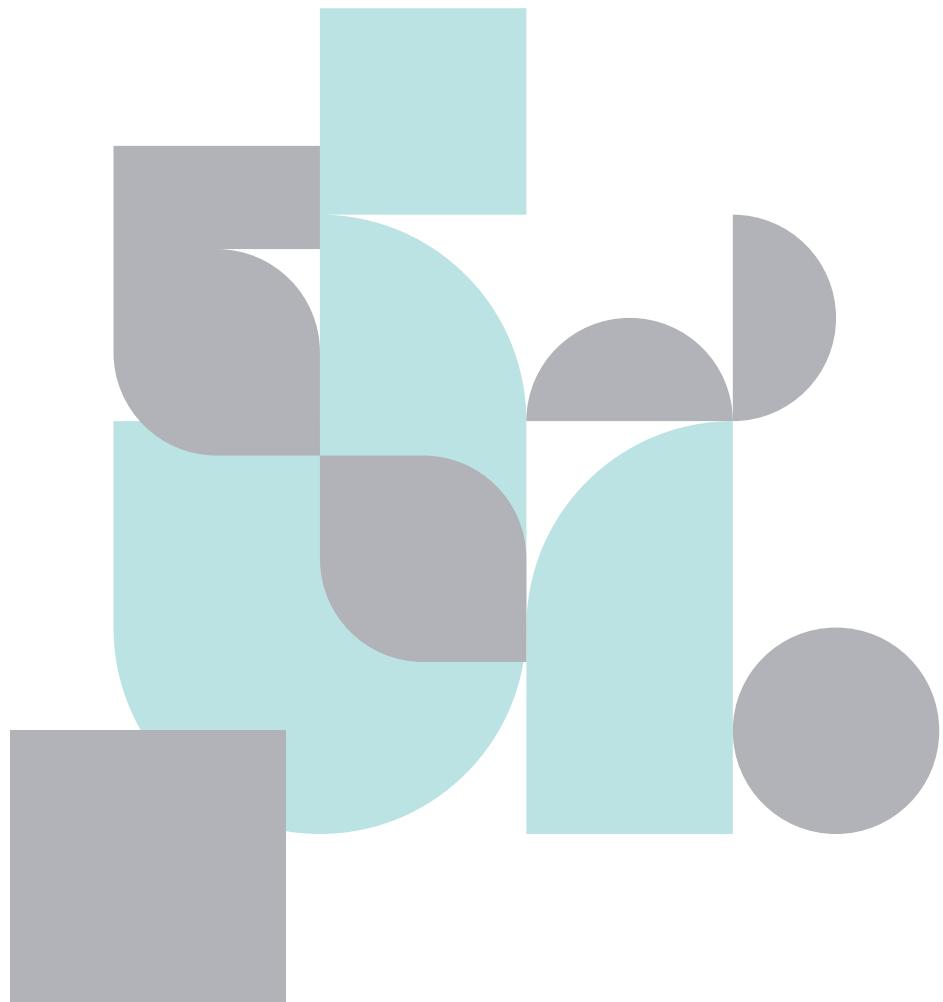


# Rathbone Heritage Fund

## Supplementary Information Document (SID)

### (including terms and conditions)



To be used in conjunction with the Key Investor Information Documents for the above fund.

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# About Key Investor Information Documents (KIIDs), the Supplementary Information Document (SID), Rathbones and its partners

## The Key Investor Information and Supplementary Information Documents and Rathbones

### What is the Key Investor Information Document (KIID) and Supplementary Information Document (SID)?

The KIID and SID (*see glossary of terms*) are documents offered to all investors in European Union-marketed funds before the point of purchasing our products. The information included is vital to your understanding of the commitment that you will be making. These documents formally set out details of the funds including investment policy, charges and distribution dates. To help you understand the technical terms, there is a glossary in Section 2 of this document. Please note that you must have seen the latest Key Investor Information Document before the transaction can take place.

