

SVM Funds ICVC

Supplementary Information Document



This document provides you with information including our terms and conditions for investing in the SVM Funds ICVC. This should be read in conjunction with the relevant fund Key Investor Information Document. The latest versions of all these documents are available on our website: www.svmonline.co.uk and a copy can be posted to you on request by calling us on: 0800 0199 440 or by writing to us at: SVM Asset Management Limited, 7 Castle Street, Edinburgh EH2 3AH

Supplementary Information Document

This Supplementary Information Document (SID) contains essential information to help you assess whether the SVM Funds ICVC range meets your requirements.

Before making an investment you must read the relevant Key Investor Information Document (KIID) together with this SID. The KIIDs are in a standard format and set out information on the investment objectives, charges and risks associated with a fund. The SID contains useful information about how to buy and sell shares and the terms and conditions that will apply if you invest with us. These documents will be updated from time to time so please check that you have the most recent version.

Further information, including the Prospectus, annual and semi-annual reports and monthly fund factsheets, can be found on our website www.svmonline.co.uk. Alternatively you can call our literature line on 0800 0199 440. All of these documents are available, at any time, free of charge.

Investment Information

What Funds are available?

There are five funds available for investment (the 'Funds'):

- SVM All Europe SRI Fund
- SVM Continental Europe Fund
- SVM UK Growth Fund
- SVM UK Opportunities Fund
- SVM World Equity Fund

All of the Funds are single priced and denominated in Sterling. The Valuation Point is at 12 noon on each Dealing Day. A Dealing Day is generally any day the London Stock Exchange is open. Any deal instructions received before 12 noon will be priced at that day's Valuation Point. Any deal instructions received after 12 noon will be carried over to the next Valuation Point. This is known as 'forward pricing'.

What classes of Shares are available?

All of the Funds have Class A and Class B Shares.

Class A Shares are intended for direct investment by retail investors who have not taken advice from an investment professional. If a new investment into Class A Shares is received via a Financial Adviser we require confirmation that the investment is being made on an 'execution only' basis. Commission may be paid to Financial Advisers in respect of existing investments made on or before 31 December 2012 in Class A Shares. The minimum initial investment amount for Class A Shares is £1,000.

Class B Shares are intended for institutional investors and investors who have received advice in relation to their investment. No commission or initial charge is payable on Class B Shares. The minimum initial investment amount for Class B Shares is £250,000. However if you invest through a Financial Adviser this will be discounted to £1,000.

What kind of investor are the Funds designed for?

Investing in ICVC funds can be a cost effective way for investors to gain exposure to equity markets. The Funds aim to achieve capital growth over the long-term in excess of that achieved from the relevant equity markets. Investors should look to invest for a long-term period of 5 years or more. There is no guarantee that investors will get back their original investment amount. An investment in the Funds may be suitable for investors with some experience of equity investment and an appropriate attitude to risk given their personal circumstances. SVM Asset Management Limited ('SVM') does not offer financial or tax advice.

Where can I find performance information?

There is a dedicated performance section on our website. Performance information can also be found in the monthly factsheets. Past performance is not a guide to future performance.

How do I buy shares?

There are two ways you can invest in the Funds.

(a) Lump sum investment: The minimum initial investment is £1,000 per investor and £200 per Fund. Initial investments must be made by completing an Application Form and sending it to the Administrator along with a Sterling cheque made payable to SVM Asset Management Ltd. The cheque must be in the applicant's name. We will send you a contract note to confirm the investment.

If the Administrator is provided with insufficient or inaccurate information with which to process your investment application your Application Form and cheque may be returned to you.

(b) Regular monthly investments: The minimum monthly investment is £100 per investor and £50 per Fund. To set up a monthly investment simply complete the Direct Debit Mandate section of the Application Form and send it to us along with a Sterling cheque to cover the first month's investment. The cheque must be drawn from the same account the Direct Debit will be collected from. If we receive your application before the 15th of the month the Direct Debit will be set up in time for the next collection. We will send you a contract note to confirm the first investment along with confirmation that the Direct Debit has been set up. Payments will be collected on the first business day of the month and invested on the same day. Investors may increase or decrease (subject to the minimum amount) their Direct Debit amount at any time by sending a Direct Debit Amendment Form to the Administrator no later than ten business days prior to the next Direct Debit collection date. Additional lump sum investments can also be made.

