

AEGON ASSET MANAGEMENT UK UNIT TRUST

Prospectus

31 July 2023

Prospectus
of
AEGON ASSET MANAGEMENT UK UNIT TRUST

(an authorised unit trust scheme authorised and registered by the Financial Conduct Authority)

IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS, YOU SHOULD CONSULT YOUR FINANCIAL ADVISER.

Aegon Asset Management UK plc, the manager and alternative investment fund manager of the Trust, is the person responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained herein does not contain any untrue or misleading statement or omit any matters required by COLL and FUND to be included in it. Aegon Asset Management UK plc accepts responsibility accordingly.

Please note that the following Sub-Funds (defined below) are in the process of being terminated and are no longer available for new investment:

- 1. Aegon Property Income Feeder (Accumulation) Fund; and**
- 2. Aegon Property Income Feeder (Income) Fund.**

Copies of this Prospectus have been sent to the Financial Conduct Authority and the Trustee. Except for the information about itself as Trustee, the Trustee is not a person responsible for the information contained in this Prospectus and accordingly does not accept any responsibility for such information under COLL and FUND or otherwise.

No person has been authorised to give any information or to make any representations in connection with the offering of Units other than those contained in the Prospectus or any NURS-KII document prepared by the Manager and, if given or made, such information or representations must not be relied on as having been made by the Trust. The delivery of this Prospectus (whether or not accompanied by any reports) or the issue of Units shall not, under any circumstances, create any implication that the affairs of the Trust have not changed since the date hereof.

This Prospectus has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Units. Investors should only consider investing in the Trust if they understand the risks involved including the risk of losing all capital invested.

The distribution of this Prospectus and the offering of Units in certain jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Trust to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The Units in the Trust which are described in this Prospectus have not been and will not be registered under the United States Securities Act of 1933, the United States Investment Company Act of 1940 or the securities laws of any of the states of the United States of America and may not be directly or indirectly offered or sold in the United States of America to or for the account or benefit of any U.S. Person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the United States Securities Act of 1933, the United States Investment Company Act of 1940 and similar requirements of such state securities laws.

The Trust has not been and will not be registered under the United States Investment Company Act of 1940, as amended.

Investment in Units by or on behalf of US Persons is not permitted.

Distribution of this Prospectus in certain jurisdictions will require that this Prospectus be translated into the official language of those jurisdictions. Where such translation is required, the translated version of this Prospectus shall only contain the same information and shall only have the same meaning as in this Prospectus.

Units in the Trust are not listed on any investment exchange.

Potential investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters and are recommended to consult their own professional advisers concerning the acquisition, holding or disposal of Units.

The provisions of the Trust Deed are binding on each of its Unitholders (who are taken to have notice of them).

This Prospectus has been approved for the purpose of section 21 of the Financial Services and Markets Act 2000 by Aegon Asset Management UK plc. Aegon Asset Management UK plc is authorised and regulated by the Financial Conduct Authority.

All communications in relation to this Prospectus shall be in English unless otherwise specifically agreed.

This Prospectus is based on information, law and practice at the date hereof. The Manager cannot be bound by an out of date prospectus when it has issued a new prospectus, and investors should check with the Manager that this is the most recently published Prospectus.

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Directory

Manager and Alternative Investment Fund Manager

Aegon Asset Management UK plc

Registered and Head Office:

3 Lochside Crescent
Edinburgh
EH12 9SA

Correspondence Address:

Correspondence to be via the Portal at unless separately agreed. A link for the Portal is located at the Manager's website at www.aegonam.com

Trustee and Depositary

Citibank UK Limited
Citigroup Centre
Canada Square
Canary Wharf
London
E14 5LB

Custodian

Citibank N.A., London Branch

Principal Place of Business in the UK:

Citigroup Centre
Canada Square
Canary Wharf
London
E14 5LB

Registrar

Citibank Europe Plc, UK Branch
Citigroup Centre
Canada Square
Canary Wharf
London
E14 5LB

Auditors

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Summary of the Prospectus for Aegon Asset Management UK Unit Trust

Structure

Aegon Asset Management UK Unit trust is an authorised unit trust. It has an umbrella structure and each Sub-Fund will be invested as a non-UCITS retail scheme. Currently two Sub-Funds are available. Further Sub-Funds may be added over time and, if new Sub-Funds become available, investors will be able to move money into them.

Sub-Funds currently offered and their Investment Objectives and Policies

Fund	Investment Objective	Investment Policy
Aegon Property Income Feeder (Accumulation) Fund (please note that this Sub-Fund is in the process of being terminated and is no longer available for new investment)	The investment objective is to provide income with potential for capital growth by investing in the Aegon Property Income Fund, which invests mainly in commercial property.	The Aegon Property Income Feeder (Accumulation) Fund will invest solely in the Aegon Property Income Fund. Cash may be held from time to time for the purposes of efficient portfolio management.
Aegon Property Income Feeder (Income) Fund (please note that this Sub-Fund is in the process of being terminated and is no longer available for new investment)	The investment objective is to provide income with potential for capital growth by investing in the Aegon Property Income Fund, which invests mainly in commercial property.	The Aegon Property Income Feeder (Income) Fund will invest solely in the Aegon Property Income Fund. Cash may be held from time to time for the purposes of efficient portfolio management.