### How should I use the KIID and SID?

We suggest that you consult an investment adviser. These documents should be used to help you to decide on which of our funds are the most appropriate investment for your needs. These documents aim to give you a full picture of the charges and risks associated with the products and to guide you through the application process and the options available to you. They will also give you points of contact should you require more information or to check if information you have is the most up-to-date.

To invest in our products, you should use the application form(s) in conjunction with this booklet (Section 2, for reference) and the relevant KIID. You should read the documents carefully so that you understand what you are buying and then keep them safe for future use.

### How is the KIID a benefit to me as an investor or potential investor?

The benefit of using the KIID is that it is written to give you an unbiased and industry-standardised overview of our products, exploring product risk and charges as well as the application procedure. This will enable you to make direct comparisons between our products and help you to decide the product most appropriate to your needs.

### How can I check if there is more up-to-date information available than that in my edition of the KIID?

Please go to [rathbonefunds.com](http://rathbonefunds.com), email [rutm@rathbones.com](mailto:rutm@rathbones.com) or call our team on 020 7399 0399.

### Where do I go if further advice is required?

Whilst Rathbone Unit Trust Management personnel can give information on its products, they are not authorised to give financial advice. If you have any questions or doubts about the appropriateness of this product for you, please contact an investment adviser. If you do not have an investment adviser, a good place to search for one is at [searchIFA.co.uk](http://searchIFA.co.uk)

### Who is the Manager?

#### Rathbone Unit Trust Management Limited

Rathbone Unit Trust Management Limited, which is authorised and regulated by the Financial Conduct Authority<sup>1</sup> (FCA) and a member of the Investment Association (IA) (*see glossary of terms*), is the unit trust management arm of Rathbone Brothers Plc, the listed investment management and private banking group. Rathbone Unit Trust Management (*see glossary of terms*) is entered on the FCA Register under registration number 144266.

### History

#### The history and tradition behind Rathbone Brothers Plc

The current business was formed in 1988 by combining the investment management and banking business in Liverpool with a tax and investment business in London. Further expansion came in 1995 when Laurence Keen, the well known city based investment manager, was bought. In 1996 Neilson Cobbold, the Liverpool based firm with offices in the South of England, the North West and Scotland was bought.

Today Rathbone Brothers Plc, through its subsidiaries, is an independent provider of investment and wealth management services for private investors, charities and trustees, including discretionary asset management, tax planning, trust and company management, pensions advisory and banking services. It is a FTSE 250 index listed company.

The group has £44.1 billion<sup>2</sup> assets under discretionary management.

Registered Office:  
8 Finsbury Circus  
London EC2M 7AZ  
Information line: 020 7399 0399  
Tel 020 7399 0000 Fax 020 7399 0057  
[rathbonefunds.com](http://rathbonefunds.com)

<sup>1</sup> The FCA is a competent authority which has authorised and registered the Rathbone Heritage Fund. Contact: 25 The North Colonnade, Canary Wharf, London E14 5HS. Consumer Helpline 0300 500 5000. Main Switchboard 020 7066 1000.

<sup>2</sup> The latest published figure as at 31 December 2018. The figure published on our website ([rathbonefunds.com](http://rathbonefunds.com)) may be more up-to-date.

# Investing in the Rathbone Heritage Fund

## Part 1: Making your investments

### What happens to my investment?

Your investment will buy you units in the Rathbone Heritage Fund. The number and type of units and the unit price are detailed on the contract note, regular statement or allocation letter.

The cost and subsequent value of the units held by investors is directly related to the current value of the fund's underlying securities.

There will be no further commitment to make a payment beyond the amount due (shown on your contract note or other document issued in respect of your investment).

Interest will not be credited in respect of cash held pending investment, settlement (*see glossary of terms*) or distribution.

### What are the charges?

Unit charges differ for specific unit types. Please see the appropriate Key Investor Information Document.