How do I make additional lump sum investments?

Additional investments can be made by sending a completed Top-up Form to the Administrator. Top-Up Forms are available from our website or by calling our literature line. You can also call our dealers on 0345 066 1110. When dealing by telephone you will be sent a renunciation form to sign and return along with the settlement amount. The minimum top-up amount is £200.

Can I switch between Funds?

You can sell all or some of your shares in a Fund and invest the proceeds into any of our other Funds whenever you wish. However you must retain a minimum of £200 in the Fund you are switching out of. Please note that switches between a direct holding to an ISA (and vice versa) will be dealt as a sale and purchase on separate dealing days and therefore will be subject to market movements on those days. Switches may also have capital gains tax implications. If you have any queries about your personal tax situation we recommend that you seek professional advice.

Can I invest in more than one Fund?

Yes. If you are making separate lump sum investments, you can choose a different Fund for each amount. Alternatively, you can split a lump sum investment between Funds. In each case you must invest a minimum of £200 in each Fund.

How do I sell my Shares?

Requests to sell Shares can be made in writing or by telephone. Written instructions must be signed by all shareholders. For telephone instructions our Administrators will send you a renunciation form, which must be signed by all shareholders and returned before the proceeds can be released. Sale proceeds will be sent four business days after the deal date provided the signed renunciation form has been received and ID checks have been completed (see the Money Laundering section on page 3). If a sale brings the balance on a Fund below £200 we reserve the right to sell the remaining shares and send the proceeds to you.

Will I receive distributions?

No. The Funds only issue Accumulation Shares. This means distributions are reinvested in the Funds on pay date. The reinvestment will be reflected in the Share price.

Can I transfer my Shares to someone else?

Yes. You will need to send a completed Stock Transfer Form to the Administrator. Please note, for money laundering purposes we may require additional information from the transferee before the transfer can be completed.

How can I follow the progress of my investment?

Statements will be sent to all investors twice a year covering the six monthly periods to 5 April and 5 October. These will provide a valuation of your holdings and a description of all transactions on your account during the period. You will also receive Annual and Interim Reports for the Funds you invest in.

How can I check the Funds Share prices?

Share prices are updated daily on our website. You can also contact our Administrator on 0345 066 1110 or head office on 0800 0199 110. Please remember that the latest price will always be for the previous day and there is no guarantee that you will obtain a similar price if you decide to deal.

Additional Information for ISA Investments

You can also invest in the Funds through a tax efficient ISA. We also accept ISA transfers from other managers in the form of cash.

What is an ISA?

An ISA allows you to invest a certain amount of money in each tax year free of income and capital gains taxes. From 6 April 2021 to 5 April 2022 you can invest up to £20,000 into an ISA. This can be split between a Cash ISA, a Stocks and Shares ISA, and an Innovative Finance ISA.

The SVM Funds ICVC ISA

The SVM ISA is a Stocks and Shares ISA. SVM does not offer a Cash ISA or an Innovative Finance ISA. The ISA is managed in accordance with the ISA Regulations.

The information in this section is based on SVM's current understanding of tax legislation and HMRC practice and may be subject to alteration in the future. The value of tax reliefs and bases may change and depend on personal circumstances. You do not currently have to declare your ISA on your tax return but this can change at any time. If you have any queries about your personal tax situation we recommend that you seek professional advice.

ISA eligibility

ISAs are available to any individual aged 18 or over and resident (or ordinarily resident) in the UK for tax purposes. Shares in an ISA cannot be held in trust for a minor and cannot be held jointly. If an individual becomes non-resident for UK tax purposes, any investment which they have already made into an ISA can be retained but no further contributions can be made. If an ISA is found to be in breach of the ISA Regulations it will be declared void and will lose its tax benefits.