Annual and Interim Income Allocation Dates

Fund	Distribution	Ex-dividend dates	Payment dates
Aegon Property Income Feeder (Accumulation) Fund	Interim	1st calendar day of each month	Last calendar day of each month
	Annual	1 April	30 April
Aegon Property Income Feeder (Income) Fund	Interim	1st calendar day of each month	Last calendar day of each month
	Annual	1 April	30 April

Annual and Interim Accounting Reference Dates

Annual and interim accounts will be made up to 31 March and 30 September each year respectively.

Units

Within each Sub-Fund, separate classes of Unit can be issued with, for example, different charging structures.

Manager's Periodic Fee	Class B Accumulation	Class B Income
Aegon Property Income Feeder (Accumulation) Fund	0.75%	-
Aegon Property Income Feeder (Income) Fund	-	0.75%

Investment criteria

At the Manager's discretion, any of these requirements may be waived in any particular case or generally. In the case of both Aegon Property Income Feeder (Accumulation) Fund and Aegon Property Income Feeder (Income) Fund:

Criterion	Class B Units
	£
Minimum lump sum	250,000
Minimum top-up	5,000
Minimum holding	50,000
Minimum redemption	5,000

Valuation point

12 noon daily.

Dealing basis

Subject to the applicable regulations, dealing will normally be on a forward basis. In other words the Manager will normally issue and redeem Shares at prices calculated at the valuation point following any deal being placed.

Base currency

£ sterling.

Definitions

In this Prospectus each of the words and expressions in the left-hand column of the table set out below has the meaning set opposite it in the right-hand column of that table. Any reference in this Prospectus to European legislation or regulation shall include any statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable:

Act	The Financial Services and Markets Act 2000 (as amended and/or re-enacted from time to time)
Aegon PAIF	Aegon Property Income Fund, a sub-fund which is categorised as a PAIF of Aegon Asset Management UK Investment Portfolios ICVC (an open-ended investment company with variable capital which is authorised and regulated by the FCA with registered number IC000988)
AIFM	an alternative investment fund manager as defined in the AIFM Regulations
AIFMD	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers, including any subordinate regulations or guidance published thereunder
AIFM Regulations	the Alternative Investment Fund Managers Regulations 2013
British Isles	England, Wales, Northern Ireland, Scotland, Republic of Ireland, Channel Islands and Isle of Man
Cancellation	The process of removing Units in issue where the net effect of subscriptions and redemptions of Units is negative
Class or Classes	In relation to Units, means (according to the context) all of the Units related to a single Sub-Fund or a particular class of Unit relating to a single Sub-Fund
COBS	The Conduct of Business sourcebook published by the Financial Conduct Authority as part of their handbook of rules made under the Act (as amended and/or re-issued from time to time), which shall, for the avoidance of doubt, not include guidance or evidential provisions in the said Sourcebook

COLL	The Collective Investment Schemes sourcebook published by the Financial Conduct Authority as part of their handbook of rules made under the Act (as amended and/or re-issued from time to time), which shall, for the avoidance of doubt, not include guidance or evidential provisions in the said Sourcebook
Conversion	The conversion of Units in one Class in a Sub-Fund to Units of another Class in the same Sub-Fund and convert shall be construed accordingly
Dealing Day	Monday to Friday (except for, unless the Manager otherwise decides, the last working day before Christmas Day, bank holidays in England and Wales and other days at the Manager's discretion). (The Manager may determine that any day shall not be a Dealing Day. Such a determination would generally only be made in respect of a particular day if that day were a holiday on a stock exchange which was the principal market for a significant portion of a Sub-Fund's portfolio or was a holiday elsewhere which impeded the calculation of the fair market value of the portfolio.)
Depositary	The Depositary of the Trust from time to time, currently being Citibank UK Limited
Depositary Agreement	a written contract entered into by the Manager and the Depositary to appoint the Depositary and to reflect the requirements of Article 83 of the Level 2 Regulation
Derivatives	An option, or a future, or a forward transaction or a contract for difference
EUWA	The European Union (Withdrawal) Act 2018
Ex-Dividend Date	For investors intending to hold income Units, the Ex-Dividend Date is the cut-off date for income accrued. Units acquired before this date qualify for the next distribution. Units acquired on or after this date will accrue income for the subsequent accounting period. The Unit price will usually fall on this date, to reflect the impending distribution payable

the FCA	The Financial Conduct Authority and any successor body or bodies
FCA Rules	The applicable rules forming part of the FCA's handbook of rules made under the Act (as amended and/or re-issued from time to time), which shall, for the avoidance of doubt, not include guidance or evidential provisions
FUND	The Investment Funds sourcebook published by the Financial Conduct Authority as part of their handbook of rules made under the Act (as amended and/or re-issued from time to time), which shall, for the avoidance of doubt, not include guidance or evidential provisions in the said Sourcebook
Income Allocation Date or Pay Date	For each Sub-Fund, in any accounting period, the date on or before which any income is paid out (income Units) or accumulated (accumulation Units).
ISA Regulations	Individual Savings Account Regulations 1998 (SI 1998/1870) (as amended, supplemented or re-enacted from time to time)
Issue	The process of creating new Units in issue where the net effect of redemptions and subscriptions of Units is positive
Level 2 Regulation	European Commission Delegated Regulation (EU) No. 231/2013 of 19 December 2012 supplementing AIFMD
Manager	Aegon Asset Management UK plc, the manager and AIFM of the Trust
Net Asset Value or NAV	The value of the Scheme Property of the Trust (or of any Sub-Fund or Class of Units, as the context requires) less the liabilities of the Trust (or of the Sub-Fund or Class of Units concerned)
PAIF	Property Authorised Investment Fund, being open-ended investment company (OEIC) to which Part 4A of the Authorised Investment Funds (Tax) Regulations 2006 (SI 2006/964) (as amended, supplemented or re-enacted from time to time) applies and for this purpose, OEIC includes a sub-fund of an