### What is the minimum that I need to invest in the Rathbone Heritage Fund?

	Minimum initial lump sum investment	Minimum additional lump sum investment
I-Class units	£1,000	£500
S-Class units	£30,000,000	£500

### How can units in the Rathbone Heritage Fund be bought?

Units may be bought by giving us written instructions by completing one of our application forms, or by calling the dealing line on 0330 123 3810. Orders are made at the buying price calculated at the next valuation point.

Payment must be sent with your application or, in the case of orders made by telephone, when you get the contract note (unless otherwise agreed). Settlement is required immediately and no later than the 4th business day following the valuation date. Please note that you must have seen the latest Key Investor Information Document before the transaction can take place.

*Also see note 1 (Buying unit trusts).*

### Can I make regular contributions?

A savings plan is not available.

### When is the Rathbone Heritage Fund valued, what prices are available and when can buying/selling take place?

The fund is valued on a normal business day at midday in order to determine the buying and selling prices of the units.

The fund is single priced which means a single price is issued for each fund at each valuation point. Both sales and redemptions in units will be based on this single price. We operate a 'swinging' single pricing mechanism for this fund. This mechanism is intended to ensure the fair treatment of all the investors in a fund by minimising the effects of 'dilution', as explained under 'dilution' in our glossary of terms. Once the single price of a unit/share has been determined, a 'dilution adjustment' will be applied to the price in accordance with the policy outline in the Prospectus for the fund. The price swings in response to particular circumstances to mitigate the effects of dilution. See 'Swing pricing' in the glossary.

We will accept orders at our dealing office for the buying and selling of units on normal business days between 9.00am and 5.00pm. All orders placed prior to the valuation point will be actioned at prices determined by the next valuation.

*Also see note 2 (Unit trust pricing).*

### Who should receive completed application forms?

DST (UK) Limited

See Registrar and Dealing Office for details.

### Who is the Registrar and where is the dealing office (for applications)?

*(see glossary of terms)*

Registrar: DST Financial Services International Limited

Dealing: DST Financial Services Europe Limited

Rathbone Unit Trust Management Limited PO Box 9948, Chelmsford CM99 2AG

Dealing and Valuation Line: 0330 123 3810

Dealing facsimile: 0330 123 3812

Authorised and Regulated by the Financial Conduct Authority (FCA). The FCA Register number is 161227.

## Part 2: Selling and switching your investments

### How can I sell units in the Rathbone Heritage Fund?

You can sell units by telephone, fax or letter. Telephone or fax instructions must be subsequently confirmed in writing. Sale proceeds will be sent no later than four business days after receipt of the correctly renounced documentation or the sale date, whichever is the later.

We will pay the proceeds of a sale into your bank/building society account, details of which we will get from you via our application form. If you prefer to receive a cheque, please tell us on the form using the tick box provided.

*Also see note 3 (Selling unit trusts).*

### How can I switch between Rathbones unit trusts?

You may choose at any time to switch from one of our unit trusts to another by sending written instructions explaining to us which of the unit trusts you would like to switch. We will do any necessary selling and buying as soon as practicable after the next valuation point after we get your instructions. We will make the switches between the unit trusts at discounted terms, details of which are available from us or your adviser. You should be aware that a switch is treated as a disposal and may give rise to a Capital Gains Tax liability.

Switching is allowed between Rathbones funds and involves selling your holding(s) at the current selling price and using the proceeds to buy new units/shares in your chosen fund(s) at the mid price (i.e. the current buying price with no initial charge).

You can switch between unit types (income and accumulation) and between classes subject to the minimum investment, between the same unit types of the same unit trust at no cost. The quoted bid price will be used.

A switch application form is available (see part 3 of the Rathbone Heritage Fund application form). Please note that you must have seen the latest Key Investor Information Document before the transaction can take place. Key Investor Information Documents and application forms are available free of charge by calling our Information Line or by visiting our website [rathbonefunds.com](http://rathbonefunds.com)

## Part 4: Information available to you

### Where can I get the latest Key Investor Information Documents (KIIDs)?

The specific KIIDs for each unit class and for each fund outline key information on objectives, charges, risks and past performance.

