

Dear Prospect member

Lighthouse Financial Advice is one of the largest providers of financial planning and guidance in the UK, helping tens of thousands of people around the country every year to sort out their own personal financial arrangements and make their money work harder. As such, Lighthouse Financial Advice is the preferred provider of financial planning solutions to Prospect members.

A cash ISA works like any other savings account, but no tax is payable on interest received. Unlike a cash ISA, stocks and shares ISAs aren't completely tax free (dividends received upon shares will be taxable within the funds) but they are exempt from capital gains tax or income tax on the proceeds in the hands of the investor. In the tax year 2011 / 2012 the individual ISA allowance is £10,680, of which half can potentially go into a cash ISA. Any unused subscription to a cash ISA can be placed into an investment ISA, so if no cash ISA subscription is made, the full £10,680 current ISA allowance can be invested into a stock and shares version.

For the benefit of those individuals who are **able to determine for themselves** how they would like to invest and make the most of their annual ISA allowance, Lighthouse Financial Advice has negotiated the availability of an investment opportunity via Thames River Multi-Capital LLP, part of the F&C Group. This opportunity facilitates capital being placed within an ISA on a **discounted charges basis which takes account of the fact that no advice is being sought or given.**

The Thames River Distribution Fund, managed by the highly experienced and respected Thames River Multi-Capital team, is an actively managed fund-of-funds that provides one-stop diversification:

- Current yield of 5.4%* p.a., with income paid quarterly, plus the potential for long-term capital growth. Yields are not guaranteed and are subject to fluctuation. Past performance is not a guide to future performance.
- Or if you don't need an income right now, choose accumulation shares and take an income later.
- Exceptional diversification from investing in between 25-35 underlying funds and tapping into over 1300 sources of income.
- Run by one of the most experienced multi-manager teams in the industry.

Stock markets and currency movements mean the value of your investment can go down as well as up and you may not get back the amount originally invested.

As it is an ISA, all growth and income is **free from both capital gains tax and income tax for the investor.** Tax legislation may change. Tax rates and reliefs depend on individual circumstances. Freedom from tax in an ISA applies directly to the investor.

For this special offer, the initial charge for investing is **reduced to just 2% of capital placed** (a discount of **60% off** the standard initial charge of 5% with Lighthouse Financial Advice). 1.5% of the initial charge is received by Lighthouse Financial Advice. The annual management charge from Thames River for running the Distribution Fund ISA is 1.5% of fund value (of which 0.75% is payable to Lighthouse Financial Advice and Lighthouse Capital combined).





Understanding your appetite for risk is key: this ISA selection is appropriate for those able to determine their own risk approach and is therefore not appropriate for everyone. Other options, funds and products are available, so if you are in any doubt as to the suitability of the product then please seek financial advice. An appointment can be made with a fully qualified Lighthouse Financial Advice consultant who will be able to give you guidance via a full advice process if needed, please call 08000 858590.

Please read through the associated simplified prospectus and brochure and then complete the application form if you wish to participate in this offer. Once completed it should be returned with a cheque payable to F & C Fund Management Limited via the specified FREEPOST address:

Freepost RLTZ- HZCB-AXZG, F & C Fund Management Limited, PO Box 9040, Chelmsford, CM99 2XH.

Yours faithfully

Lee Barnard
Lighthouse Group Marketing Director

* Historic yield as at 31.1.12 based on distributions paid over the previous 12 months, source: Northern Trust.



Thames River Multi-Capital Funds ICVC

Simplified Prospectus
ISA Transfer Terms and Conditions
Issued September 2011

Important information

This Simplified Prospectus contains key information in relation to Thames River Multi-Capital Funds ICVC ('the Company'), which is an Open Ended Investment Company ('OEIC'). The Company currently has five sub-funds (together the 'Funds'), as follows:

- Thames River Balanced Managed
- Thames River Cautious Managed
- Thames River Distribution
- Thames River Equity Managed
- Thames River Global Boutiques

The Financial Services Authority is the independent financial services regulator. It requires us, F&C Fund Management Limited, to give you this important information to help you to decide whether our Thames River Multi-Capital Funds ICVC is right for you. You should read this document carefully so that you understand what you are buying and then keep it safe for future reference.

Legal structure

The Company is an authorised collective investment scheme as defined in the Financial Services and Markets Act 2000. It is an open-ended umbrella investment company established as a Non-UCITS Retail Scheme ('NURS') being compliant with the 'COLL Sourcebook' published by the Financial Services Authority ('FSA'). The Company is an investment company with variable capital which is authorised and regulated by the Financial Services Authority and was incorporated in England and Wales (IC000572) on 29 August 2007.

Unless otherwise defined, the terms in this Simplified Prospectus shall have the same meaning as in the full Prospectus.

All documentation will be provided in English and the base currency of each Fund is Sterling.

Head Office, Scheme Promoter and Authorised Corporate Director (ACD)

F&C Fund Management Limited
(Authorised and regulated by the Financial Services Authority)
Exchange House
Primrose Street
London
EC2A 2NY

Investment Adviser

Thames River Multi-Capital LLP
(Authorised and regulated by the Financial Services Authority)
51 Berkeley Square
London
W1J 5BB

Depository

National Westminster Bank plc
(Authorised and regulated by the Financial Services Authority)
135 Bishopsgate
London
EC2M 3UR
United Kingdom

Administrator

Northern Trust Global Services Limited
PO Box 55736,
London
E14 1BT

Transfer Agent and Registrar

International Financial Data Services (UK) Limited
IFDS House
Basildon
Essex SS15 5FS
United Kingdom

Auditors

PricewaterhouseCoopers
1 Embankment Place
London
WC2N 6RH
United Kingdom

What is an OEIC?

An open ended investment company ('OEIC') is a company which manages an investment fund or funds.

You can participate in a fund by buying shares in the fund. It is 'open-ended' which means the fund gets bigger and more shares are created as more people invest. When investors withdraw their money from the investment the fund shrinks as shares are cancelled.

When you invest in an OEIC, your money is pooled with that of other investors and the ACD will select and buy shares or other securities, to hold in the fund. The price of the shares that you buy or sell is based on the value of the investments in which the OEIC has invested, and therefore will fluctuate accordingly.

What are the aims of the OEIC?

- To enable you to benefit from investment growth over the long term and/or to provide you with a regular income.

The following funds are available within the OEIC:

- Thames River Balanced Managed
- Thames River Cautious Managed
- Thames River Distribution
- Thames River Equity Managed
- Thames River Global Boutiques

Each individual fund has its own investment objective and policy shown below.

What are the Funds' investment objectives?

Thames River Balanced Managed

The Fund's investment objective is to achieve a balance between capital growth and reasonable income.

The Fund will seek to achieve its investment objective primarily through investment in shares or units of regulated and/or unregulated collective investment schemes and/or closed ended funds. This may include schemes or funds managed by the ACD and/or an associate.

The Fund may also invest directly in transferable securities, money market instruments, warrants, deposits, near cash and cash. Liquid instruments may be held both for investment purposes and for other purposes permitted under the Regulations.

The Fund may utilise derivatives for hedging and efficient portfolio management purposes and as part of its investment policy.

In seeking to achieve its investment objective and policy, the exposure of the Fund directly or indirectly to equities and equity related investments (including for these purposes convertible securities) is currently restricted to 85% with at least a 10% exposure maintained in Non-UK equities.

The ACD may from time to time alter or adjust these percentages in which event Shareholders will be informed by way of a notifiable change under the FSA Rules.

Thames River Cautious Managed

The Fund's investment objective is to achieve income and capital growth.

The Fund will seek to achieve its investment objective primarily through investment in shares or units of regulated and/or unregulated collective investment schemes and/or closed ended funds. This may include schemes or funds managed by the ACD and/or an associate.

The Fund may also invest directly in transferable securities, money market instruments, warrants, deposits, near cash and cash. Liquid instruments may be held both for investment purposes and for other purposes permitted under the Regulations.

The Fund may utilise derivatives for hedging and efficient portfolio management purposes.

In seeking to achieve its investment objective and policy, the exposure of the Fund directly or indirectly to equities or equity related investments (including for these purposes convertible securities) is currently restricted to 60% with at least a 30% exposure maintained in fixed interest instruments, securities and cash.

The ACD may from time to time alter or adjust these percentages in which event Shareholders will be informed by way of a notifiable change under the FSA Rules.

Thames River Distribution

The Fund's investment objective is to achieve a total return with an emphasis on income distribution together with some capital growth.

The Fund will seek to achieve its investment objective primarily through investment in shares or units of regulated and/or unregulated collective investment schemes and/or closed ended funds. This may include schemes or funds managed by the ACD and/or an associate.

The Fund may also invest directly in transferable securities, money market instruments, warrants, deposits, near cash and cash. Liquid instruments may be held both for investment purposes and for other purposes permitted under the Regulations.