OEIC. As at the date of this Prospectus, the Aegon PAIF qualifies as a PAIF.

Portal	A webpage of the Manager, a link for which is located at the Manager's web-site at www.aegonam.com , via which Unitholders can access information and reports in relation to, and administer, their investment in a Sub-fund.
Property Investment Business	As defined for the purposes of the Tax Regulations, as: (a) property rental business (meaning (i) property rental business within the meaning of section 104 Finance Act 2006 and (ii) the property rental business of any intermediate holding vehicle); (b) owning shares in UK real estate investment trusts (REITs); and (c) shares or units in non-UK REITs which are equivalent to UK REITs
Prospectus	A prospectus of the Trust prepared pursuant to the requirements of COLL. (For the avoidance of doubt, "Prospectus" includes an existing Prospectus as extended by an addendum or supplement.)
Register	The register of Unitholders
Registrar	The registrar of the Trust from time to time, currently being Citibank Europe Plc, UK Branch
Regulations	AIFM Regulations, Level 2 Regulation, COBS, COLL and FUND (as applicable and as the context may require)
Scheme Property	The capital property and the income property of the Trust or a Sub-Fund (as the context requires)
Sub-Fund	a sub-fund of the Trust (being part of the Scheme Property of the Trust which is pooled separately) and to which specific assets and liabilities of the Trust may be allocated and which is invested in accordance with the investment objective applicable to such sub-fund

Switch	An exchange of Units in one Sub-Fund for Units of another Sub-Fund or shares of the Aegon PAIF) and Switching shall be construed accordingly
Tax Regulations	Authorised Investment Funds (Tax) Regulations 2006, as amended from time to time
Trust	Aegon Asset Management UK Unit Trust
Trustee	The Trustee of the Trust from time to time, currently being Citibank UK Limited
Trust Deed	The trust deed (as supplemented and amended from time to time) constituting the Trust
Unit	A unit or units in the Trust
Unitholder	The holder of a Unit
US	The United States of America (including the States and District of Columbia), its territories, possessions and all other areas subject to its jurisdiction
US Person	<p>Unless otherwise determined by the Manager:</p> <ul style="list-style-type: none"> (i) a citizen or resident of the US; (ii) a partnership, limited liability company, corporation or other entity organised in or under the laws of the US or any State, or any entity taxed as such or required to file a tax return under the US Federal income tax laws; (iii) any estate or trust the executor, administrator or trustee of which is a US Person (as defined above), in the cases of a trust of which any professional fiduciary acting as a trustee is a US Person, a trustee who is not a US Person has sole or shared investment discretion with respect to trust assets and no beneficiary of the trust (and no settler if the trust is revocable)

- is a US Person and no income or beneficiaries of which are subject to US Federal income tax;
- (iv) any agency or branch of a foreign entity located in the US;
 - (v) certain accounts held by a dealer or other fiduciary where the person exercising discretion over the account is a US Person;
 - (vi) any partnership, corporation or other entity if it is: (a) organised or incorporated under the laws of any foreign jurisdiction; and (b) owned or formed by a US Person or Persons principally for the purpose of investing in securities not registered under the US Securities Act of 1933;
 - (vii) any employee benefit plan (unless such employee benefit plan is: (a) established and administered in accordance with: (i) the laws of a country other than the US; and (ii) the customary practices and documentation of such country; and (b) is maintained primarily for the benefit of persons substantially all of whom are non-resident aliens with respect to the US); and
 - (viii) any other person or entity whose ownership of Units or solicitation for ownership of Units the Manager through its officers or directors shall determine may violate any securities laws of the US or any state or other jurisdiction thereof.

Except that a US Person shall not include corporations, partnerships or other entities which are organised or incorporated under the laws of any non-US Person (as described above), unless such corporation, partnership or other entity was formed by such US Person principally for the purpose of investing in securities not registered under the US Securities Act of 1933, as amended

Valuation Point

The point, whether on a periodic basis or for a particular valuation, at which the Manager carries out a valuation of the Scheme Property for the Trust or a Sub-Fund (as the case may be) for the purpose of determining the prices at which Units of a Class may be issued, cancelled, sold or redeemed.

1. The Trust

The Trust is a collective investment scheme as defined in the Act. It is a non-UCITS retail scheme ("**NURS**") which is structured as an umbrella trust, meaning that it comprises one or more Sub-Funds.