You need to read the latest KIID before buying, switching or topping-up an investment in each fund. Key Investor Information Documents are available free of charge by calling our information line.

### Where can I find the latest Rathbone Heritage Fund prices?

The most recent buying and selling prices for the fund are published at [rathbonefunds.com](http://rathbonefunds.com) or are available from us by calling our information line on 020 7399 0399.

### Will I receive a certificate for my investment?

With the agreement of the Trustee, and in line with many other Managers, from 1 July 2000 we ceased to issue unit certificates. When units are sold back to us, certificates will no longer be accepted as a form of renunciation (*see glossary of terms*) document. A Form of Renunciation will be sent to you with your repurchase contract note. The Form of Renunciation will need to be signed and returned to our administration office, unless we have received clear written instructions, signed by all registered unitholders.

### What statements and reports will I receive?

A distribution statement will be sent half yearly on the respective distribution dates (30 June and 31 December). The statement will show the number of units bought over the previous six months, the total number of units in your holding and their current value.

Long Reports for each fund (including a fund commentary and holdings information), are available on request, free of charge, from us.

After the 30 June and 31 December each year, unitholders will receive a consolidated statement showing, where applicable, their total unit trust and ISA unitholdings for each fund held; the number of units bought since the previous statement, and the total current value of their holdings.

## Part 3: Getting an income from your investments

### How do you treat income from the Rathbone Heritage Fund?

To receive income payments, where applicable, select distribution (income) units. Income will be paid into your chosen bank account on the reporting dates (30 June and 31 December). Please complete the income payment mandate on the application form. Alternatively, if you do not want income, you may select accumulation units.

## Part 5: Taxation and your investments

### How are my distributions taxed?

Dividend income whether paid or reinvested is treated as the 'top slice' of an individual's income. Dividend distributions (*see glossary of terms*) carry a tax credit of 10%.

If you are a UK resident and subject to lower and basic rate tax, the tax credit is deemed to cover the liability and no further tax is payable. If you are a non-taxpayer, you cannot recover the tax credit. Higher rate tax payers liable to Income Tax at 40% on other income have a liability to pay tax at 32.5% on gross dividend distributions.

Thus a higher rate unitholder who receives a dividend from the fund of £90 (gross equivalent £100) will have an income tax liability of £32.50 of which £10 will be treated as having been discharged by the tax credit leaving the unitholder with a liability of £22.50 still to pay.

## Part 6: Your rights and our obligations

### What are my cancellation rights?

Cancellation rights may be available to you if you buy units as a result of specific advice or recommendation received from an adviser. You may cancel such a contract by returning the cancellation notice within 14 days of receipt. You would receive back money subscribed, less a deduction of the amount (if any) by which the buying price of your investment has fallen at the relevant valuation point.

On cancellation, we won't give you back more than the money subscribed.

### What is anti-money laundering (AML) and what documents do we require from you?

To comply with money laundering (*see glossary of terms*) regulations, by law we are required to undertake various checks on sales and purchases. We reserve the right to refuse any application to invest in units without providing a reason for doing so to you.

Anti-money laundering (AML) regulations require us to maintain up to date client information on an on-going basis and where relevant obtain details of controllers and beneficial owners of investments.

Anti-money laundering regulations prevent us from releasing proceeds without first having obtained verification documents, and may result in a delay in our acceptance of further funds.