The Fund may utilise derivatives for hedging and efficient portfolio management purposes and as part of its investment policy.

In seeking to achieve its investment objective, the exposure of the Fund directly or indirectly to equities and equity related investments (including for these purposes convertible securities) will be restricted, in respect of up to 60% of the Fund with at least a 30% exposure maintained in fixed interest instruments, securities and cash.

The ACD may from time to time alter or adjust these percentages in which event Shareholders will be informed by way of a notifiable change under the FSA Rules.

Thames River Equity Managed

The Fund's investment objective is to achieve capital growth.

The Fund will seek to achieve its investment objective primarily through investment in shares or units of regulated and/or unregulated collective investment schemes and/or closed ended funds. This may include schemes or funds managed by the ACD and/or an associate.

The Fund may also invest directly in transferable securities, money market instruments, warrants, deposits, near cash and cash. Liquid instruments may be held both for investment purposes and for other purposes permitted under the Regulations.

The Fund may utilise derivatives for hedging and efficient portfolio management purposes and as part of its investment policy.

In seeking to achieve its investment objective and policy, the exposure of the Fund directly or indirectly to equities and equity related investments (including for these purposes convertible securities) is currently up to 100% of the Fund with at least a 10% exposure maintained in Non-UK equities.

The ACD may from time to time alter or adjust these percentages in which event Shareholders will be informed by way of a notifiable change under the FSA Rules.

Thames River Global Boutiques

The Fund's primary investment objective is to achieve capital growth.

The Fund will seek to achieve its investment objective primarily through investment in shares or units of regulated and/or unregulated collective investment schemes and/or closed ended funds managed by investment managers judged by the ACD to be boutique in nature taking into account relevant factors identified by the ACD. This may include schemes or funds managed by the ACD and/or an associate.

The Fund may also invest directly in transferable securities, money market instruments, warrants, deposits, near cash and cash. Liquid instruments may be held both for investment purposes and for other purposes permitted under the Regulations.

The Fund may utilise derivatives for hedging and efficient portfolio management purposes and as part of its investment policy.

In seeking to achieve its investment objective and policy, the Fund currently seeks to invest directly or indirectly at least 80% of its assets in equity securities or equity related investments (but not more than 80% of its assets in UK assets).

The ACD may from time to time alter or adjust these percentages in which event Shareholders will be informed by way of a notifiable change under the FSA Rules.

In assessing whether an investment manager or a collective investment scheme managed by investment managers is considered to be boutique in nature, the ACD will take into account one or more of a variety of factors including, without limitation:

- the manager(s) ability to pursue an investment style or approach unhindered by an institutional-style centralised asset allocation and investment process;
- the size, funds under management, culture or specialisation of the relevant investment management firm or group of managers within a firm or organisation;
- whether fund management has been outsourced to a specialist manager/ adviser;
- enhanced alignment of the manager's interests with the scheme through personal investment or concentration of the manager's time on one or a small number of schemes; and
- smaller specialist funds which may not be actively marketed to retail investors.

Who are the funds designed for?

Each fund is designed to provide the investment exposure described in its investment objectives. The suitability of a fund for a particular investor depends on the investor's investment requirements and attitude to risk.

As an investor you will be exposed to the risks associated with investment in stocks, shares and bonds and should understand that the value of and income from investments can fall as well as rise and that you may not get back the full amount that you originally invested. You should also be aware that the fund will be liable to stock market movements regardless of how well the manager performs and should be familiar with the specific risks associated with the fund(s) in which you are investing and prepared to undertake those risks. You should also note that the base currency of each fund is sterling and the return on your investment will be affected by charges.

If you are in any doubt as to the suitability of a fund for your investment needs, please consult a financial adviser. F&C does not provide investment advice based on individual circumstances.

Limitations on types of investments

All the property of the Funds must be invested in accordance with their objectives and the COLL Sourcebook, in transferable securities, collective investment schemes,

deposits, derivatives, warrants, money market instruments and both corporate and government bonds, except that cash or near cash may be held for liquidity purposes or the efficient management of a Fund.

General

The property of the Funds may be invested in eligible securities markets where transferable securities admitted to official listing are dealt in or traded. A full list of the countries in which the Funds may invest together with the limitations by type of investment can be found in the full Prospectus.

Use of derivatives

The Funds may employ certain financial derivative instruments, for the purpose of hedging (sometimes known as Efficient Portfolio Management ('EPM')), with the aim of reducing the risk profile of a fund and for investment purposes. The Funds may enter into approved derivatives transactions on eligible derivatives markets as detailed in the full Prospectus. The Funds may, subject to the COLL Sourcebook, enter into off exchange (referred to as the over-the-counter market ('OTC')) derivative transactions.

What are the risks?

What are the general risks involved in investing in these Funds?

Any stock market investment involves risk. Some of these risks are general, which means that they apply to all investments. Others are specific, which means that they apply to individual funds. Before you decide to invest, it is important to understand these risks. If you are unsure, please seek professional advice from a financial adviser.

Investment in collective schemes should be considered for the medium to longer term (3-5 years). In general, short term investments should not be considered.

Market fluctuations

The value of investments and the income derived from them may fall as well as rise and investors may not get back the amount

originally invested and may lose money. There is no assurance that the investment objective of the Funds will actually be achieved.

The entire market of a particular asset class or geographical sector may fall, having a more pronounced effect on funds heavily invested in that asset class or region.

Effect of initial charge

Where an initial charge is imposed, an investor who realises his shares may not (even in the absence of a fall in the value of the relevant investments) realise the amount originally invested.

Tax

Tax laws currently in place may change in the future which could affect the value of your investments. See the section headed 'Taxation' in this Simplified Prospectus regarding further details in respect of the taxation of the Funds.

Inflation risk

Inflation can affect the value of your investment over time.

OEIC liabilities

If one of the funds of an OEIC has liabilities that exceed its net assets, the legal structure of an OEIC makes it possible for other Funds within that OEIC to meet these liabilities, although this is not a likely situation. However, investors are not liable to make any further payments to the OEICs after the price on the purchase of the shares has been paid.

Capital risk

If you choose to use the Withdrawal facility (quarterly or monthly), this will constitute a withdrawal of capital. Should the amount of the payments be greater than the growth of your investment, your capital will be eroded.



Custody

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

What are the specific risks involved in investing in these Funds?

The Funds have different areas of investment and their investment objectives are listed above. The specific risks labelled below may also apply to your investment. Please note that these risks may be more relevant to some investors than others depending on their personal circumstances.

Currency exchange rates

Funds investing in overseas securities are exposed to, and can hold, currencies other than pounds sterling. As a result, exchange rate movements may cause the value of investments to decrease or increase.

This risk applies to all Funds.

Additional capital risk – funds where charges are deducted from capital

For some Funds the annual management charge is taken from capital, to enable a higher level of income to be paid. This will however mean that the potential for capital growth will be reduced and there is a risk of capital erosion.

This risk applies to: Thames River Cautious Managed, Thames River Balanced Managed and Thames River Distribution.

Derivatives for investment purposes

Derivatives may be used by the Funds for investment purposes although usually they will only be utilised for hedging and efficient portfolio management purposes. In general, the possible effect on the Funds' risk profile from the use of derivatives could be to reduce volatility when used for efficient portfolio management and to increase volatility when used for investment purposes.

This risk applies to: Thames River Balanced Managed, Thames River Distribution, Thames River Equity Managed and Thames River Global Boutiques.

Credit and fixed interest securities

- Fixed interest securities are particularly affected by trends in interest rates and

inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital.

- The value of a fixed interest security will fall in the event of the default or reduced credit rating of the issuer. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. High yield bonds with lower credit ratings (also known as sub investment grade bonds) are potentially more risky (higher credit risk) than investment grade bonds. A sub-investment grade bond has a Standard & Poor's credit rating of below BBB or equivalent.

This risk applies to all Funds.

Higher volatility and concentrated portfolios

The Funds may invest in some underlying funds which have one particular type of asset, industry, or geographical preference. Such concentration can give rise to higher risk than a fund which has spread its investments more broadly.

The underlying funds may also simply hold a limited number of investments. Should one or more of those investments decline or be otherwise adversely affected, it may have a more pronounced effect on the underlying funds' value than if a larger number of investments were held. There may also be a high turnover of stocks in such funds.

This risk applies to all Funds.

Emerging markets

- Emerging markets tend to be more volatile than more established stock markets and therefore your money is at greater risk. Other risk factors such as political and economic conditions should also be considered.
- The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets, which may result in delays in realising investments within the funds. A counterparty may not pay or deliver on time or as expected.
- Lack of liquidity or efficiency in certain stock markets or foreign exchange markets in certain emerging markets may mean that from time to time the Investment Manager may experience more difficulty in purchasing or selling holdings of securities than it would in a more developed market.

This risk applies to all Funds.

