

17 December 2021

MITONOPTIMAL OFFSHORE FUND

(an umbrella unit trust established in Guernsey and authorised by the Commission as an authorised open-ended collective investment scheme of Class B)

SUPPLEMENTAL SCHEME PARTICULARS

UK Select Fund

These Supplemental Scheme Particulars, containing information relating to the UK Select Fund (the “**Sub-Fund**”) of MitonOptimal Offshore Fund (the “**Fund**”) should be read and construed in conjunction with the scheme particulars relating to the Fund (the “**Scheme Particulars**”). This document is deemed to be incorporated in and to form part of the Scheme Particulars and may not be distributed unless it is accompanied by them and such other documentation as the Scheme Particulars may prescribe.

Definitions

The following words shall have the meanings opposite them unless the context in which they appear requires otherwise:-

Dealing Day

Means Wednesday in each week (or if that is not a Business Day then the following Business Day). More frequent Dealing Days may be determined by the Manager from time to time. The Manager reserves the right to exclude a Dealing Day during the Christmas/New Year period. Notification of any exclusion will be made on www.MitonOptimal.com.

Valuation Point

Means midnight on the Business Day immediately preceding each Dealing Day.

In any case of conflict or inconsistency between statements in these Supplemental Scheme Particulars and the Scheme Particulars, the Supplemental Scheme Particulars will, as to the Sub-Fund and the Units, supersede the Scheme Particulars as to that conflict.

Investment Objectives & Details of the Sub-Fund

Investment Objectives

The objective of the Sub-Fund is to achieve growth over the long term by investing substantially in UK equity funds. It will adopt a multi-manager approach and diversify across a number of best of breed fund managers. The Sub-Fund will seek to outperform the **FTSE** All Share Index through an investment cycle over the longer term.

Base Currency of the Sub-Fund

The base currency of the Sub-Fund is GBP. Classes may be priced and valued in other currencies.

Classes

The following Classes of Units are available for subscription:

- UK Select GBP Class (the “**GBP Class**”)
- UK Select GBP I Class (the “**GBP I Class**”)
- UK Select GBP E Class (the “**GBP E Class**”)

Classes are priced and valued in their namesake currencies.

The Manager and Trustee may create additional Classes of Units from time to time, which Classes may apply a specific currency, denomination, hedging, initial or redemption charge structure, fee structure, minimum subscription amount or distribution policy or other terms as specified in these Supplemental Scheme Particulars from time to time. Increases and decreases in the Net Asset Value of the Sub-Fund attributable to a Class and other Class-specific items shall be allocated to the Class concerned as further detailed in the Trust Instrument.

Borrowings

The Manager has power to borrow for the account of the Sub-Fund but such borrowings will be limited to 10 per cent of the Net Asset Value at the time of borrowing. The Manager may utilise this facility for the purpose of funding redemptions and short term liquidity requirements.

Distribution Policy

There will be no distributions of income to Unitholders. All income accruing to each Class will be added to the capital of the Class from which it is derived and reflected in the Net Asset Value of that Class.

Offering and Dealing Particulars

Subscriptions

Under their initial offering, Units in the GBP I Class will be available for subscription at £100 per Unit from the date of these Supplemental Scheme Particulars until the closing of the initial offering which will take place on such date as the Manager may determine.

In all other cases, Units will be available for subscription on any Dealing Day at a price calculated by reference to the Net Asset Value per Unit of the relevant Class calculated as at the Valuation Point for the relevant Dealing Day. Details as to the calculation of Net Asset Value can be found in the Scheme Particulars.

Applications for Units must be received by the Manager in Guernsey by not later than 3.00 pm (Guernsey time) on the second Business Day immediately preceding the Dealing Day in respect of which the application is made (the “**Relevant Business Day**”). Any Application Form received after 3.00 pm (Guernsey time) on the Relevant Business Day may be deemed to have been received on the next following Business Day and if so, will be carried over to the next following Dealing Day. The Manager reserves the right to accept any application after such cut-off time at its discretion.

If payment in full with cleared funds is not received by 3.00 pm (Guernsey time) on the second Business Day immediately preceding the relevant Dealing Day, the Manager has the right to cancel the issue of the relevant Units (or defer such subscription to the next following Dealing Day). The Manager reserves the right to accept settlement of funds after such cut-off time at its discretion.

Other details as to the application procedure are set out in the Scheme Particulars.

Minimum Subscription

In relation to the GBP Class and GBP E Class only: Unless the Manager otherwise agrees in any particular case the minimum initial subscription for Units is £5,000 exclusive of the Placement Fee (if any).

In relation to the GBP I Class only: Unless the Manager otherwise agrees in any particular case the minimum initial subscription for Units is £1,000,000.

Minimum subscription limits shall also serve as minimum holding limits. The Manager, at its absolute discretion, may vary these amounts but not so as to require Unitholders to increase their holdings. Unitholders may make additional subscriptions on any Dealing Day subject, unless the Manager otherwise agrees in any particular case, to a minimum investment on any one occasion of at least £1,000 exclusive of the Placement Fee (if any).