Please see below, a list of the different types of investors, you will be asked on the application form to identify which type of investor you are from the following:

- Person.
- UK and EEA Regulated Firm
- Non UK/EEA Regulated Firm
- Nominee with a regulated parent company
- Nominee with an unregulated parent
- Public Limited Company
- Private Corporate Entity
- Regulated Occupational Pension Scheme
- Regulated Personal Pension Scheme
- Local Authority Pension Scheme
- Unregulated UK & Irish Pension Scheme
- Incorporated Registered Charity
- Unincorporated Registered Charity
- Unregistered Charity
- Trust
- Independent School/University
- Public Sector/Local Authority Body
- UK Church or Place of Worship
- Subject to Statutory Licensing
- Partnership/Unincorporated
- Lawyer/Accountant/Professional
- Club or Society
- Sovereign Wealth Fund
- Parochial Church Council.

**Part 6: Your rights and our obligations**

**When could my money be held in a client money account?**

Monies in relation to payments for buying units/shares in or selling Rathbones funds may be protected in designated client money accounts in certain circumstances.

Typically, these circumstances would be:

- Where monies are received in advance of a dealing day
- Where redemption requests have not been completed due to administrative delays by the required regulatory timescales
- Where payments have been returned and the investor becomes deemed as "gone away" on our records.

In these circumstances monies are held in a client money account with a regulated bank or credit institution. HSBC Bank has been chosen as an appropriate institution. Rathbones operates four such accounts whereby all money credited in the accounts is held by Rathbones as trustee. HSBC is not entitled (and has acknowledged as such), to combine these accounts with any others or to exercise any right of offset or counterclaim against money in them in respect of any other sum owed by Rathbones to HSBC.

We do not pay interest on money held as client money. Where we hold money as client money, if we as a firm fail, the client money distribution rules will apply to money held in relation to the client money we hold. We shall not be responsible for any credit institution or bank in which your money is held. Your money may be pooled with money belonging to other clients which means that you do not have a claim against a specific account; your claim is against the client money pool in general.

1. We have chosen to use the 'Delivery Versus Payment' (DVP) exemption with regard to your buying and selling of units. The rules that cover this are in the Client Asset Sourcebook (CASS) of the Financial Conduct Authority's (FCA) Handbook. This exemption, under the FCA's rules, allows us to not treat your monies as client money in the following two DVP scenarios:
  - i. Where money is received from you that relates to our obligation, under FCA rules, to issue units.
  - ii. Where money is held by us as units are sold where the proceeds of that sale are paid to you within the time stated in the FCA rules.

By buying any of our funds, you agree to us using such arrangements. Should we stop using, at any time, the DVP exemption, you will be pre-notified in writing ahead of the point we stop using it.

2. Where in the scenarios described in 1. above we have not, by the close of business on the business day following the receipt of money, paid that money to the authorised depositary, or to you as the case may be, then we must stop using the DVP exemption, for that specific transaction.
3. Any sale proceeds to be paid by cheque will be paid from a relevant client money account.
4. Where we make use of the DVP exemption, we will always obtain your consent, and will retain this for the whole period we operate the exemption.
5. In the scenarios under 1 above where money is not treated as client money, such money is not protected and in the event that we should fail, then the money would be at risk.
6. Further, under the CASS regulations, we are obliged to obtain your agreement to use the DVP exemption within the use of any commercial settlement systems we use. By buying our funds, you confirm agreement to the use of such systems.
7. Under the CASS regulations, by agreeing to buy units in any of our funds, you agree for us and any applicable third party to establish a contractual agreement. This will cover the holding of client money by the third party in a client transaction account. This will show that it is holding the monies on behalf of our clients.
8. Monies in relation to distribution payments are held under the particular Trust they relate to and therefore not deemed 'client money'.

**What is the governing law for Rathbones unit trusts?**

This agreement will be governed by and construed in accordance with English Law. All written communications with you will be in English.

**Are telephone calls recorded?**

To make sure you get high quality customer service and for your protection, your telephone calls may be recorded and also randomly monitored.

**Part 6: Your rights and our obligations**

**Data protection**

Where relevant, Rathbones' privacy notice for clients, together with our relevant terms of business, sets out how your personal data (as further detailed in the privacy notice) shall be processed by Rathbones. A copy of the privacy notice is available on request or on Rathbones' website.

