovered. Overseas income is credited net and any overseas withholding tax is credited to income when it is recovered. No deductions in respect of tax are made with regard to income distributions or income passed to capital.

For the purposes of the US Foreign Account Tax Compliance Act (FATCA), the Fund is deemed compliant.

This is the Manager's understanding of the tax position as of the date of this Scheme Information. The tax position may change in the future. Shareholders should obtain their own tax advice in respect of their own position. Shareholders will be notified in writing with regards to any material changes in the tax position of the Fund.

15. Termination

15.1 Winding Up

The Trustee has the power to wind up the Fund in accordance with the Measure. Once the Trustee has executed the declaration to wind up the Fund dealings in the Fund will be suspended and all Shareholders will be deemed to have submitted a sell Shares form to sell their Shares to the Manager.

As soon as practicable after the Fund falls to be wound up, the Trustee shall realise the Scheme Property and after paying or providing for the liabilities of the Fund and the costs of the winding up, distribute the proceeds to the Shareholders pro rata to their holdings.

Any sell Shares forms already received by the Transfer Agent to sell Shares in advance of the declaration to wind up the Fund but not yet processed will be prioritised ahead of the deemed sales that have been triggered as a result of the decision to wind up the Fund. After the priority instructions to sell have been processed the Scheme Property will be distributed to the remaining Shareholders on a pro-rata basis according to the number of Shares held by them in the Fund. The Manager has discretion to make in-specie redemptions in place of payments in cash.

In the event of winding up, any amount in the Income Reserve Account is distributed at the discretion of the Trustee.

16. General Information

16.1 Data Protection

The Manager is a data controller and the Transfer Agent is a data processor in accordance with the Data Protection Legislation and both will hold personal data about each Shareholder's representatives (referred to below as "**representatives**") that has been supplied to the Manager or Transfer Agent (whether by the representative, a Shareholder or otherwise) as set out in the Manager's Privacy Notice. Each Shareholder agrees to ensure that the contact details and other personal data provided for it and its representatives to the Manager and Transfer Agent remains up to date at all times.

The Shareholder acknowledges that the Fund may invest in investment schemes operated and managed by the Manager and/or by third parties (referred to below as "**investment schemes**") and that the Manager may need to pass data, including personal data regarding the representatives, to those investment schemes. The Manager will not pass on any personal data to any other third party or permit the investment schemes to pass the personal data to third parties except: (i) where, in relation to the performance of its services to the Shareholder, the Manager (or the investment scheme) sub-contracts part of the services or any support services; (ii) as agreed by the Shareholder; or (iii) where required to do so for legal or regulatory purposes as set out in the Manager's Privacy Notice.

The Manager (and the investment schemes) may keep records of all business transactions for at least seven years. Shareholders have a right to inspect copies of contract notes and entries in the Manager's books or computerised records relating to their transactions. Their representatives also have certain rights under applicable Data Protection Legislation, including the right to access copies of their personal data and change the permissions given in respect of the processing of it. The Manager will treat all Shareholders' records as confidential and so reserves the right to provide copies of the Shareholder/representative's particular record, rather than allow access to files which may contain information about other Shareholders. Requests to access the above records/personal data or to exercise any other rights under applicable Data Protection Legislation should be directed to The Data Protection Office (DPO@jupiteram.com) at The Zig Zag Building, 70 Victoria Street, London SW1E 6SQ.

16.2 Telephone and Electronic Communications

Please note the Manager and Transfer Agent may record telephone calls for training and monitoring purposes and to confirm instructions.

16.3 Amending this Scheme Information

The Trustee and the Manager reserve the right to update or amend this Scheme Information at any time. Shareholders will receive notice of any material amendment to the terms and conditions of the Fund. All current scheme information documents for The CBF Church of England Funds are available on www.ccla.co.uk or by request please contact Client Services on 0800 022 3505.

16.4 Professional Liability

The Manager holds professional indemnity insurance to cover professional liability risk.

16.5 Acceptance of Terms and Conditions

By completing the Application Form the Applicant acknowledges and accepts the terms and conditions set out in this Scheme Information and the provisions of the Measure and agrees to be bound by them.