Smaller companies

Investment in smaller companies can be higher risk than investment in well established blue chip companies. Funds investing significantly in smaller companies can be subject to more volatility due to the limited marketability of the underlying asset.

This risk applies to all funds.

Non-UCITS Retail Schemes (NURS)

Such funds can have wider investment and borrowing powers than UCITS schemes with higher investment limits in various areas. They can also invest to a greater extent in areas such as property, unregulated schemes and unlisted securities and have the option to borrow on a permanent basis. Such additional powers can increase potential reward, but may also increase risk.

This risk applies to all Funds

Closed ended funds

- The Funds may invest in "closed ended" funds such as investment trusts. These are public limited companies quoted on the London Stock Exchange. The price of their shares depends on supply and demand and is not necessarily the same as the value of the underlying assets per share. It may be higher 'at a premium' or lower 'at a discount'. The discount and premium varies continuously and represents an additional measure of risk and reward. Gearing – investment trusts can borrow money, which can then be used to make further investments. In a rising market, this 'gearing' can enhance returns to shareholders. Correspondingly, if the market falls, losses will also be multiplied. Hence the level of gearing needs to be carefully judged and monitored to produce a benefit.
- Investment trusts may invest in hedge funds, structured products and quoted private equity funds to the extent that these are allowed by the Regulations. These types of investments may carry the risk of derivative investment.

This risk applies to all Funds.

Provider / Third Party Guarantor

Exposure to the performance of the provider / 3rd party guarantor where investment in the product involves direct investment in the provider, rather than the assets held by the provider.

This risk applies to all Funds.

Deferred redemptions

The ACD may defer redemptions at a particular valuation point to the next valuation point where the requested redemptions exceed 10% of a Fund's value. The ACD also ensures that all deals relating to an earlier valuation point are completed before those relating to a later valuation point are considered. In such cases, investors will be exposed to any rise or

fall of the respective markets prior to the next valuation point.

This risk applies to all Funds.

Liquidity

The investments of the Funds may not always be readily realisable and their marketability may be restricted.

This risk applies to all Funds.

Performance information

Annual performance data is available in the Appendix.

Economic information

Taxation

The following summary of certain relevant taxation provisions is based on current law and practice and does not constitute legal or tax advice. It does not purport to deal with all the tax consequences applicable to the Funds or to all categories of investors, some of whom may be subject to special rules. Investors and potential investors are advised to consult their professional advisers concerning possible taxation or other consequences of purchasing, holding, selling, converting, or otherwise disposing of the shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile and in light of their particular circumstances.

The Funds are exempt from UK tax on capital gains made on internal transactions but are liable to Corporation Tax at the lower rate of income tax (20%) on their income, other than dividends from UK companies, less their expenses of management. Investors may have a liability for tax when shares are sold.

How much tax will I pay?

The rates of any relief from taxation depend on your own personal circumstances and are likely to vary over time. The information given below is based on our understanding of current HM Revenue & Customs practice. It summarises the position of individual investors who are UK resident. If you are unclear of your own tax position you should take professional advice.

One of the factors that will affect your tax position is whether your distribution comes from interest or from dividends i.e. from bond funds or equity funds. It is currently anticipated that, if any distributions are made, the Funds will make dividend distributions rather than interest distributions.

Capital gains tax

If your realised gains from all investments is below the annual tax-free allowance (known as the 'Annual Exempt Amount') limit you will not pay any Capital Gains Tax. The Annual Exempt Amount for individuals is £10,600 for 2011/2012. Any amount over this limit will be taxed at your marginal rate of income tax, except in those cases where your investment falls within an ISA.

Income tax

Distributions, whether they are paid out or accumulated, are treated as income by HM Revenue & Customs for tax purposes.

Dividend distributions (Equity Funds) – These carry a tax credit of 10%. Non-taxpayers cannot reclaim this credit. If you are a lower or basic rate taxpayer, you will not pay any further tax. Higher rate taxpayers and additional rate taxpayers will have an additional liability to income tax.

Interest distributions (Income funds) – These have income tax deducted at 20%. If you do not pay tax, or are a lower rate taxpayer, you can reclaim all or part of this tax. If you are a basic rate taxpayer, you will not pay any further tax. Higher rate taxpayers and additional rate taxpayers have an additional income tax liability. In line with current legislation, we will report all interest distributions to HM Revenue & Customs.

Please see the taxation section in the full Prospectus for further details.

What is an Individual Savings Account (ISA)?

An ISA is an account that acts as a tax efficient way to invest money. The value of tax savings and eligibility to invest in an ISA will depend upon individual circumstances; tax rules may

change in the future.

To qualify for an ISA, investors must be aged 18 years or over and UK resident for tax purposes, which includes members of the armed forces, the Foreign Office and Crown Employees working overseas, and their spouses or civil partners.

There are two types of ISA:

- Stocks and Shares ISA
- Cash ISA

2011/12 ISA – The total amount you are allowed to invest is £10,680. The entire £10,680 can be invested in a stocks and shares ISA. Therefore, you may invest the full £10,680 in a stocks and shares ISA if you do not invest in a cash ISA in the same year. Alternatively, you may invest up to £5,340 of your annual subscription in a cash ISA and any balance of the £10,680 annual subscription limit in a stocks and shares ISA. We only offer a stocks and shares ISA. You may not subscribe to more than one stocks and shares ISA and one cash ISA in the same tax year.

What type of ISA do we offer?

We offer a Stocks and Shares ISA. We do not offer a Cash ISA.

What are the benefits of holding the Funds in an ISA?

All income and capital growth generated within an ISA is free of personal liability to UK Income Tax and Capital Gains Tax. The value of tax savings and eligibility to invest in an ISA will depend on individual circumstances and all tax rules may change in the future.

A plan can be opened simply by completing the appropriate ISA application form. You can transfer any previous year's ISA(s) that you

hold with other Account Managers to invest in the Thames River Multi-Capital funds without losing your ISA tax benefits.

How can I transfer an existing ISA to Thames River Capital?

You can transfer the value of any ISA from previous tax years and / or a current tax year ISA that is held with another Plan Manager to invest in Thames River Multi-Capital funds by completing our ISA application form and the ISA Transfer Authority.

There may be a potential for loss of income and growth, following a rise or fall in the markets whilst the transfer is in progress. The transferred ISA will be administered in the F&C Fund Management Stocks and Shares ISA.

Can I transfer my existing ISA with you to another Plan Manager?

You can transfer all of your ISA to another Plan Manager by completing a transfer form that

they will supply to you. We will correspond with the new plan manager and sell your investment at the next valuation point following receipt of their instruction; we will then forward the proceeds directly to the new manager. There may be a potential for loss of income and growth, following a rise or fall in the markets whilst the transfer is in progress.

What is Stamp Duty Reserve Tax ('SDRT')?

HM Treasury requires a 0.5% SDRT to be applied to redemptions, transfers or switching of shares on a Fund's register. Investments in non UK equities and holdings in UK funds, which are themselves subject to SDRT, are exempt.

It is the ACD's current policy to meet the cost of SDRT directly from the Funds' assets, however, there may be exceptions to this, and the policy could change in the future. Further information can be found in the full Prospectus.

Commission sharing arrangements

The ACD, as part of providing investment management and advisory services to the Company in respect of each Fund, may from time to time enter into arrangements with brokers, under which the broker will provide or procure services or other benefits which can be reasonably expected to assist in the provision of investment services. These services may only relate to research or execution. Any transactions conducted under these arrangements are done so on a best execution basis as required by the Financial Services Authority. Further information on the ACD's policies in relation to commission sharing arrangements is available upon request. For detailed information on these kind of arrangements, please refer to the full prospectus.

Charges and expenses

What will I pay for my investment?

The Funds are 'dual priced', i.e. they have a buying (offer) and a selling (bid) price, the difference, which is called the 'spread', reflecting underlying dealing expenses and any initial charge. The shares in the Funds can be bought and sold at these prices which are based on the value of the total assets of the Funds, minus their liabilities. These prices are calculated every day at 12.00 noon. Your investment is subject to the following charges:

- **A preliminary charge** – Each time you make an investment into a Fund the investment incurs a one-off charge of 5%. The initial charge for the Fund is included in the buying (offer) price.
- **An annual management charge (AMC)** – An AMC or 'periodic charge' of 1.5% is taken from the income or capital of a Fund. It is illustrated as a percentage '%' of the Net Asset Value of each Fund.
- We will not increase our charges without giving at least 60 days' notice to investors.

Where a Fund can invest in other authorised collective investment schemes, these funds will also have charges, which will indirectly affect your investment. These are preliminary and

annual management charges. The underlying funds will also incur additional attributable expenses similar to those mentioned below.

How do charges and expenses affect your investment?

The tables in the Appendix are examples which show the effects of the total charges on what you might get back on an investment of £1,000 assuming growth of 6% per year as well as the effect of charges and deduction on the investment. These figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment. What you get back will depend on how your investment grows. You could get back more or less than the figures shown. Investments held within an ISA may achieve a higher growth rate than those held outside such products because of their tax benefits. Please remember that inflation will reduce what you can buy in the future with the amount shown. Dealing costs are not included. All figures are estimated.