Making additional investments

Additional investments can usually be made by sending a completed Top-up Form to the Administrator or by calling our dealers. However, if a full tax year has elapsed since your last investment, you will need to complete an ISA Application Form in order to make an additional investment.

Can I transfer an ISA to you from another provider?

Yes. You can transfer an ISA held with another manager to SVM by completing our ISA Transfer Form and sending it to our Administrator. The minimum amount you can transfer is £1,000 and transfers can only be made in the form of cash. Please be aware that your previous ISA manager may charge a transfer out fee.

Can I invest monthly?

Yes, subject to the minimum monthly contribution. For the 2021/2022 tax year the maximum monthly investment is £1,666 (based on your first investment being made at the start of the tax year). You can vary the amount you invest monthly, but must ensure that you do not breach the annual ISA limit.

Records

The Administrator will maintain all such records as are required by the ISA Regulations. The Administrator will make such returns to the HMRC and provide all such details of taxation to the investor as it may be required to do under the ISA Regulations. The Administrator will notify the investor in writing if, by reason of any failure to satisfy the provisions of the ISA Regulations, the ISA has, or will, become void.

Additional Terms and Conditions for all Investments

Legal structure

SVM Funds ICVC (the Company) is an Investment Company with Variable Capital incorporated in Scotland and is authorised and registered with the Financial Conduct Authority ('FCA'). It has an umbrella structure consisting of five Funds. The Funds benefit from the "protected cell" regime in that the assets and liabilities of each sub-fund are segregated. This means that investors in one sub-fund will not be exposed to liability if another sub-fund is unable to meet its liabilities.

Investments

Amounts received for investment (subject to the Manager's discretion and deduction of charges) shall be aggregated and used to acquire shares in the Funds in accordance with the investor's instructions. Instructions cannot be accepted from an investor to purchase Shares at a specific share price. Shares in the Funds are bought and sold at the quoted dealing price, which is the Net Asset Value of the Fund divided by the number of shares in issue. The dealing price may also be subject to a dilution adjustment.

Dilution is the effect that dealing charges, taxes and the spread between the buying and selling prices of equity investments have on the value of a Fund. The FCA Rules allow the cost of dilution to be met directly from the Fund's assets or to be recovered from investors on the purchase or redemption of Shares in the Fund by means of a dilution adjustment. The need to make a dilution adjustment will depend on the volume of purchases or redemptions of Shares. The ACD may make a discretionary dilution adjustment if in its opinion the existing Shareholders (for net purchases) or remaining Shareholders (for net redemptions) might otherwise be adversely affected.

What are my cancellation rights?

If you received advice from a Financial Adviser a Cancellation Notice will be sent to you after your deal has been placed. If you decide to change your mind you must return the completed Cancellation Notice within 14 days. Following receipt of a Cancellation Notice, your Shares will be sold and the proceeds sent to you. If the value of the Shares has decreased you will receive less than the amount invested. If the value of the Shares has increased, you will only receive back the amount originally invested.

How do you protect my money?

SVM uses designated client money accounts to protect your money. Client money accounts cannot be used by SVM. No interest is paid on any balances held in a client money account. If the bank the account is held with becomes insolvent, SVM will have a claim on clients' behalf. However, if the bank cannot repay all of its creditors, any shortfall may have to be shared pro rata between them.

Deals to purchase shares in the Funds will settle on the fourth business day after the deal is placed. This is often referred to as 'T+4'. For non-ISA business, if we receive money from you in settlement of a deal at any time before 'T+3' (i.e. the day before the settlement date), we will protect it in a designated client money account. Any money received on T+3 or T+4 will remain in our dealing account.

This means that it will not receive the same level of protection should the bank or SVM become insolvent. For ISA business, all monies are paid into a designated client money account on the day of receipt.

We will also protect any sale proceeds that cannot be paid out to you in a client money account, for example because we are awaiting a renunciation form or money laundering documents.

Unclaimed money

All unclaimed money is held in a designated client money account. We are permitted to pay any unclaimed balances over six years old to a registered charity of our choice, providing we have attempted to contact the investor the money belongs to at least once to give them 28 days' notice to make a claim. However, SVM will still honour the amount if an investor makes a valid claim after their money has been paid to charity.

