

Scottish Episcopal Church

Rules adopted by the Administration Board for the operation of the Unit Trust Pool

(Adopted 17 September 1997, Revised 7 September 2006, 7 September 2021)

The following Rules, which may be varied at any time by the Provincial Investment Committee, apply to the operation of the Unit Trust Pool. Those considering an investment in the Unit Trust Pool are reminded that under the Charities and Trustee Investment (Scotland) Act 2005 a charity trustee must consider whether appropriate advice should be obtained about the way in which any power of investment should be exercised. 'Proper advice' means the advice of a person who is 'reasonably believed by the trustees to be qualified by the person's ability and practical experience of financial and other matters relating to the proposed investment'.

- 1 The Unit Price will be calculated as at the last day of each month.
- 2 The Unit Price will be posted to the SEC website within the first week of each month (www.scotland.anglican.org/utp).
- 3 Purchases and Sales of units take place as at the first day of each month using the Unit Price available on the SEC website the previous month.
(See panel below for further information and illustration of how timing of pricing works in practice.)
- 4 Applications to purchase and sell units can be submitted at any time – to be effected on the first working day of the following month. (Please note that interest is not receivable on investment funds received prior to the purchase date.)
- 5 Confirmation of the number of units purchased or sold will be provided to unit holders within the first ten working days of the month which follows receipt of applications to purchase or sell units. Funds in respect of sales will be remitted to unit holders within the same period.
- 6 A separate application form is required for each instruction to open a new account or to purchase or sell units in an existing account.
- 7 The minimum amount to be retained on any one account is £2,500.
- 8 The minimum amount which may be added to or withdrawn from any account is £2,500.
- 9 An administration fee of 0.25% will be charged on purchases and sales of units. The fee is capped at £500 per transaction. (This fee will not be levied on Funds managed on behalf of the Boards and Committees of the General Synod). In addition, quarterly management fees are charged to the Pool by the fund managers. (Note – in practice the fee will approximate to 0.25% and will depend on the exact number of units purchased or sold in each transaction).
- 10 Funds which can be invested in the Unit Trust Pool are as follows:-
 - a) The central funds of the General Synod.
 - b) The central funds of any Diocesan Authority.
 - c) The funds of any Church Educational Endowment.
 - d) Funds in the hands of Vestries of individual Charges and Independent Missions.
 - e) Any funds held for the time being by the General Synod or a Diocesan Authority or any other person or body upon any trust for objects which are connected with the work of the Scottish Episcopal Church and which are exclusively charitable objects.

- 11 Units in the Unit Trust Pool are non-certificated. A statement of the number of units held and the current market value is given on each distribution advice note. Unit Holders can request an annual confirmation of UTP account valuation for audit / independent examination purposes. Unit Holders can obtain information regarding their holdings by contacting the General Synod Office.
- 12 Half-yearly distributions are made from the Unit Trust Pool. The due dates are 31 December and 30 June with pay dates of 23 February and 23 August (or nearest working day) respectively.
- 13 Unit Price information is available at www.scotland.anglican.org/utp.
- 14 The Unit Trust Pool is managed in accordance with an Ethical Investment Policy. Details of the policy are available on the SEC website at www.scotland.anglican.org/vestry-resources/general-information/ethical-investment-policy.

What Unit Price is used for purchases and sales?

The Rules provide the following:

- 1 The Unit Price will be calculated as at the last day of each month.
- 2 The Unit Price will be posted to the SEC website within the first week of each month (www.scotland.anglican.org/utp).
- 3 Purchases and Sales of units take place as at the first day of each month using the Unit Price available on the SEC website the previous month.

The Unit Price calculated as at the end of Month 1 will be posted to the SEC website in early Month 2 and will be used in the calculation of number of units purchased / sold in response to purchase / sale applications received in Month 2. Purchases and sales will be effected as at the start of Month 3. (Confirmation of transaction and funds in respect of any sales being provided to Unit Holders shortly thereafter.)

For example, the Unit Price calculated as at 31 January will be posted to the SEC website in early February and will be used as the basis for calculating unit purchases and sales applications received in February. Unit Holders will receive confirmation of change in number of units in their accounts as at 1 March by the middle of March at the latest.