What are the other charges?

The Total Expense Ratio ('TER') is the annual

percentage reduction in investor returns that would result from largely fixed operating costs (annual management charge, administration fees, audit fees etc) if the markets were to remain flat and the Funds' portfolios were to be held and not traded during a period.

The TER for each Fund is based on the Net Asset Value ('NAV') of the Fund. The TER shows the annual operating expenses of the scheme – it does not include transaction expenses. As 10% or more of the Fund is invested in other collective investment schemes, a 'synthetic' TER is used to reflect the charges and expenses of the underlying funds. All funds registered in the European Union highlight the TER to help you compare the annual operating expenses of different schemes. Details of the TERs in relation to each Fund are set out in the Appendix.

What are dealing costs and Portfolio Turnover Rates ('PTR')?

There are costs associated with buying and selling shares that include broker commission and government stamp duty, currently 0.5% on the purchase of shares. The PTR represents the percentage of a Fund's portfolio that is bought and sold over a 12 month



period. If the PTR is high, the costs incurred may have a higher impact on your investment. At the same time, active management may mean that changing investments increases

the performance of the Fund sufficiently to outweigh these costs.

The PTR calculation formula is laid out below.

$$\frac{(\text{Purchases of securities} + \text{Sale of securities}) - (\text{Subscription of units} + \text{Redemption of units})}{(\text{Average fund value over 12 months})} \times 100$$

Your investment

Is this an appropriate investment?

The Funds are not suitable if you do not want to take any risk with your money or if you are likely to need to sell your investment in the short term. If you are in any doubt as to the suitability of the Fund you should consult your financial adviser to obtain personal advice.

How do I buy, sell and switch shares?

Except during periods of temporary suspension, the ACD will accept orders for the purchase and sale of shares on normal business days between 9.00 am and 5.00 pm. Non ISA shares may be bought and sold by providing the ACD with instructions, either in writing or through the dealing line on 0870 601 6083. If you wish to invest into an ISA, or transfer ISA you must complete the appropriate application form.

Shares held within an ISA can be sold by providing written instructions to the ACD.

Orders are transacted at the next available valuation point after receipt of your instruction. No interest will be paid prior to investment. Payment for share purchases must be received by the ACD not later than the four business days following the valuation point. The ACD, at its discretion, has the right to cancel a purchase if settlement is overdue and any loss arising shall be the liability of the investor. 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.

Instructions to issue or redeem* shares may be given either in writing or by telephone. To confirm the transaction, a contract note or allocation letter will be issued by close of business on the next business day after the dealing date. Certificates will not be issued.

*The minimum value of shares to be redeemed is £100.

Unit prices published daily in The Financial Times and Thames River Capital's website www.thamesrivermm.co.uk.

Instructions in writing should be sent to:

F&C Fund Management Limited
PO Box 9040
Chelmsford
Essex
CM99 2XH

How much do I need to invest?

The minimum lump sum investment amount for shares in the Funds is £1,000. Lower amounts may be determined by the ACD at its absolute discretion.

The minimum holding is £1,000. The minimum holding requirement may be waived upon application to the ACD. Provided the minimum holding is maintained the minimum value of shares which may be bought subsequently is £1,000 and the minimum value of shares which may be sold subsequently is £100.

2011/12 ISA – The total amount you are allowed to invest is £10,680. The entire £10,680 can be invested in a stocks and shares ISA. Therefore, you may invest the full £10,680 in a stocks and shares ISA if you do not invest in a cash ISA in the same year. Alternatively, you may invest up to £5,340 of your annual subscription in a cash ISA and any balance of the £10,680 annual subscription limit in a stocks and shares ISA. We only offer a stocks and shares ISA. You may not subscribe to more than one stocks and shares ISA and one cash ISA in the same tax year.

We do not offer a Cash ISA.

Can I make regular savings?

We offer a savings plan allowing you to make monthly payments directly into the fund and

accumulate your share holdings over a period of time. By making regular savings you may benefit from 'pound cost averaging', buying more shares when prices are low and fewer shares when prices are high. On opening a savings plan we require your first contribution to be made by cheque. Subsequent savings plan contributions will be collected by direct debit on the 1st day of each month (or next business day), and investments made at the next valuation point. The Monthly Savings Plan allows investors to save as little as £50 per month. Investments made via a savings plan will be acknowledged in writing. Contributions may be suspended or stopped by giving written instructions subject to the minimum investment amounts.

What happens to the income from my investment?

Funds can offer either accumulation shares, income shares or both. For accumulation shares, net income is retained and accumulated for the benefit of investors and reflected in the daily share price. For income shares, net income is distributed to investors.

In the absence of any instruction to the contrary, income payments will be paid by cheque. At the date of this Simplified Prospectus, the following share classes are available:

- Thames River Balanced Managed: Accumulation and Income
- Thames River Cautious Managed: Accumulation and Income
- Thames River Distribution: Accumulation and Income
- Thames River Equity Managed: Accumulation
- Thames River Global Boutiques: Accumulation

Details of payment frequencies are shown in the Appendix.



What is the withdrawal facility?

The withdrawal facility enables you to receive a monthly or quarterly income from your investment subject to a £10,000 minimum investment.

You can specify a fixed amount you wish to receive as a percentage of your investment per annum. Payments will be made directly to your nominated bank account, on or about the last business day of the month or quarter. You should note that payments made under this facility will constitute a withdrawal of capital.

If you hold income shares, payments under the Withdrawal facility would be in addition to your income payments.

This facility is not available via an ISA and is only for lump sum investors with a minimum investment of £10,000.

Can I switch to another Fund?

It is possible for investors to switch their entitlement between Funds if this facility is available. The ACD may, at its discretion make a charge on switching of shares, which will not exceed the excess difference between the initial charges. Investors should note that a switch of shares in one Fund for shares in another Fund is treated as a redemption and sale and is a disposal for UK tax purposes. A switching investor must be eligible to hold the shares into which the switch is to be made.

How much will advice cost?

If you seek advice, your financial adviser may be entitled to initial commission of up to 3% (as standard) of the amount invested in the Shares of the Fund.

For example, if you invest £1,000 your adviser will be paid up to £30. In addition, for as long as you hold your investment your adviser will be entitled to annual commission of up to 0.5% based on the net asset value of your holding in Shares in the Fund.

Your adviser will disclose any different commission rates as required.

If your Financial Adviser is charging a fee instead of receiving commission, he or she will provide you with details relating to the cost of their advice.

Can I change my mind?

When you invest for the first time, and your

shares have been purchased we will send you notice of your right to cancel, together with a cancellation form that you may use to cancel your investment at any time during the 14 days after you receive it.

On cancellation, if the value of your investment has fallen then you might not get back a full refund. If you have not paid in full for your investment, you will still be liable for the full amount of any shortfall.

If you choose to cancel your ISA transfer, you will have the choices outlined in 2.3 of the Terms and Conditions.

You may still be entitled to exercise your cancellation rights if a contingency beyond your control arises which makes it impractical for you to return the cancellation notice within 14 days. You should notify us as soon as possible in these circumstances. The regulations do not give investors in F&C funds cancellation rights where there has been no face-to-face contact ("distance contracts"), however investors are entitled to cancellation rights where advice is received. F&C however choose to give cancellation rights in respect of all new investments.

Where can I find out how my investment is doing?

The share price is published on the website www.thamesrivermm.co.uk and in the Financial Times.

When will I receive a report on my investment?

You will receive a short report informing you of the progress of your investment twice a year: an annual report as at 31 August and an interim report as at 28 February. These reports will be mailed to you on or before 31 December and 30 April respectively. Replacement and additional statements are available on request although there may be a charge for this service. Long form reports are available on request from the ACD.

Where can I obtain additional information?

Copies of the full Prospectus, the latest annual and interim reports can be obtained free of charge from the ACD.

Requests for additional information may be made in writing to the ACD or by telephone

during the hours of 9.00 am and 5.00 pm to: 0870 601 6183.

We may record telephone conversations to offer you additional security, resolve complaints and improve our service standards. Conversations may also be monitored for staff training purposes.

What happens to my investment on death?

Shares in the Funds form part of your estate on death and, on production of the Death Certificate and the Grant of Probate or Letters of Administration, can be sold or re-registered in the names of the Executors or Administrators of the Estate or a beneficiary, or in the names of the surviving investors. For joint holders, transfer will be automatic to the surviving holder on production of the death certificate.

Are there any compensation arrangements?

The ACD is covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if the ACD cannot meet its obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered up to £50,000. Further information about compensation arrangements is available by contacting the following:

Financial Services Compensation Scheme
7th Floor, Lloyds Chambers
Portsoken Street, London E1 8BN
Telephone: (020) 7892 7300.