From time to time Rathbone Unit Trust Management Limited may wish to communicate with you with information on other products and services offered by the Rathbone group. However, you should note that where you have applied for a Rathbones unit trust through an adviser, we may disclose information concerning your investments in these products to that adviser.

If you do not wish to be contacted by Rathbone companies, please advise us in writing at the following address:

Data Protection Officer  
Rathbone Unit Trust Management Limited  
8 Finsbury Circus  
London EC2M 7AZ

**What can I do if I have a complaint?**

If you have any queries or complaints about the operation of the fund should put them to the Compliance Officer, Rathbone Unit Trust Management Limited, 8 Finsbury Circus, London EC2M 7AZ. Any complaint we receive will be handled in accordance with our internal complaint procedures. A copy of these is available from the Compliance Officer. In the unlikely event that you do not receive a satisfactory response after contacting us you may direct your complaint to the Financial Ombudsman Service at Exchange Tower, London E14 9SR. Further details about the Financial Ombudsman Service are available on their website at [financial-ombudsman.org.uk](http://financial-ombudsman.org.uk).

**What compensation schemes are available?**

We participate in the UK Financial Services Compensation Scheme which provides a measure of protection when an investment firm is unable to meet its obligations to its clients. Further information on the scheme and your eligibility is available on request from us or from the UK Financial Services Compensation Scheme (details can be found at [fscs.org.uk](http://fscs.org.uk)).

## Supporting notes

To help declutter the Supplementary Information Document and to aid readability we have put some of the fine detail in this additional notes section. These notes are referenced from within the text in the document.

### **Note 1: Buying unit trusts**

For amounts over £100,000, settlement must be made by electronic bank transfer to HSBC Bank plc, 2nd Floor, 62/76 Park Street, London SE1 9DZ, Sort Code 40-02-50, Account No. 91270362, Account name: Rathbone Unit Trust Management Limited. All other investors, (making smaller investments), can use this facility if they wish. Otherwise, please forward a cheque for the net amount, made payable to Rathbone Unit Trust Management Limited, to our administration address (see application form).

We won't pay you interest before making your investment. Should we receive payment two days or more before the valuation of your chosen fund then monies will be paid into a non-interest bearing client money account.

Investors in our funds will be treated as "retail clients" for the purpose of dealing in units either when buying units from us or selling them back to us. You will enjoy all the protections provided to retail clients by the regulations.

### **Note 2: Unit trust pricing and making charges**

If at a valuation point, we believe that no reliable price exists for a company held in a fund or that the most recent price available does not reflect our best estimate of the price, then we may value the holding at a price which we believe fair and reasonable. This flexibility in pricing allows a more accurate judgement of the value of the holdings of the fund. There is an Annual Management Charge (AMC) which is accrued on a daily basis along with other expenses such as the Auditor's fee, Registrar's fee and Trustee's fee.

For the Rathbone Heritage Fund, the AMC is paid out of capital, all other income expenses are paid out of income.

### **Note 3: Selling unit trusts**

All sales receive the published selling (mid) price.

We may close the holding if the remaining value falls below the current applicable minimum.

We pay the proceeds of sales of units, regardless of size, by cash. For re-registration, stock transfer forms are accepted for unit trust transfers. We may vary any charge without prior notice.

If there is a delay in completing the settlement of a sale after we have all documentation (which results in the normal settlement period being extended), then all monies due to you will be paid into a non-interest bearing client money account until such time as you can be paid.

# Glossary of terms

## **Alternative Investment Market (AIM)**

The AIM (Alternative Investment Market) is the London Stock Exchange's international market for smaller sized companies. Businesses range from venture capital-backed start-ups to mature organisations looking to expand. The objective of this FTSE sector is to offer smaller companies, from any country and any sector, the chance to raise capital on a public market. The nature of these companies means that their shares are likely to be more volatile.