How do I keep my details up to date?

To update your account details you need to send a written instruction, signed by all joint holders, to our Administrator. It is important that we hold an up to date address for you at all times to ensure that you receive any communications about your investment. You also need to inform us if any of the details provided on your application form change. For security purposes we cannot accept instructions by telephone or email. For legal changes, such as change of name, or change of ownership, we require an original or certified copy of the appropriate legal documentation.

Money laundering

To comply with UK anti-money laundering legislation, we must verify the identity of all investors, including joint holders. We will try to achieve this electronically where possible. If we are unable to carry out an electronic check, or the check is unsuccessful, we will need to request documentary evidence from you. We will not send the proceeds of any sale of Shares to you until we have verified your identity.

Beneficial ownership

We are also required to obtain details of any beneficial owners or controllers with an interest of 25% or more in a client.

Body corporates or partnerships: details are required of any natural person(s) that directly own or control more than 25% of the voting rights or who own or are entitled to more than 25% of its capital or profits.

Trusts: details are required for all Trustees (including Protectors) that have any control over the management of the trust, as well as of all Settlers (even if deceased). We also require details of anyone with a potential entitlement to 25% or more of the property of the trust assets.

Exemption: we are not required to obtain this information for UK/EU regulated firms, nominees' majority owned by UK/EU regulated firms and firms listed on a recognised exchange.

Where a client is not directly owned by a natural person(s), we will request details of the ownership structure and any other additional information we believe is required to establish who the ultimate owners are.

International Tax Compliance Regulations automatic exchange of information

The UK has enacted International Tax Compliance Regulations, to enable the automatic exchange of information with other countries aimed to combat tax evasion; which implements obligations in the UK in respect of the Foreign Account Tax Compliance Act ("FATCA") and the OECD Common Reporting Standard for Automatic Exchange of Financial Account Information ("CRS"), including the Directive on Administrative Co-operation ("DAC").

In order to comply with International Tax Compliance Regulations we are required to collect certain information from Shareholders, including tax residency and report information about Shareholders and their investments to HM Revenue and Customs where required. HM Revenue and Customs will in turn exchange this information with any relevant overseas tax authority.

If we request any information from you to fulfil our obligations under the International Tax Compliance Regulations, you must provide us with that information, and by doing so, you consent to any disclosure required by law.

US investors

The Funds are not available to US Persons. A 'US Person' is a national, citizen, or resident of the United States of America or a corporation or partnership organised under the laws of the United States of America or having a principal place of business in the United States of America.

Holding of Shares

The Administrator will maintain a register to identify each investor's holding. Share certificates will not be issued. Investments cannot be lent to third parties and no borrowings may be made by the investor, Manager or Administrator against the security of the Investments.

Shareholder's rights

Shareholder's meetings

The Company has dispensed with the requirement to hold Annual General Meetings. If a general meeting is convened, investors will have the right to elect to attend and vote either directly or by proxy.

Annual and interim reports

Annual and interim reports for the SVM Funds ICVC will be sent automatically to investors. The latest reports can also be accessed on our website.

Charges and commissions

The charges applied to your investment are detailed in the Key Investor Information Document (KIID) for each Fund. Details of these can also be found in the Prospectus and the Costs & Charges Information documents on our website.

There is no annual administration fee. Commission is normally paid from the charges that the Manager receives.

Notices

All cheques, notices, documents and other communications shall be sent shall be the address of the first named investor.

Assignment

Your investment(s) in the Fund(s) cannot be assigned, pledged or charged by you.

Complaints & compensation

SVM operates a complaint handling procedure in accordance with the FCA's Rules. A copy of the procedure is available on request. Complaints can be made in writing or by telephone. Complaints that cannot be resolved may be referred to Financial Ombudsman Service. If SVM is not able to meet its financial liabilities you may be entitled to compensation under the Financial Services Compensation Scheme. The current maximum cover is £85,000 per person per firm.

Regulatory status

The Manager, the Administrator, the Custodian and the Depository are all authorised and regulated by the Financial Conduct Authority. We classify our investors as Retail Clients for the purposes of the FCA Rules. This means that they obtain the highest level of investor protection.