The assets of each Sub-Fund will be treated as separate from those of every other Sub-Fund and will be invested in accordance with the investment objective and policy applicable to that Sub-Fund.

Each Sub-Fund represents a segregated portfolio of assets and accordingly the assets of a Sub-Fund belong exclusively to that Sub-Fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body including any other Sub-Fund and shall not be available for any such purpose.

Each Sub-Fund will be charged with the liabilities, expenses, costs and charges of the Trust attributable to that Sub-Fund. Any assets, liabilities, expenses, costs or charges not attributable to a particular Sub-Fund may be allocated by the Manager in a manner which is fair to all the Unitholders generally, although they will normally be allocated to all of the Sub-Funds pro rata to the value of the net assets of the respective Sub-Funds.

The Trust, as at the date of this Prospectus, comprises 2 Sub-Funds, namely:

Aegon Property Income Feeder (Accumulation) Fund; and

Aegon Property Income Feeder (Income) Fund

(each a "**Feeder Fund**" and together the "**Feeder Funds**").

Please note that the Feeder Funds are in the process of being terminated and are no longer available for new investment. Each Feeder Fund is dedicated to investment in a single property authorised investment fund, namely Aegon Property Income Fund (the "**Aegon PAIF**"), a sub-fund of Aegon Asset Management UK Investment Portfolios ICVC. The Aegon Property Income Feeder (Accumulation) Fund will invest in a class of accumulation shares of the Aegon PAIF dedicated to investment by the Feeder Fund and the Aegon Property Income Feeder (Income) Fund will invest in a class of income shares of the Aegon PAIF dedicated to investment by the Feeder Fund.

The Feeder Funds have been established to facilitate investment by Bodies Corporate into the Aegon PAIF.

Different Sub-Funds may be established from time to time by the Manager with the approval of the FCA, the agreement of the Trustee and in accordance with the Trust Deed.

The Trust was established on 26 February 2014 and authorised by the Financial Conduct Authority on 26 February 2014. The Trust is also an alternative investment fund for the purposes of the FCA Rules.

The Trust has an unlimited duration.

The object of the Trust is to invest the Scheme Property in transferable securities, money market instruments, deposits units and shares in collective investment schemes, derivative instruments and

forward transactions, immoveable property, gold, cash and near cash in accordance with COLL with the aim of spreading investment risk and giving its Unitholders the benefit of the results of the management of that property.

The Unitholders are not liable for the debts of the Trust.

The base currency of the Trust is pounds Sterling.

2. Management and Administration

Manager and the Alternative Investment Fund Manager

Aegon Asset Management UK plc is the Manager and alternative investment fund manager ("**AIFM**") of the Trust (hereinafter referred to as the "**Manager**"). The Manager, as AIFM of the Trust, is responsible for the portfolio management and risk management in relation to the Trust. The Manager must act honestly, fairly, professionally, independently and in the interest of the Trust and its Unitholders in carrying out this role. The Manager has its registered office and head office at 3 Lochside Crescent, Edinburgh, EH12 9SA. The Manager is a public limited company with issued Unit capital of 15,000,000 ordinary Units of £1 each fully paid. The Company was incorporated under the laws of Scotland on 21 September 1988 with Registered Number 113505.

The Manager is authorised and regulated by the Financial Conduct Authority and is permitted to carry on investment business in the UK by virtue of that authorisation.

The Manager is responsible for managing and administering the affairs of the Trust in compliance with the Regulations.

The Manager maintains an appropriate level of "own funds" in accordance with Article 14 of the Level 2 Regulation in order to cover the professional liability risks detailed under the Level 2 Regulation, including risks such as loss of documents evidencing title to assets of the Scheme or acts, errors or omissions resulting in a breach of the law or the Manager's fiduciary duties.

Subject to the FCA Rules, Unitholders may by resolution vote to make a request to the Trustee that the Manager should be removed. Such a removal would be without prejudice to any claim the Manager may have for damages.

The details of the capacity in which the Manager acts in relation to any other regulated collective investment schemes and the names of such schemes are set out in Appendix G.

The Manager is responsible for managing and administering the Trust's affairs (including portfolio management and risk management) in compliance with the Regulations. The Manager may delegate certain of its functions, including portfolio management, risk management, administration and marketing in accordance with the Regulations. Notwithstanding any such delegation, the Manager

remains responsible for any functions so delegated. At present certain functions are currently delegated as detailed below.

The Manager is under no obligation to account to the Trustee or the Unitholders for any profit on the Issue or re-issue of Units or Cancellation of Units which it has redeemed. The fees to which the Manager is entitled are set out in Part 7 below.

Trustee and Depositary

Citibank UK Limited is the Trustee and Depositary of Aegon Asset Management UK Unit Trust (hereinafter referred to as the “**Trustee**”). The Trustee is a private limited company incorporated in England with registered number 11283101. The registered office of the Trustee is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB. The ultimate holding company of the Trustee is the Citigroup Inc., which is incorporated in New York, USA.

The Trustee is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority.

Terms of Appointment

The appointment of the Trustee as Depositary of the Trust has been made under an agreement between the Manager and the Trustee dated 29 March 2019 as novated with effect on 2 October 2021 (the “Depositary Agreement”).