16.6 Applicable Law and Jurisdiction

Any agreement to invest in the Fund is governed by English law and subject to all applicable laws, regulations and rules. In the event of a conflict between such agreement and any such laws, regulations and rules, the latter shall prevail.

This Scheme Information summarises the terms on which the Fund operates. For further information as to the terms on which Shares are issued, reference should be made to the Measure.

By applying for Shares, a Shareholder acknowledges that it will be subject to the exclusive jurisdiction of

the courts of England and Wales to settle any dispute or claim arising out of or in connection with such a Shareholder's investment in the Fund or any related material.

16.7 Additional Information

A Shareholder is entitled to request an unaudited periodic report to be provided after the end of the period to which it relates.

The Manager will make available copies of the Scheme Information, Key Information Document, factsheet and annual and half yearly Report and Accounts on its website www.ccla.co.uk. Alternative formats of these documents are available upon request from clientservices@ccla.co.uk.

If a hard copy or an email copy of any of these documents is required, please contact Client Services on 0800 022 3505.

Appendix 1 – Directory

The Board of CBF Funds Trustee Limited
The members of the Board are:

A. Brookes (Chair)
C. Chan
P. Chandler
O. Home
A. Milligan
M. Orr

Trustee and Operator
The registered office of the Trustee and Operator of the Fund is at The Zig Zag Building, 70 Victoria Street, London SW1E 6SQ.

Oversight
The Trustee has appointed HSBC Bank plc Trustee and Depositary Services to oversee the Manager in respect of its activities related to the management and administration of the Fund and to provide semi-annual reviews of its findings to the Trustee.

The Manager
The Manager of the Fund is CCLA Investment Management Limited which is a limited liability company incorporated in England and Wales and is authorised and regulated by the Financial Conduct Authority in the conduct of investment business. Registered office at The Zig Zag Building, 70 Victoria Street, London SW1E 6SQ.

Incorporated on 26 October 1987.

Directors of CCLA Investment Management Limited are:

R. Horlick (Chair)*
P. Hugh Smith
J. Jesty*
W. Mepham
T. Owen

(* indicates a Non-Executive Director)

The Manager also manages The CBF Church of England Global Equity Fund, The CBF Church of England Short Duration Bond Fund, The CBF Church of England Property Fund and The CBF Church of England Deposit Fund.

CCLA Investment Management Limited Client Services telephone helpline number is 0800 022 3505. Please note telephone calls may be recorded.

CCLA Investment Management Limited is a wholly-owned subsidiary of Jupiter Fund Management plc. The registered office of Jupiter Fund Management plc is at The Zig Zag Building, 70 Victoria Street, London SW1E 6SQ.

Registrar
The Registrar of the Fund is CCLA Investment Management Limited. The Register may be inspected at the registered office of CCLA Investment Management Limited during normal business hours by a Shareholder or any Shareholder's duly authorised nominee/agent.

Transfer Agent
The Transfer Agent of the Fund is FNZ TA Services Limited, 7th Floor, 2 Redman Place, London E20 1JQ.

Custodian
The Custodian of the Fund is HSBC Bank plc, 8 Canada Square, London E14 5HQ.

Administrator
The Administrator of the Fund is HSBC Bank plc, 8 Canada Square, London E14 5HQ.

Auditor
The Auditor of the Fund is Deloitte LLP, 110 Queen Street, Glasgow G1 3BX.