Amendment of the Terms & Conditions

The Manager reserves the right to amend any of these Terms and Conditions and will give investors at least 30 days prior notice of any material changes. Incidental changes may be made and notified by way of an update to the Terms and Conditions on our website. Investors have the right to close their account at any time if they do not agree with any changes we make.

Customer indemnity

The investor hereby indemnifies the Manager against any expense or liability arising as a result of any misrepresentation or breach of these Terms and Conditions by the investor.

Exclusion of liability

The Manager does not accept liability for any decrease in the value of investments or for taxation charges arising for any reason, other than as a direct result of the Manager's negligence, wilful default or fraud. We do not accept liability for any loss arising as a result of any delay or loss in the post of payment of money or documents sent to or by us. We will not be held responsible for any loss to any investor as a result of any failure by their bank to make payments in accordance with a Direct Debit instruction.

Data Protection

Information provided by investors will be held in confidence and will not be passed on by the Manager or Administrator to other product or service companies. You hereby agree that the Manager may disclose information provided by you to regulatory, tax or government authorities under the Data Protection Act 2018 and General Data Protection Regulations as data controllers. The Manager has delegated authority for processing investor data to the Administrator. For more information refer to our Privacy Policy on our website.

Conflicts of interest

The Manager and the Administrator have established policies on the management of conflicts of interest. The intention is to ensure the fair treatment of all investors. This includes the Manager's use of commission to pay for services from third parties.

Communications

All our communications and documents will be in English only. Telephone calls may be recorded for security and training purposes and may be used in evidence in the event of a dispute between us.

Suitability

The services that we provide consist of execution only and/or the reception and transmission of orders in relation to investments in the Funds which are provided at the initiative of the investor. We are not required to assess the suitability of the services offered and therefore, you do not benefit from the protection of the FCA Rules on assessing suitability.

The Funds are primarily intended for UK residents. The Funds are not available to United States of America residents or taxpayers. It is the responsibility of each investor to satisfy themselves that an investment is permitted under the laws which they are subject to and to satisfy themselves as to the taxation consequences. The Manager reserves the right to close an investors' account if they breach any of these Terms and Conditions. We recommend that potential investors obtain professional financial advice prior to investing. SVM is not authorised to give advice.

Termination by the Manager

The Manager will be entitled to terminate SVM Funds ICVC by giving not less than 30 days prior written notice to investors.

Administration of the Funds

The Manager employs agents to administer the Funds on its behalf and may delegate any of its rights and functions to its agents from time to time. The Manager will satisfy itself that any person to whom it delegates any of its rights and functions is competent to carry out the same.

Commencement of the Terms & Conditions

These Terms and Conditions will apply to all investments in the SVM Funds ICVC from April 2020.

Governing Law

These Terms and Conditions will be governed by Scots Law. They are also subject to the ISA Regulations. In the event of any conflict between these Terms and Conditions and any such laws and regulations, the latter shall prevail. The Scottish Courts will be regarded as the competent court for any disputes between us.

Contact details

Authorised Corporate Director, Investment Manager & ISA Manager

SVM Asset Management Limited
7 Castle Street
Edinburgh EH2 3AH
Switchboard: 0131 226 6699
Literature line: 0800 0199 440
Adviser line: 0800 0199 110
Authorised and regulated by the FCA (FRN 146873)
Company Number 125817
www.svmonline.co.uk
info@svmonline.co.uk

Administrator

SS&C Financial Services International Limited
Correspondence address:
SVM Asset Management Limited
PO Box 11967
Chelmsford CM99 2DS
Customer Services and Dealers: 0345 066 1110

Depository

State Street Trustees Limited
Quartermile 3, 10 Nightingale Way
Edinburgh EH3 9EG

Custodian

State Street Bank and Trust Company
20 Churchill Place
London E14 5HJ

Competent Authority/Regulator

Financial Conduct Authority
12 Endeavour Square
London E20 1JN

Financial Ombudsman Service

Exchange Tower
London E14 9SR

Financial Services Compensation Scheme

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