The key duties of the Trustee consist of:

- cash monitoring and verifying each Sub-Fund’s cash flows;
- safekeeping of the Scheme Property of each Sub-Fund;
- ensuring that the sale, issue re-purchase, redemption, cancellation and valuation of Units is carried out in accordance with the Trust Deed, the Prospectus, and applicable law, rules and regulations;
- ensuring that in respect of transactions involving the Scheme Property any consideration is remitted to the relevant Sub-Fund within the usual time limits;
- ensuring that the Trust’s income is applied in accordance with the Trust Deed, the Prospectus, applicable law, rules and regulations; and
- carrying out instructions from the Manager unless they conflict with the Trust Deed, the Prospectus, or applicable law, rules and regulations.

The Depositary Agreement may be terminated by not less than 180 days’ written notice or earlier on certain breaches or the insolvency of the Trustee. The Trustee may not retire voluntarily until the appointment of a successor to the Trustee.

Under the Depositary Agreement the Manager indemnifies the Trustee against costs, charges, losses, actions and liabilities incurred by it (or its associates) arising out of the negligence or default of the

Manager under the terms of the Depositary Agreement, except where the Trustee is liable owing to it being at fault under the terms of the Depositary Agreement or applicable law.

The Trustee is entitled to receive remuneration out of the Scheme Property for its services, as set out in more detail below in the section headed "Trustee's Fee" in Part 7 below.

Unitholders have no personal right to directly enforce any rights or obligations under the Depositary Agreement.

Liability of the Trustee

As a general rule the Trustee is liable for any losses suffered as a result of the Trustee's negligent or intentional failure to properly fulfil its obligations except that it will not be liable or responsible for any loss where:

- the event which has led to the loss is not the result of any act or omission of the Trustee or a third party to whom the custody of financial instruments that can be held in custody has been delegated;
- the Trustee could not have reasonably prevented the occurrence of the event which led to the loss despite adopting all precautions incumbent on a diligent depositary as reflected in common industry practice; and
- despite rigorous and comprehensive due diligence, the Trustee could not have prevented the loss.

However, in the case of loss of a financial instrument by the Trustee, or by a third party to whom safe custody has been delegated, the Trustee is under an obligation to return a financial instrument of identical type or corresponding amount without undue delay unless it can prove that the loss arose as a result of an external event beyond the Trustee's reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

Delegation of safekeeping function

Under the terms of the Depositary Agreement the Trustee has the power to delegate its safekeeping functions.

As a general rule, whenever the Trustee delegates any of its safekeeping functions to a delegate, the Trustee will remain liable for any losses suffered as a result of an act or omission of the delegate as if such loss had arisen as a result of an act or omission of the Trustee. However, there may be situations and/or circumstances in which the Trustee is not liable for the acts or omissions of a delegate which is a third party (as set out below).

In the case of loss of a financial instrument by the Trustee or by a third party to whom its custody has been properly delegated, the Trustee is under an obligation to return a financial instrument of identical type or corresponding amount without undue delay, but it will not be under such an obligation:

- if it can prove that the loss arose as a result of an external event beyond the Trustee's reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary; or
- if it can prove that:
 - (a) the lost financial instrument was held in custody by a third party;
 - (b) the Trustee had properly delegated its functions to the third party;
 - (c) a written contract between the Trustee and the third party:
 - (i) expressly transfers such obligation to the third party; and
 - (ii) enables the Manager acting on behalf of the Fund to make a claim against the third party in respect of the loss of the financial instrument, or the Trustee to make such a claim on their behalf; and
 - (d) a written contract between the Manager and the Trustee expressly allows a transfer of the Trustee's said obligation and establishes an objective reason for the transfer, or
- if the Trustee delegates custody functions to a custodian in the following circumstances:
 - (a) the law of a country requires certain financial instruments to be held in custody by a local entity and there are no local entities that are subject to effective prudential regulation and supervision and, despite this, the Manager on behalf of the Fund has instructed the Trustee to delegate the custody of such financial instruments to a local entity,

and the contract between the Trustee and such custodian or local entity contains a clause transferring the liability of the Trustee to such custodian or local entity and makes it possible for the Manager acting on behalf of the Fund to make a claim against such custodian or local entity in respect of the loss of a financial instrument or for the Trustee to make such a claim on their behalf.

The use of securities settlement systems does not constitute a delegation by the Trustee of its functions.

As at the date of this Prospectus, the Trustee has entered into written agreements delegating the performance of its safekeeping function in respect of certain of the Trust's assets to the Custodian.

Re-use of Trust assets by the Trustee

Under the Depositary Agreement the Trustee has agreed that it, and any person to whom it delegates custody functions, may not re use any of the Trust's assets with which it has been entrusted.

Registrar

The Manager has appointed Citibank Europe Plc, UK Branch , to assist in the functions of registrar to the Trust. The Register is maintained at Citigroup Centre, Canada Square, Canary Wharf, London, E14

5LB, where it may be inspected during normal business hours by any Unitholder or any Unitholder's duly authorised agent. The Register is prima facie evidence of entitlement to Units. No notice of any trust shall be entered in the Register.

The Registrar's appointment is governed by an agreement dated July 2023 between the Manager and the Registrar (the "**Registrar Agreement**").

Unitholders have no personal right to directly enforce any rights or obligations under the Registrar Agreement.