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

The AMC is a fee paid to the Manager once a year which includes service and administration fees. It is calculated daily at the point of valuation. The AMC forms part of the ongoing charges of the fund.

## **Auditor**

Auditors are required to certify that the fund accounts produced by their client companies have been prepared in accordance with normal accounting standards and represent a true and fair view of the fund.

## **Beneficial owner**

The beneficial owner of an asset is the person for whose benefit it is being held.

## **Bonds**

Securities that represent an obligation to repay a debt along with interest.

## **Client Assets Sourcebook (CASS)**

The Client Assets Sourcebook (CASS) is part of the FCA Handbook and sets out the requirements with which firms must comply when holding or controlling client assets.

## **Collective Investment Schemes**

Funds which pool investors' money and invest on their behalf. This term refers to unit trusts and ICVCs.

## **Contract notes**

On completion of the investment in the fund, our dealing office despatches a contract note which contains the details of the transaction.

## **Custody/Custodian**

Usually a major banking group, the custodian is appointed by the fund's trustee to safeguard the fund's assets on behalf of the investors.

## **Dealing**

Dealing is the process of buying and selling investments – shares, units in a unit trust, bonds etc.

## **Derivatives**

Financial instruments whose value is linked to one or more rates, indices, share prices or other values.

## **Dilution**

The actual cost of purchasing or selling a fund's investments may be higher or lower than the mid-market value used in calculating the single unit price – for example, due to dealing charges, or through dealing at prices other than the mid-market price. Under certain circumstances (for example, large volumes of deals) this may have an adverse effect on unitholders' interest in a fund, this is known as 'dilution'.

## **Distributions**

Distributions are paid out (if the units in your chosen unit trusts are income-paying) quarterly or half-yearly depending on the trust and represent a dividend based on the amount of income that has been accumulated from the unit trust's underlying investments.

## **Diversification**

Diversification means owning a variety of investments that typically perform differently from one another. This helps to reduce the risk, or volatility, of the overall collection of investments.

## **Financial Conduct Authority (FCA)**

The FCA is the Government body that regulates all aspects of the financial services industry in the UK.

## **Form of Renunciation**

In order to sell unit trust holdings, the investor must 'renounce' the units held by completing and signing a form of renunciation. Where part of a holding is being sold, the number or the value of the units to be sold must be entered on the form of renunciation.

## **Hedging**

Using techniques to fully or partially cancel out risks.

## **ICVC (Investment Company with Variable Capital)**

These are funds very similar to unit trusts, but are constituted as companies rather than trusts.

## Glossary of terms

### **Investment Association (IA)**

The IA is a trade body for the UK investment management industry. Its members provide UK investment management services to institutions (e.g. life insurers, pension funds, etc.) and to private investors through individual fund management and pooled products such as authorised investment funds. Website address [investmentuk.org](http://investmentuk.org)

## Glossary of terms

### **Key Investor Information Document (KIID)**

The Key Investor Information Document (KIID) is a two-page pre-sales document. The KID contains concise descriptions of key fund information, including a short description of its investment objectives and policy; presentation of past performance or performance scenarios; costs and associated charges; the risk/reward profile of the investment, including guidance and warnings. *(It should always be used together with this Supplementary Information Document (SID)).*

### **Long-dated securities**

Long-dated securities are a class of income-generating assets where the revenue stream is generated over a long period of time.

### **Money Laundering**

Money laundering is the process of passing money gained illegally through the financial system to convert into legitimate funds. Since 1994, when the government introduced the Money Laundering Regulations, financial services firms have been required to have procedures in place to prevent money laundering.

### **Money market instruments**

High-quality investments that pay interest and are designed to maintain a stable value.