Placement Fees

In relation to the GBP Class only: The Creation Price is exclusive of a Placement Fee which may be imposed from time to time at the discretion of the Manager of up to 5 per cent of the Creation Price or of the amount subscribed. Under the Trust Instrument, the Placement Fee may be retained for the use and benefit of the Manager.

Redemption Fees

In relation to the GBP E Class only: As an alternative to the Placement Fee, a Redemption Fee will be deducted, capped at 5 per cent per individual subscription, which will be paid to the Manager (from the account of the relevant Class) and then capitalized and amortised over 60 months from the date of each

individual subscription. A Redemption Fee will be deducted and paid back to the Sub-Fund (for the account of the relevant Class) in an amount equal to any unamortised provision per Unit.

Redemptions and Conversions

Units may be redeemed at the applicable Redemption Price of the relevant Class on any Dealing Day, subject to receipt of a redemption request by the Administrator by 3.00 pm (Guernsey time) on the second Business Day immediately preceding the Dealing Day in respect of which the application is made.

Unitholders are only entitled to exchange Units on a Dealing Day, subject to receipt of a conversion request by the Manager by 3.00 pm (Guernsey time) on the second Business Day immediately preceding the Dealing Day in respect of which the application for conversion is made.

Any redemption request or conversion request received after 3.00 pm (Guernsey time) on the relevant Business Day may be deemed to have been received on the next following Business Day and if so, will be carried over to the next following Dealing Day.

The Manager reserves the right to accept any application after such cut-off time at its discretion.

Other details as to redemptions and conversions can be found in the Scheme Particulars.

At all times the minimum redemption for Units is £1,000. The Manager may vary this amount at its discretion.

Calculation of Net Asset Value

The Net Asset Value per Unit for each Class is calculated as at each Valuation Point. Details as to the calculation of Net Asset Value can be found in the Scheme Particulars.

Publication of Prices

Details as to the publication of prices can be found in the Scheme Particulars.

Fees and Expenses

The fees payable in respect of the Sub-Fund are as follows:

The Manager

Under the terms of the Trust Instrument the Manager is entitled to a periodic fee in respect of each Class equal to:

- 1.25 per cent per annum of the Net Asset Value of the GBP Class and the GBP E Class; and
- 0.9 per cent per annum of the Net Asset Value of the GBP I Class,

calculated and accrued at each Valuation Point. The periodic fee is payable monthly in arrears on the last Dealing Day in each month. Management fees shall be deducted from the Net Asset Value of the Class to which they relate.

The Manager is responsible for the fees of the Administrator.

The Trustee

The fees of the Trustee are set out in the Scheme Particulars. The minimum annual fee payable to the Trustee £3,000.

Other Fees and Expenses

The Sub-Fund will bear a pro rata proportion of the ongoing fees and expenses of the underlying investment vehicles by virtue of its investment in them. The fees and expenses related to these investments can be obtained within their respective fund prospectus, copies of which are available from the Manager, upon request.

Risk Factors

An investment in the Sub-Fund carries substantial risk and is suitable only for persons which can assume the risk of losing their entire investment. Prospective investors should give careful consideration to the following factors in evaluating the merits and suitability of an investment in the Sub-Fund, including whether such an investment is suitable in light of their personal investment goals and financial condition.

Potential investors who are in any doubt as to the risks involved in investment in the Sub-Fund are recommended to obtain independent financial advice before making an investment in the Sub-Fund.

Concentration of Investments

The Sub-Fund will invest all of its assets (to the extent not retained in cash) in the Units of a focused list of *best of breed* UK equity investment funds and will accordingly not itself be geographically diversified.

Illiquidity

It is not anticipated that there will be an active secondary market for the Units and it is not expected that such a market will develop. Further, a Unitholder's ability to redeem its Units may be limited by the deferred redemptions provisions.

Manager Risk

The success of the Sub-Fund will be dependent on the performance of the Manager and the performance of the investment managers of the underlying basket of investments. No assurance can be given that the Manager will succeed in meeting its investment objectives in relation to the Sub-Fund or that its assessment of the short-term or long-term prospects, volatility and correlation of the types of investments referred to in these Supplemental Scheme Particulars will prove accurate.

The overall success of the Sub-Fund depends upon the ability of the basket of underlying chosen investment managers to be successful in their own strategies. The past performance of such strategies is not necessarily indicative of their future profitability, and no strategy can consistently determine which security to purchase or sell at a profit. Any factor which would make it more difficult to execute more timely trades, such as a significant lessening of liquidity in a particular market, would also be detrimental to profitability. Further, the investment managers of the underlying investments may modify their strategies from time to time in an attempt to evaluate market movements more favourably. As a result of such periodic modifications, it is possible that the strategies used by the underlying investment managers in the future may be different from those presently in use. No assurance can be given that the strategies to be used by the underlying investment managers will be successful under all or any market conditions. In addition, it is not known what effect, if any, the increase in total funds being managed by the underlying investment managers will have on the performance of its trading methods.

Net Asset Value Considerations

The Net Asset Value per Unit of any Class is expected to fluctuate over time with the performance of the basket of underlying investments. A Unitholder may not fully recover his initial investment when he redeems his Units or upon compulsory redemption if the Net Asset Value per Unit at the time of such redemption is less than the Creation Price paid by such Unitholder.