Administration

The Manager has also engaged Citibank Europe Plc, UK Branch to carry out transfer agency and other associated administration services and Citibank N.A. to provide fund reporting and accounting services on behalf of the Manager in respect of the Trust.

The Manager reserves the right to outsource other administration services in respect of the Trust.

Unitholders have no personal right to directly enforce any rights or obligations under the terms appointing Citibank Europe Plc, UK Branch or Citibank N.A.

Auditors

The Auditors of the Trust are PricewaterhouseCoopers LLP, Atria One, 144 Morrison Street. Edinburgh EH3 8EX.

Under the FCA Rules, the Auditors are responsible for auditing and expressing an opinion in relation to the Trust's accounts on at least an annual basis (or in certain other circumstances when requested to do so by the Manager).

Unitholders have no personal right to directly enforce any rights or obligations under the terms appointing the Auditors.

Other Services

The Manager has engaged Aegon Asset Management Value Hub B.V, Hungarian Branch, to perform Performance Measurement and Analysis functions. These functions serve to analyse the performance returns of the portfolios and funds managed by the Manager and to provide attribution analysis of these returns. The results are used by the Manager for both internal and external reporting. Aegon Asset Management Value Hub B.V is an affiliate company of the Manager and is domiciled in the Netherlands with registered office address at Aegon Plein 50, 2591 TV, The Hague, The Netherlands. The Hungarian branch office address is Üllői út 1.a, Budapest, 1091, Hungary.

Conflicts of Duty or Interest

The Manager and other companies within the group of companies of which it is a member may, from time to time, act as investment managers or advisers to other companies or funds which follow similar investment objectives to those of the Trust and the Sub-Funds. It is therefore possible that the

Manager and/or the other service providers may in the course of their business have potential conflicts of interest with the Trust. Each of the Manager and the other service providers will, however, have regard in such event to its obligations under the FCA Rules, Trust Deed and the agreements with the Manager respectively and, in particular, to their obligation to act in the best interest of the Trust so far as practicable, having regard to their obligation to other clients when undertaking any investment where potential conflicts of interest may arise. The Manager maintains a written conflict of interest policy. The Manager acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Trust or its Unitholders will be prevented. Should any such situations arise the Manager will, as a last resort if the conflict cannot be avoided disclose these to Unitholders in an appropriate format.

The Trustee may, from time to time, act as the Trustee/depositary of other companies or funds.

The corporate activities of the AEGON group of companies may result in some minor restriction to the investable universe. (For example, in certain countries, the combined investments of the Manager and other companies in the AEGON group may mean holding limits in a particular company are reached, meaning no additional Units in that company could be purchased.)

From time to time conflicts of interest may arise from the appointment by the Trustee of any of its delegates. For example, Citibank N.A., which has been appointed by the Trustee to act as custodian of the Scheme Property, also performs certain investment operations and functions and derivatives collateral management functions delegated to it by the Manager. It is therefore possible that a conflict of interest could arise.

Citibank N.A. and any other delegate are required to manage any such conflict having regard to the FCA Rules and its duties to the Trustee and the Manager.

There may also be conflicts arising between the Trustee and the Trust, Unitholders and the Manager. The Trustee is prohibited from carrying out any activities with regard to the Trust unless:

- The Trustee has properly identified any such potential conflicts of interest;
- The Trustee has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks; and
- The potential conflicts of interest are properly managed, monitored and disclosed to the investors of the Trust.

3. Investment Objective and Policy and use of benchmarks

Investment of the Scheme Property of each Sub-Fund must be in accordance with the investment objective and policy of the relevant Sub-Fund and must comply with the investment restrictions and requirements set out in COLL. Details of the investment objectives and policies are set out in Appendix D in respect of each Sub-Fund and the eligible securities and derivatives markets through which the Sub-Funds may invest are set out in Appendix A. A summary of the general investment and borrowing powers is set out in Appendix B.

Each Sub-fund may use a benchmark index for the purpose of providing investors with a performance comparator. Any such benchmark index is included in Appendix D. The Manager may change a comparator benchmark and will update the prospectus accordingly. Any benchmark index used as a target for, or a constraint on, a Sub-fund will be set out in that Sub-fund's investment objective or policy.

The EU Benchmark Regulation (or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable) ("**Benchmark Regulation**") requires the Manager to produce and maintain a robust contingency plan setting out the actions that it would take in the event that a benchmark (as defined by the EU Benchmark Regulation) which is used materially changes or ceases to be provided. The Manager shall comply with this obligation.

The Manager is required under the Benchmark Regulation to use only benchmarks which are provided by authorised benchmark administrators that are present in the UK Benchmarks Register which is maintained by the FCA. The Manager shall comply with this obligation.