How do I make a complaint?

If you have any queries or complaints about the operation of the Funds please address them in the first instance to your adviser. If you are not satisfied with the response, contact the ACD. In the unlikely event that you do not receive a satisfactory response you may direct complaints to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR.

How does the Data Protection Act impact on me?

We may collect personal data from you for the purpose of enabling us to carry out our obligations in respect of the Funds, and



in particular to enable us to provide any investment or service to you, and for other related purposes, including monitoring and analysis of our business.

Information given by you will be controlled by F&C Fund Management Limited. We will treat all information given by you in confidence and in accordance with the Data Protection Act 1998. We will not disclose such information to any third parties except (a) where required or permitted by law; or (b) where your consent has been received.

The information will be held on our computer systems and you consent to it being used in the following ways:

- To provide you with the service(s) you requested.
- For market research purposes and in order that we may keep you informed (by post, telephone, email, fax or other electronic means) of products and services offered by us and our selected third parties which may be of interest to you. If you do not wish to be kept informed in this way, please advise us by any convenient means. These uses of your personal information are covered by our registration under the Data Protection Act. Under the terms of the Act you have the right to obtain a copy of the information we hold about you upon payment of the appropriate fee. If any information we hold is inaccurate or incorrect, please let us know and we will correct it. You can contact us by writing to: Data Protection Officer, F&C Fund Management Limited, PO Box 9040, Chelmsford, Essex, CM99 2XH.

We may also transfer your personal information to countries located outside of the European Economic Area (the EEA).

This may happen when our servers, suppliers and / or service providers are based outside of the EEA. The data protection laws and other laws of these countries may not be as comprehensive as those that apply within the EEA. In these instances we will take steps to ensure that your privacy rights are respected. Details relevant to you may be provided upon request.

What are Money Laundering Regulations?

To comply with Money Laundering Regulations, we may require you to supply evidence of identity and address and or may validate these details against any database (public or other) to which we may have access. We will retain a record if such an enquiry is made and any personal data obtained will be processed in accordance with the requirements of the Data Protection Act 1998.

What is the European Savings Directive?

The EU Council Directive 2003/48/EC on taxation of savings income came into force on 1 July 2005. Member States of the European Union ('Member States') are required to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person who is a 'paying agent' to an Individual (or certain entities) resident in another Member State.

Austria, Belgium and Luxembourg will apply a withholding tax for a transitional period, unless during such period they elect otherwise. For a collective investment scheme income may include distributions or dividends whether paid

or accumulated, together with income arising as result of the sale or redemption of shares. Investors resident in prescribed territories outside of the EU may also be included in the exchange of information. Information on these territories can be obtained from HM Revenue & Customs or your financial adviser.

Disability Act

If you require a copy of this brochure in large text format, braille or on audiotape, please telephone us on 0870 601 6183.

What is the governing law?

Any contract or relationship entered into with the ACD will be governed by the laws of England and Wales and will be subject to the exclusive jurisdiction of the English courts.

Contact details

Dealing and Administration: 0870 601 6183 from 9 am – 5.00 pm Monday to Friday

How do I contact the FSA?

The FSA can be contacted at:

Financial Services Authority,
25 The North Colonnade,
Canary Wharf, London E14 5HS
Telephone:
from UK: 0845 606 1234 (local call rates);
from overseas: +44(0)20 7066 1000.
Website: www.fsa.gov.uk

Appendix

The effects of charges and expenses on the Funds

The following tables show the effect of charges and expenses on a £1,000 lump sum investment into accumulation shares, assuming a growth rate of 6% and a 5% initial charge in Year 1. For further information, please refer to the 'Charges and expenses' section above. Please note that one effect of the charges referred to is that a client could get back less than they invest. **This following table has been updated with prospective TERs as at December 2010 for Balanced Managed, Cautious Managed, Distribution, and Equity Managed funds. Full details of the TER figures pre merger with the F&C Multi Manager Balanced Managed, Multi Manager Cautious Managed, Multi Manager Distribution, and Multi Manager Growth funds can be found in the Report and Accounts available at www.thamesrivermm.co.uk. The TER for Global Boutiques Fund is as at 31 August 2010 as this is the date of the last audited Report and Accounts.**

Thames River Balanced Managed – accumulation shares

Total Expense Ratio: 2.67%

At the end of year	Investment to date	Effect of deductions to date	What you might get back
1	£1,000	£79	£980
3	£1,000	£146	£1,040
5	£1,000	£225	£1,110
10	£1,000	£488	£1,300

The last line in the table shows that over 10 years, the effect of the total charges and expenses could amount to £488. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.68%. The above table assumes that no withdrawals are made and that income is accumulated.

Thames River Cautious Managed – accumulation shares

Total Expense Ratio: 2.50%

At the end of year	Investment to date	Effect of deductions to date	What you might get back
1	£1,000	£77	£982
3	£1,000	£141	£1,040
5	£1,000	£216	£1,120
10	£1,000	£466	£1,320

The last line in the table shows that over 10 years, the effect of the total charges and expenses could amount to £466. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.85%. The above table assumes that no withdrawals are made and that income is accumulated.

Thames River Distribution – accumulation shares

Total Expense Ratio: 2.53%

At the end of year	Investment to date	Effect of deductions to date	What you might get back
1	£1,000	£81	£978
3	£1,000	£152	£1,038
5	£1,000	£235	£1,100
10	£1,000	£510	£1,280

The last line in the table shows that over 10 years, the effect of the total charges and expenses could amount to £510. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.50%. The above table assumes that no withdrawals are made and that income is accumulated.

Thames River Equity Managed – accumulation shares

Total Expense Ratio: 2.84%

At the end of year	Investment to date	Effect of deductions to date	What you might get back
1	£1,000	£81	£978
3	£1,000	£152	£1,030
5	£1,000	£235	£1,100
10	£1,000	£510	£1,280

The last line in the table shows that over 10 years, the effect of the total charges and expenses could amount to £510. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.50%. The above table assumes that no withdrawals are made and that income is accumulated.

Thames River Global Boutiques – accumulation shares

Total Expense Ratio: 2.97%

At the end of year	Investment to date	Effect of deductions to date	What you might get back
1	£1,000	£83	£977
3	£1,000	£156	£1,030
5	£1,000	£242	£1,090
10	£1,000	£527	£1,260

The last line in the table shows that over 10 years, the effect of the total charges and expenses could amount to £527. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.37%. The above table assumes that no withdrawals are made and that income is accumulated.

Fund Information Table

Key to terms used in the Fund Information Table

Fund Name and Share Classes	Several share classes may be issued in respect of each Fund. Accumulation and/or Income shares may be available. See 'What happens to the income from my investment?' in this document.
Initial Charge	A full explanation of these terms is included in this document, under 'Charges and expenses'.
AMC (Annual Management Charge)	A full explanation of these terms is included in this document, under 'Charges and expenses'.
TER (Total Expense Ratio)	A full explanation of these terms is included in this document, under 'Charges and expenses'.
Payment Dates	If appropriate, income is paid or accumulated on this date.
Charges from Income or Capital	This indicates whether charges are taken from the income or the capital of the fund. Refer to 'Additional capital risk – funds where charges are deducted from capital' in the Risk section of this document.
PTR	Portfolio Turnover Rate. An explanation is included in this document, under 'Charges and expenses'.

Performance Information

The value of investments and the income from them can go down as well as up and you may not get back the amount originally invested. Please note that past performance is not a guide to future performance. The graph below displays annual performance (which is the gains or losses made by the Fund) for the twelve months ending 30 June 2011 compared to the annual performance of the applicable IMA sector benchmark over the same period. The historical performance information is net of UK tax and does not include the effect of subscription and redemption charges.

Cumulative Performance (%)

The cumulative performance for the Balanced Managed Fund inception (01.10.2007) to 30 June 2011 is **3.10%**, and **5.86%** for its benchmark.