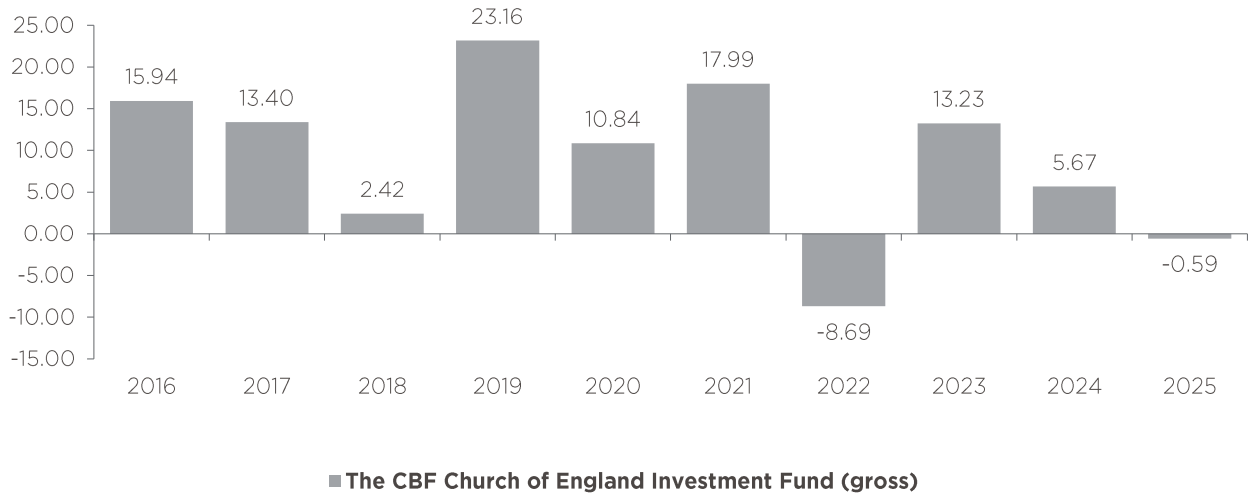
Address for Complaints
Complaints regarding the operation of the Fund should be addressed to: The Head of Client Services, CCLA Investment Management Limited, The Zig Zag Building, 70 Victoria Street, London SW1E 6SQ or The Company Secretary, CBF Funds Trustee Limited, The Zig Zag Building, 70 Victoria Street, London SW1E 6SQ.

Shareholders who are eligible complainants may have the right to complain directly to the Financial Ombudsman, Exchange Tower, London E14 9SR. (telephone number 0800 023 4567 or by visiting www.financial-ombudsman.org.uk).

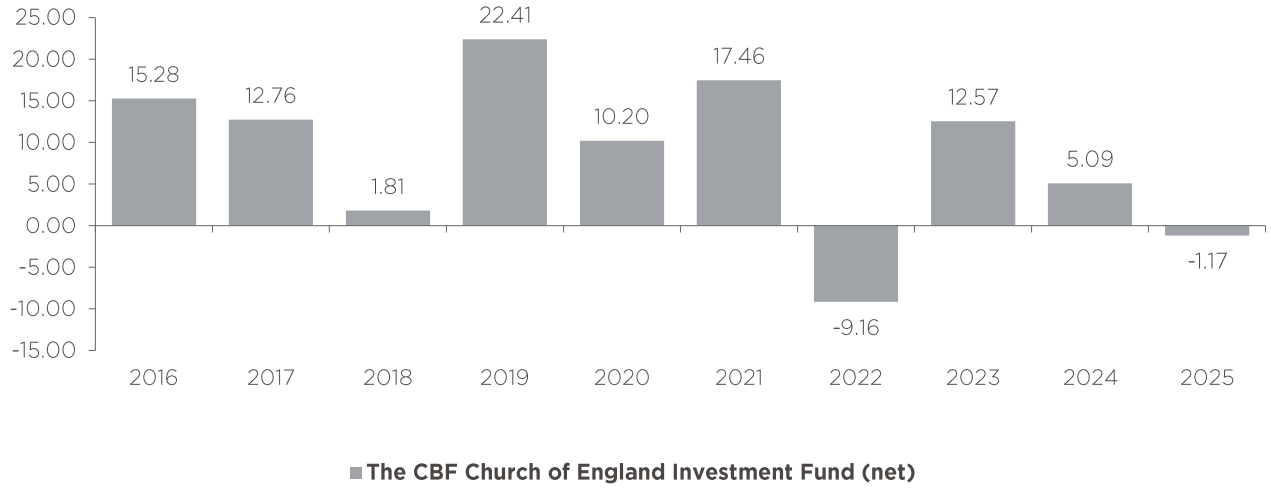
Appendix 2 – Past Performance

The calendar year performance below is shown both gross and net of all Fund charges and expenses, with income reinvested. It has been calculated in the Base Currency of the Fund.

Gross



Net



The Fund launched in May 1958. Past performance is not a reliable indicator of future results.

CCLA Investment Management Limited

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CCLA Investment Management Limited (registered in England & Wales No. 2183088) is part of the Jupiter Group and is authorised and regulated by the Financial Conduct Authority.

CCLA

BECAUSE GOOD IS BETTER