4. Units and Classes

More than one Class of Unit may be Issued in respect of each Sub-Fund. The Manager may make available the following Classes of Unit:

Unit Class	Features
Sterling Class B Net Accumulation Units	<p>Invests in Sterling Class F Gross Accumulation shares in the Aegon PAIF</p> <p>Designated in Sterling</p>
Sterling Class B Net Income Units	<p>Invests in Sterling Class F Gross Income shares in the Aegon PAIF</p> <p>Designated in Sterling</p>

(together the "Class B Units")

Sterling Class Q Net Accumulation Units	<p>Invests in Sterling Class F Gross Accumulation shares in the Aegon PAIF</p> <p>Designated in Sterling</p> <p>Limited redemption – the limitation on redemption is that notice of not less than 90 days must be given prior to the Units being redeemed. The Manager may at its discretion from time to time waive the notice period in whole or in part.</p> <p>Only available to institutional investors and other investors with the prior agreement of the Manager.</p>
Sterling Class Q Net Income Units	<p>Invests in Sterling Class F Gross Income shares in the Aegon PAIF</p> <p>Designated in Sterling</p> <p>Limited redemption – the limitation on redemption is that notice of not less than 90 days must be given prior to the Units being redeemed. The Manager may at its discretion from time to time waive the notice period in whole or in part.</p> <p>Only available to institutional investors and other investors with the prior agreement of the Manager.</p>
(together the "Class Q Units")	
Sterling Class S Net Accumulation Units	<p>Invests in Sterling Class F Gross Accumulation shares in the Aegon PAIF</p> <p>Designated in Sterling</p> <p>Only available to institutional investors and other investors with the prior agreement of the Manager.</p>
Sterling Class S Net Income Units	<p>Invests in Sterling Class F Gross Income shares in the Aegon PAIF</p> <p>Designated in Sterling</p> <p>Only available to institutional investors and other investors with the prior agreement of the Manager.</p>
(together the "Class S Units").	

In addition, in exceptional market conditions, the Manager has the right, in respect of each of the Class B Units, the Class Q Units and the Class S Units to limit the issue of any new Units. This is without prejudice to the Manager's right to issue new Units where it, in its sole discretion, determines that such further issues are beneficial to the Sub-fund, the rights of existing holders are not materially prejudiced and provided that the Manager can, with the proceeds of those further issues, make investments which would not compromise the investment objective of the relevant Sub-fund.

Appendix D contains a description of the Classes currently available. New Classes (including gross paying Classes) may be established by the Manager from time to time, subject to compliance with COLL. If a new Class of Unit is introduced, a new Prospectus will be prepared to set out the required information in relation to that class.

Each Class may attract different charges and expenses and so monies may be deducted from Classes in unequal proportions. In these circumstances the proportionate interests of the Classes will be adjusted in accordance with the terms of issue of Units of those Classes. Also, each Class may have its own investment minima or other features, such as restricted access, at the discretion of the Manager. Any such different charges or features are set out above and in Appendix D.

A net income Unit is one where income is distributed periodically to Unitholders net of any tax deducted or accounted for by the Trust. A net accumulation Unit is one in respect of which income (net of any tax deducted or accounted for by the Trust) is credited periodically to capital within the relevant Sub-Fund.

Holders of income Units are entitled to be paid the income attributed to such Units of the appropriate Class on the interim and annual income allocation dates.

Holders of accumulation Units are not entitled to be paid the income attributable to such Units, but that income is automatically transferred to (and retained as part of) the capital assets at the end of the relevant accounting period and is reflected in the price of an accumulation Unit.

Unitholders are entitled (subject to certain restrictions) to Switch all or part of their Units in a Class of a Sub-Fund for Units in another Sub-Fund or for shares in the Aegon PAIF. Details of this Switching facility and the restrictions are set out below under "Switching between different Sub-Funds" in Part 6.

Unitholders are entitled (subject to certain restrictions) to Convert all or part of their Units in a Class for Units in another Class. Details of this Conversion facility and the restrictions are set out below in Part 6.

5. Pricing of Units

The price of a Unit in the Trust is calculated by reference to the Net Asset Value (or the relevant proportion of the Net Asset Value) of the Sub-Fund to which it relates. Each Sub-Fund will have a regular Valuation Point at 12 noon on each Dealing Day. The Manager may create an additional Valuation Point at any time.

The prices of Units in the Feeder Funds are derived from the shares in which they invest in the Aegon PAIF. Unitholders should be aware that there is no guarantee that the price of the Units in the Feeder Funds will match the prices of the Feeder Share Classes into which the Feeder Funds invest. In particular, in respect of the Feeder Funds, because of the impact of operational cash balances held by these Sub-funds, there is unlikely to be an exact match between the investment return from Units in the Feeder Funds and the investment return of the share class into which they invest in the Aegon PAIF.

The Trust is dual priced, meaning that for each Sub-Fund different prices are offered to investors depending on whether they are subscribing for Units (offer price) or redeeming Units (bid price). The difference (if any) between these prices known as the "**spread**". The Aegon PAIF invests in commercial property and the associated costs are relatively high compared to many other assets, meaning the spread of the Aegon PAIF will tend to be in excess of 5%. This means the spread of any Sub-Fund which invests in the Aegon PAIF will tend to be in excess of 5%.

In respect of the Feeder Funds, the Manager may, at its sole discretion, calculate the offer and bid prices on either an Issue basis or a Cancellation basis, depending on the cashflow trends (net inflows or net outflows) into the relevant Sub-Fund. The Manager may also, at its sole discretion, use its own funds to ensure that small changes in cashflow trends do not require a change from Issue basis to Cancellation basis, or vice versa. (More information on Issue and Cancellation pricing bases is set out in Appendix C.)