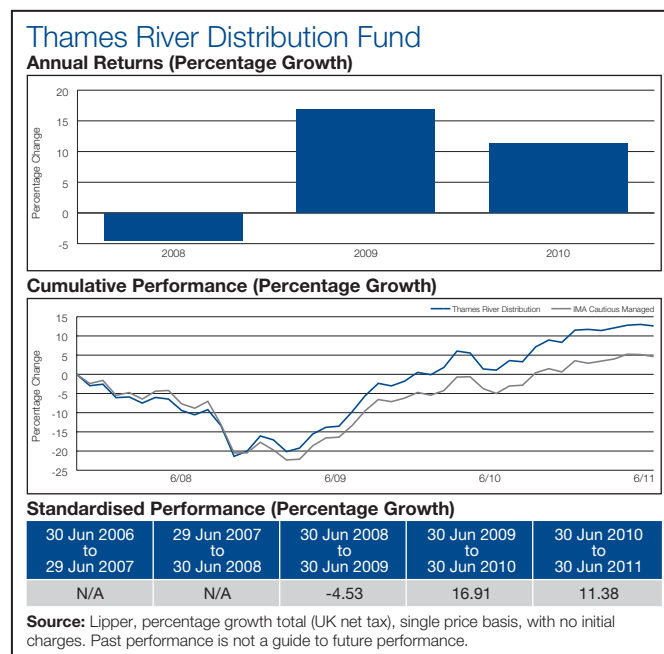
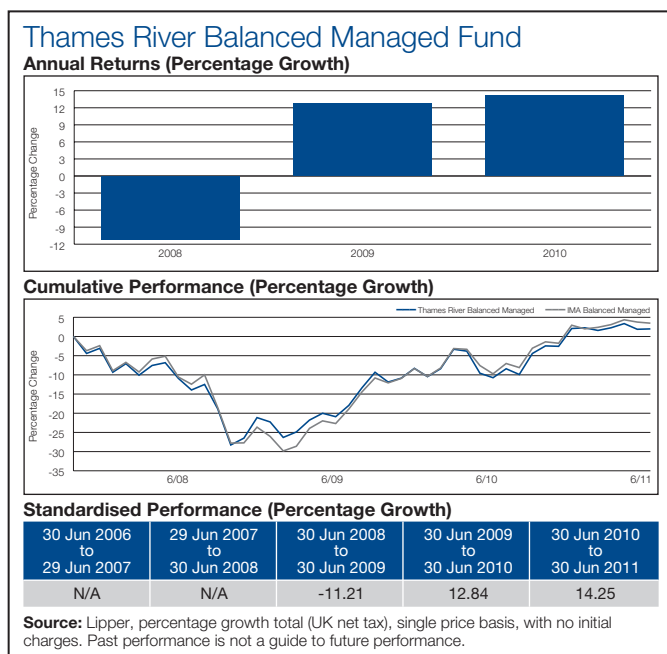
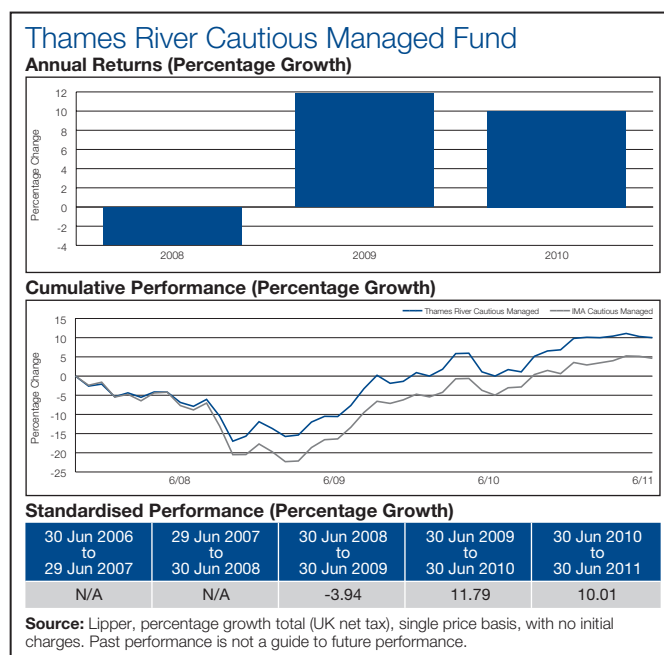
The cumulative performance for the Cautious Managed Fund from inception (01.10.2007) to 30 June 2011 is **11.00%**, and **6.29%** for its benchmark.

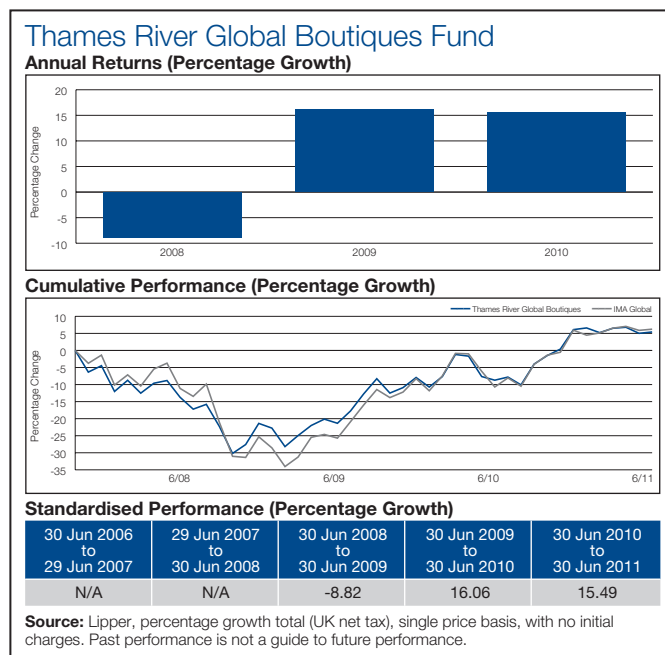
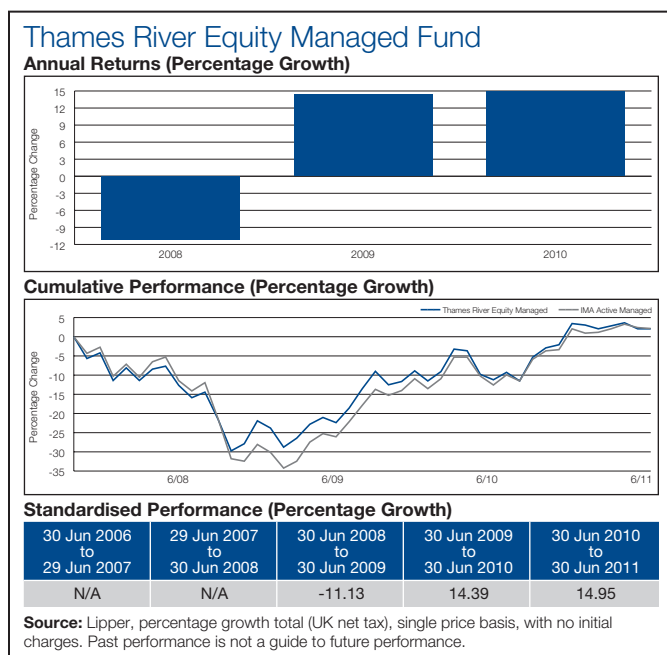
The cumulative performance for the Distribution Fund from inception (01.10.2007) to 30 June 2011 is **13.50%**, and **6.29%** for its benchmark.

The cumulative performance for the Equity Managed Fund from inception (01.10.2007) to 30 June 2011 is **3.70%**, and **4.82%** for its benchmark.

The cumulative performance for the Global Boutiques Fund from inception (01.10.2007) to 30 June 2011 is **7.00%**, and **8.40%** for its benchmark.

Please note the figures above are net of all fees.





Source: Thames River Multi-Capital LLP, Northern Trust, Lipper as at 30 June 2011. Basis bid to bid, with net income re-invested, in sterling terms. Up to date performance information may be found on the factsheets at www.thamesrivermm.co.uk

Fund Information Table

All information is correct as at the date of this Simplified Prospectus

Fund Name	Thames River Global Boutiques	Thames River Cautious Managed		Thames River Balanced Managed		Thames River Equity Managed	Thames River Distribution	
	A Class Accumulation	A Class Accumulation	A Class Income	A Class Accumulation	A Class Income	A Class Accumulation	A Class Accumulation	A Class Income
ISA Qualifying	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Initial Charge %	5	5	5	5	5	5	5	5
AMC %	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
TER %	2.97%	2.50%		2.67%		2.84%	2.53%	
Min. Lump Sum Inv	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000
Add Lump Sum Inv	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000
Monthly Investment	£50	£50	£50	£50	£50	£50	£50	£50
Min. Withdrawal	£100	£100	£100	£100	£100	£100	£100	£100
Min. Holding	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000
Accounting Dates								
Final	31 Aug	31 Aug	31 Aug	31 Aug	31 Aug	31 Aug	31 Aug	31 Aug
Interim	n/a	28/29 Feb	28/29 Feb	28/29 Feb	28/29 Feb	n/a	30 Nov 28/29 Feb 31 May	30 Nov 28/29 Feb 31 May
Income Payment Dates								
Final	n/a	n/a	30 Nov	n/a	30 Nov	n/a	n/a	30 Nov
Interim	n/a	n/a	31 May	n/a	31 May	n/a	n/a	30 Nov 28/29 Feb 31 May
Charges from Income or Capital	Income	Capital	Capital	Capital	Capital	Income	Capital	Capital
PTR %	95.91%	71.43%		101.76%		98.44%	190.78%	

ISA Terms and Conditions

These terms & conditions apply to the F&C Fund Management Limited ISA and apply to Thames River Multi-Capital Funds investments since the appointment of F&C Fund Management Limited as Authorised Corporate Director of Thames River Multi-Capital ICVC and plan manager in respect of the Thames River Multi-Manager ISA.