### **Ongoing Charges Figure (OCF)**

The OCF is a calculation of costs and charges expressed as a percentage of the fund value. OCFs provide investors with a clearer picture of the total annual costs for running a unit trust. It consists principally of the manager's annual charge, but also includes the costs for other services paid for by the fund, such as the fees paid to the trustee/depository, custodian, auditors and registrar.

### **Prospectus (the)**

The Prospectus contains all material information which investors and their investment advisers might reasonably require and reasonably expect to find for the purpose of making an informed judgement about the merits of participating in a scheme and the extent of the risks accepted by so participating.

### **Registrar**

The registrar is responsible for maintaining the register of unitholders in the fund. Registration fees cover staff costs and overheads for the maintenance of the register and payment of income distributions.

### **Settlement**

Unit trust purchases have to be paid for. Once units have been bought on your behalf, you have an obligation to pay for the investment prior to the settlement date (a number, usually 4, working days after the transaction has taken place). Most companies will accept cheques, direct bank transfers, and debit cards.

### **Shares**

For the purposes of the investment policy, securities that represent fractional ownership in a company (as distinct from portions of a Rathbones unit trust/fund).

### **Supplementary Information Document (SID)**

The SID is a document that supports the Key Investor Information Documents (KIID), providing in-depth information on how to make investments in a fund. *(See Key Investor Information Document (KIID)).*

### **Swinging single pricing**

A 'dilution adjustment' can be applied to the fund price in accordance with the policy outlined in the Prospectus for that fund. This is known as 'swinging' single pricing (i.e. the price swings in response to particular circumstances to mitigate the effects of dilution). For example, when there are net inflows to a fund, a dilution adjustment increases the price (price swings up) and when there are net outflows from a fund, the dilution adjustment reduces the price (price swings down).

### **Transferable securities**

Transferable securities are those classes of investments which are negotiable on the capital market such as shares in companies and other investments equivalent to shares in companies, partnerships or other entities or capital return and interest investments known as bonds.

Glossary of terms

**Trustee**

The Trustee is responsible for overseeing the fund manager's activities in relation to a unit trust. Usually a large bank, the trustee must be independent of the Manager where the fund is authorised by the Financial Conduct Authority. It acts in the interests of the investors, owning the investments in the fund on their behalf. It also ensures the fund is invested according to its investment objectives and that the manager complies with the regulations.

**Turnover rate (or PTR)**

The PTR equals the value of purchases or sales of a portfolio's stocks, which ever is less, divided by the average value of the portfolio's stocks. A 100% portfolio turnover rate occurs if all stocks, on average, are replaced once during the period.

Annual turnover figures are available on our factsheets which are available by calling our Information Line or by visiting our website, [rathbonefunds.com](http://rathbonefunds.com).

**UCITS**

UCITS stands for 'Undertakings for Collective Investments in Transferable Securities' and is a European Directive which has been adopted in the UK which prescribes rules allowing funds or unit trusts to be marketed in all countries in the European Union.

**Unit trusts**

Unit trusts are open-ended funds where private investors pool their money to be invested in a portfolio of securities. Unit trusts issue units to investors. Unit trusts issue units in response to demand. Being open-ended, unit price is closely aligned to the net asset value (NAV) of the fund.

**Units**

A unit is a proportion of the fund for which a buying and selling price will be quoted. Your investment amount divided by the price will give the number of units that you will be allocated. These can be income-paying units (income units) or income reinvesting units (accumulation units).

**Volatility**

Volatility is a measure of risk. It is the extent and rapidity of up-and-down movements of an investment. The higher the volatility, the more uncertainty there is in the returns and the greater the risk implicit in the portfolio.

**Yield**

The yield is the amount of income generated (as defined by the most recent annual record) by a fund's investments in relation to the quoted price.

**Copies of the Prospectus, the latest Key Investor Information Document (KIID), the latest Manager's report and the Trust Deed in respect of the Rathbone Heritage Fund are available on request from us, free of charge.**

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A member of the  
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A member of the Rathbone Group.  
Registered No. 02376568



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