Definitions not already included in the Simplified Prospectus:

'Account' – the F&C Individual Savings Account (F&C ISA), which is offered as a Stocks and Shares ISA.

'Account investment' – an investment held under an ISA which is a qualifying investment within the regulations and is permitted to be held in the account by the Plan Manager.

'Accumulation Shares' – shares or units where net income will be retained in the fund to increase the value of the shares.

'Cancellation rules' – FSA Conduct of Business Rules, as amended from time to time.

'Dealing Day' – a day (excluding Saturdays and Sundays) on which banks are generally open for business in the City of London.

'Financial adviser' – any person authorised (or exempt from authorisation) under the Financial Services and Markets Act 2000 who has entered into a Terms of Business Agreement with the Plan Manager which covers the account.

'FSA' – Financial Services Authority, which is responsible for regulation of the Plan Manager's activity of managing the account and the ACD's activity of operating the Product.

'Fund(s)' – any one (or more) sub-funds of the F&C Open-Ended Investment Company ICVC, F&C Investment Funds ICVC, F&C Investment Funds ICVC II, F&C Investment Funds ICVC III, F&C Fund of Funds ICVC, F&C UK Property Fund ICVC, Stewardship Investment Funds ICVC, Thames River Multi-Capital ICVC or any sub-fund, or company permitted by the Plan Manager or the High Income Fund Authorised Unit Trust. Please note that the Money Markets Fund is not available within the F&C ISA.

'ICVC' – Investment Company with Variable Capital, an Open-Ended Investment Company (OEIC).

'Income Shares' – shares or units where income is paid to the investor on or before the income payment date of the fund.

'Investor' – the individual named on the application form.

'Multi Manager Funds' – Thames River Cautious Managed Fund, Thames River Balanced Managed Fund, Thames River Equity Managed Fund, Thames River Distribution Fund, and Thames River Global Boutiques Fund.

'Plan Manager' – F&C Fund Management Limited, which is regulated by the FSA, a wholly owned subsidiary of F&C Asset Management plc which is a member of the F&C Asset Management group. The Plan Manager is approved by HM Revenue & Customs and provides the service of managing the account in accordance with the regulations.

'Qualifying Investments' – Those investments which may be held in an ISA Account under the Regulations.

'The ICVC Regulations' – The Financial Services Open-Ended Investment Companies Regulations 2001, as amended from time to time.

'Regulations' – the Personal Equity Plan Regulations 1989 or the Individual Savings Account Regulations 1998, as amended or replaced from time to time as applicable.

'Report and Accounts' – The Manager will send a copy of the latest Report and Accounts to shareholders twice yearly on or before 31 December and 30 April respectively. A copy can also be obtained upon request from Thames River Multi-Capital Funds ICVC, 50, London E14 1BT.

'Tax year' – the tax year which begins on 6th April in any year and ends on 5th April in the following year.

'Value of shares' – the value of the investor's holding at any time. For ICVCs this will be determined by the NAV price of the shares calculated at the last valuation point of the fund, multiplied by the number of shares held.

'Valuation Point' – The regular valuation point, being 12pm for all of the Funds. Unless the context requires otherwise, words importing the singular number shall include the plural and vice versa.

Expressions defined in the Regulations shall, unless the context requires otherwise, have the same meaning in these Terms and Conditions, and in the event that the Regulations are inconsistent with these Terms and Conditions, the Regulations shall prevail.

1. Investment

1.1 Investments may be made in any number of the funds available within the account, subject to the investment limits as set out in the Simplified Prospectus. Lump sum investments and regular savings investments are available into an ISA. You may transfer an existing ISA from another Plan Manager.

1.2 For lump sum investments into an ISA, the account will commence following receipt of a valid application form and cheque. For regular savings into an ISA the account will commence following receipt of a valid application form, cheque for the first payment and completed direct debit.

1.3 The Plan Manager may open an account on a provisional basis where information is missing from an application, however it must be cancelled if the missing information is not received within 30 days. The Plan Manager has the right to reject any application at its discretion, without obligation to disclose the reasons for its decision.

1.4 For ISA transfers you must present a transfer request authorising F&C to approach your existing Plan Manager to arrange the transfer. Your F&C ISA will commence on receipt of the transferred funds from your existing Plan Manager.

1.5 The investment of single contributions will be made at the next valuation point of the selected fund(s) following receipt of the valid application form and cheque. In respect of ISA transfers from another Plan Manager the investment will normally be made at the valuation point following receipt of the transfer proceeds from the previous Plan Manager.

- 1.6** The investment of regular savings will be available for ISAs and will be made on the 6th day of each month or the next business day if the 6th is not a business day.
- 1.7** A contract note will be issued in respect of lump sum investments or transfers from another Plan Manager giving details of the shares purchased and the share price.
- 1.8** Contract notes will not be issued for regular savings. Investors will be sent a letter confirming that the account has been established and the amount and collection date of the monthly saving.
- 1.9** The account investments will be registered in the joint names of the investor and the Plan Manager. The beneficial ownership of the account investments will remain with the investor. The account investments must not be used as security for a loan or be used in such a way as to create a legal charge over them. Shares in F&C Funds are uncertificated and entry in the Register of Shareholders is conclusive evidence of the title to shares.
- 1.10** From 6 April 2008 you may transfer from a cash ISA to a stocks and shares ISA on the same basis (please use cash ISA transfer form only for cash ISA transfers). If current year subscriptions in a cash ISA are transferred then they will be counted as subscriptions in the stocks and shares ISA, and consequently the whole £5,100 cash ISA allowance will still be available for another cash ISA unless more than £5,100 is contributed to the stocks and shares ISA. Please note ISA regulations do not permit transfers from stocks and shares ISAs to cash ISAs.
- 1.11** All contributions received will purchase either Income or Accumulation Shares in the fund(s). For ICVC funds, an initial charge is deducted from the investment before the balance is used to purchase shares at the appropriate NAV price. Investors making regular savings into or taking regular withdrawals from an income fund will not be allowed to take the natural income distributions generated by the fund. The Plan Manager will automatically reinvest this income in the fund at a reduced charge as specified in 4.4.
- 1.12** You may transfer the whole or part of an existing ISA Plan (subject to the terms and conditions of your existing Plan Manager who may only permit 100% transfers). Except that in the case of current year subscription, only 100% of current year subscription may be transferred.
- 2. Cancellation rights**
- 2.1** Investors have the right to cancel their account under the cancellation rules. When receipt of the application is acknowledged, the Plan Manager will send a Cancellation Notice which may be used to cancel the account. This Cancellation Notice will expire 14 days after it is received by the investor.
- 2.2** Any investors who exercise their right to cancel will not recover their investment in full in the event of a fall in the price since their initial investment was made.
- 2.3** Cancellation rights will be given in respect of transfers from another Plan Manager. If the transfer is cancelled within the 14 day period, the investors have two options. Firstly, the Plan can be closed and the proceeds paid to them, in which case the proceeds cannot be transferred to another Plan Manager and all future tax benefits will be lost. Secondly, they can request that the Plan be transferred back to the original Plan Manager or any other Plan Manager, provided they agree to accept the transfer.
- 2.4** Where investors exercise their right to cancel this will result in the cancellation of their ISA for that tax year and the cancelled investment will therefore not count as a subscription to the ISA for that tax year.
- 3. Charges**
- 3.1** The applicable initial charge(s) will be deducted from the amount of each contribution before it is invested. The balance will then be invested at the NAV price of the Fund(s). In the case of dual priced funds (High Income, Multi-Manager and UK Property) the standard initial charge is included in the quoted offer price, in the case of single priced funds the initial charge will be added to the quoted price.
- 3.2** For the duration of the investment the standard annual management fee(s) and any other charges will apply to the Fund(s). These charges can be found in the Simplified Prospectus.
- 3.3** If the Plan Manager wishes to vary or impose new charges to the underlying funds, 90 days written notice will be given.
- 3.4** An administrative charge of £5 plus VAT will be payable if duplicate statements are requested by the investor.
- 4. Income payments**
- 4.1** For holders of Income Shares, income will be paid on the distribution dates specified in the Fund Information section of the Simplified Prospectus. The income will be paid gross and will represent the combined net distribution from the Fund plus any available tax credit element. For interest distributions the Plan Manager will pre-fund this tax credit element and will reclaim it from the HM Revenue & Customs (HMRC) and will therefore be entitled to receive the value of this tax credit in re-imbursement once it is received from HMRC. Tax credits on dividend distributions are not refundable, and the Plan Manager will not pre-fund this element.
- 4.2** The income distribution date is two months (three months in the case of Multi-Manager funds) after the accounting date. For the period from the accounting date to the income distribution date the Fund is termed as being 'ex-dividend' as the share price does not include the value of the income due to be paid. If Income Shares are bought during the ex-dividend period the investor will not be entitled to receive the income earned during the previous accounting period.
- 4.3** If an investor already holds shares at the accounting date and sells them during the ex-dividend period they will still receive the income payment.
- 4.4** Alternatively, if investors choose to have the income reinvested in the Fund it will be reinvested 'gross' on the distribution payment date and will represent the combined net distribution from the Fund plus any available tax credit element. It will purchase further shares in the Fund at no charge. The Plan Manager will pre-fund the tax credit element and will reclaim it from HMRC. Investors in the High Income Fund may not reinvest their income.

- 4.5** For holders of Accumulation Shares any income arising from the Fund will automatically be accumulated net into the Fund. Any tax credits will be applied to purchase further Accumulation Shares in the Fund(s) to which the tax credit relates. Shares will be purchased on or before the income payment date at no charge. The Plan Manager will pre-fund the tax credit element and will reclaim it from HMRC.
- 5.** Switching between funds, changes to regular savings and other account alterations
- 5.1** The investor may switch holdings between the funds available in the account by giving written instructions to the Plan Manager. The Funds will remain within the same account. There is no charge for switching funds.
- 5.2** The minimum amount that can be switched is £100 and for a partial switch a minimum balance of £1,000 must remain in the Fund after the switch has taken place.
- 5.3** Where regular contributions are being made, future contributions can be redirected to other fund(s) available in the account by giving written instructions to the Plan Manager. Where contributions into a fund cease leaving less than the minimum balance then this will be switched automatically into the new choice of fund.
- 5.4** The investor may increase, reduce or stop making regular contributions to the account. At least 14 days' notice is required for the change to be applied.
- 5.5** If both Accumulation and Income Shares are available in the Fund, the investor may convert his/her shareholding from one type of share to the other without charge.
- 5.6** All instructions should be sent in writing to the Plan Manager (quoting the account reference number) at: F&C Fund Management Limited, PO Box 9040, Chelmsford, Essex CM99 2XH.
- 5.7** Investors should also write to the Plan Manager at the address stated in 5.6 above to advise the Plan Manager of any change in the information originally provided on the application.
- 6. Selling shares and regular withdrawals**
- 6.1** The investor can instruct the Plan Manager to sell either a specified number of shares, or sufficient shares to provide a specified cash amount. The price used for dealing in shares will be the price calculated at the next valuation point following the receipt of the instructions.
- 6.2** Instructions to sell should be sent in writing to the Plan Manager (quoting the account reference number) at: F&C Fund Management Limited, PO Box 9040, Chelmsford, Essex CM99 2XH.
- 6.3** The Plan Manager reserves the right to refuse partial sales of shares held in any fund where the value of the remaining shares in that fund would be below the minimum permitted. In such cases the Plan Manager may sell all of the shares in that fund and send the proceeds to the investor.
- 6.4** If a lump sum investment of at least £10,000 has been made the investor may elect to take regular withdrawals of capital via our Selector facility. These withdrawals may be taken monthly, quarterly, termly, half yearly or annually. The first withdrawal may be deferred until a later date, but in any event the first payment may not be taken until at least three months after the commencement of the account.
- 6.5** On each regular withdrawal payment date sufficient shares will be repurchased from the fund holdings at the NAV price to provide each payment. If insufficient shares remain in the account then the full value of the account investments will be withdrawn and the account will be closed.
- 6.6** If the investor chooses to take a fixed amount regular withdrawal then the fixed amount specified per year will be divided by the number of payments per year. If shares are held in more than one fund, the regular withdrawals will be split in proportion to the respective values of the funds on the regular withdrawal date.
- 6.7** The minimum regular fixed withdrawal is £100 per withdrawal. There is no maximum.
- 6.8** An alternative choice is a regular withdrawal as a percentage of the investors' ongoing investment.
- 6.9** The annual percentage specified will be divided by the number of payments per year and applied to the ongoing value on the date of the regular withdrawals. If shares are held in more than one fund the same percentage withdrawal will be applied to each fund.
- 6.10** If a fund offers Accumulation and Income Shares the facility to take regular withdrawals is only available on Accumulation Shares.
- 6.11** If Accumulation Shares are not available and investments are being made into income distributing shares and the investor elects to take regular withdrawals, the natural income generated by the Fund will be reinvested in the same manner as described in 4.4.
- 6.12** Payments will be made only by direct credit to a UK bank or building society account that accepts such payments by this method. The regular withdrawals will be credited to the account specified on the application, or to such other account that the investor may advise to us in writing. Payment will be credited on the 11th day of each month or the previous business day if the 11th is not a business day.
- 6.13** The investor may start, stop or amend regular withdrawals at any time by telling the Plan Manager in writing.
- 7. Closing or transferring the account**
- 7.1** The investor may close the account at any time by giving written notice to the Plan Manager.
- 7.2** If at any time the value of the total account investments or any one individual fund is below the minimum permitted, the Plan Manager may close the account or the individual fund and return the proceeds to the investor. Where regular contributions cease completely and the value of the account investments or any one individual fund is less than the minimum balance permitted, the Plan Manager may close the account or the individual fund and return the proceeds to the investor. Balances of less than £2 will be sold and the proceeds donated to charity.

- 7.3** If the account is closed for any reason (including if it becomes void) the Plan Manager will sell the account investments and pay the proceeds to the investor. The Plan Manager may deduct from the proceeds, before they are paid to the investor, any outstanding charges or an amount representing tax or tax credits which are or may become payable in respect of the account.
- 7.4** The investor may transfer current tax year ISA subscriptions in whole, and/or previous ISA investments in whole or in part to another Plan Manager that has agreed to accept the transfer at any time. The date of the transfer is the date agreed between the Plan Managers, but the transfer form must be sent by the transferring Plan Manager within 30 days of the request.
- 8. Actions on the death of the investor**
- 8.1** Once satisfactory evidence of the death of the investor is received, tax exemptions will cease. If necessary, the Plan Manager will redeem sufficient account investments as required to repay any tax credits received from HMRC, in respect of distributions with a payment date after the date of death. The account investments remaining will then be transferred to the legal representatives of the investor.
- 9. Obligations of the investor and Plan Manager**
- 9.1** If the investor ceases to qualify as an investor under the regulations, then he or she must notify the Plan Manager in writing immediately. To qualify the investor must be 18 years of age or over, be currently resident and ordinarily resident in the UK for tax purposes, or be a Crown employee serving overseas performing duties which, by virtue of Section 132 (4)(a) of the Income and Corporation Taxes Act 1988 (Crown employees serving overseas), are treated as being performed in the United Kingdom, or be married to a person who performs such duties.
- 9.2** If the investor wishes to cease regular savings, he/she should inform the Plan Manager and their bank or building society.
- 9.3** The Plan Manager will notify the investor if the account has or will become void for any reason.
- 9.4** The Plan Manager will not be responsible for any loss suffered by the investor in relation to the account, however arising, including any loss of opportunity whereby the value of the account would have been increased, or for any decline in the value of the account, unless such loss is due to the wilful default or negligence of the Plan Manager.
- 9.5** The Plan Manager will satisfy himself of the competence of any third party to whom it delegates any functions or responsibilities.
- 9.6** If the Plan Manager receives any instructions which will result in the account ceasing to comply with the regulations, then the Plan Manager will modify the instructions as necessary to ensure compliance, or will not carry out the instructions until they have received the appropriate amendments from the investor.
- 10. General**
- 10.1** All written communications to the investor will be sent to the address shown on the application, or to the latest address notified in writing to the Plan Manager. The investor will be deemed to have received any notice sent to them within two days of issue.
- 10.2** The F&C ISA account is intended to hold units in authorised funds operated by F&C and does not pay interest on uninvested cash. Consequently HM Revenue & Customs requirement to deduct tax on deposit interest do not apply.
- 10.3** This agreement is governed by English Law and is subject to the exclusive jurisdiction of the English courts.
- 10.4** The investor authorises the Plan Manager to disclose information relating to any account to HM Revenue & Customs, the FSA and as otherwise required by law.
- 10.5** Any capital gains made and income from the account investments are free from UK taxes, under current law.
- 11. Alterations to the Terms & Conditions**
- 11.1** The Plan Manager may alter the Terms & Conditions without notice if the alterations are necessary in order to comply with the regulations.
- 11.2** If the Terms & Conditions are altered a copy of the new Terms & Conditions will be sent to all investors with the next periodic statement.
- 11.3** You may transfer all or part of your cash ISAs with another manager. If you transfer a current year cash ISA then your subscriptions to the cash ISA will count as subscriptions to a Stocks and Shares ISA. Consequently you will be entitled to open another cash ISA in the same tax year and your permitted subscription limits for your F&C stocks and shares ISA for that year will be reduced by the subscriptions to your original cash ISA and any further cash ISA you open subsequent to the transfer.

This document is based on our current understanding of English Law and HM Revenue & Customs practice, both of which may change in the future.



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