Valuations of Scheme Property for the purposes of the calculation of issue and cancellation and offer and bid prices will be carried out in accordance with Appendix C. The Scheme Property attributed to each Sub-Fund will be valued at each Valuation Point to determine the proportion of the Net Asset Value attributable to each Class in that Sub-Fund for the purpose of calculating the prices of each Class in that Sub-Fund.

The offer price must not be greater than the applicable Issue price (plus any SDRT provision). The bid price cannot be less than the Cancellation price (minus any redemption charge and any applicable SDRT provision). The offer price must not be less than the relevant bid price and the bid price must not exceed the relevant offer price.

The Manager reserves full flexibility to determine the offer and bid prices within these parameters in accordance with the FCA Rules.

Fair Value Adjustment

In times where normal market pricing is impaired and/or in a rapid sale scenario (described in Section 6 below), the Aegon PAIF may make an adjustment to the market value of assets held within the Aegon PAIF (a "Fair Value Pricing Adjustment") in accordance with the terms of its Fair Value Pricing Policy. In deciding whether to make such an adjustment, the Aegon PAIF will consider all available pricing sources and shall consult and agree the relevant value with its standing independent valuer. The value of Scheme Property may therefore be indirectly affected by a fair value adjustment.

The most recent prices of Units can be obtained on the website of the Manager at www.aegonam.com. The prices published will not be the current prices as Units are issued and redeemed on a forward pricing basis (by reference to the valuation at the next Valuation Point after the issue or redemption has been agreed) and not on the basis of the published prices.

In the event that, for any reason, the Manager is unable to calculate the Net Asset Value of the relevant Sub-Fund at the normal time, the prices effective from that time will be calculated using the earliest available valuation thereafter.

Information regarding the redemption charge and SDRT provision is set out below under "Dealing Charges" and "SDRT Provision" in Part 6 below.

6. Buying, Redeeming, Converting and Switching of Units

Units may normally be dealt in with the Manager between 8.30 am and 5.30 pm on any Dealing Day (or other times at the Manager's discretion). If requested, the Manager may deal as agent between the investor and the Trustee.

All dealing will be forward to the prices calculated at the next Valuation Point.

A contract note confirming the transaction will be dispatched by the close of business on the first Dealing Day after the Valuation Point at which the transaction was priced.

Please note that each of the Aegon Property Income Feeder (Accumulation) Fund and the Aegon Property Income Feeder (Income) Fund is in the process of being terminated and that no dealing in Units is permitted.

Buying Units

Units may be bought through intermediaries or direct from the Manager as agent.

Requests to buy Units may be made in writing or, at the Manager's discretion, by telephone, by fax, or by approved electronic dealing platforms to the Manager's dealing department on any Dealing Day. Telephone calls may be recorded by the Manager, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes, please see paragraph "Telephone and Electronic Communications Recording" below for further information. Payment for the purchase of Units can be made by cheque or telegraphic transfer and must reach the Manager within three working days. Instructions must be confirmed by sending a duly completed and signed application form or registration form to the Manager's dealing department. Subject to fulfilling these conditions requests received prior to 12 noon on any Dealing Day will be priced based on that day's Valuation Point; deals received on or after 12 noon or on a day which is not a Dealing Day will be priced based at the Valuation Point at the next Dealing Day. Application for the purchase of Units by post must be accompanied by a cheque or a telegraphic transfer of monies for the total amount to be invested. The Manager has the right to reject any application for Units in whole or in

part, and in this event the Manager will return any monies sent, or the balance of such monies at the risk of the applicant.

The title to registered Units in the Trust is evidenced by entry on the Register. Certificates are not issued to Unitholders. Details of a Unitholder's entry on the Register are available via the Portal (or via such other method as the Manager has agreed with the Unitholder). A statement of holding shall be available via the Portal (or via such other method as the Manager has agreed with the Unitholder) to all Unitholders twice a year, but such a statement shall not constitute a document of title. In respect of joint holdings, such statements shall only be sent (where applicable) to the first named Unitholder on the register.

If a Unitholder requires evidence of title to Units, the Registrar will, upon such proof of identity as the Manager may reasonably require, supply that Unitholder with a certified copy of the entry in the Register relating to the holding of Units. The Manager reserves the right to charge the Unitholder concerned a reasonable fee for the supply of such a certified copy.

Details of the minimum initial lump sum investment in each Class of each Sub-Fund and the minimum amount of any lump sum addition to a holding in the same Class of the same Sub-Fund are set out in Appendix D (in the sections "Minimum Initial Lump Sum Investment" and "Minimum Subsequent Investment" respectively) but the Manager may, at its absolute discretion, accept investments lower than the relevant minimum. If the value of a Unitholder's holding of Units of a Class falls below the minimum holding (which is set out in Appendix D in respect of each Sub-Fund), his entire holding may be redeemed compulsorily by the Manager.

Other Restrictions on Holding Units

The Manager may from time to time impose such other restrictions as it may think necessary for the purpose of ensuring that no Units in the Trust are acquired or held:-

- by any person in breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or
- in circumstances which would require the Trust, the Manager or any investment adviser appointed from time to time to be registered under any law or regulation of any country or territory or cause the Trust to apply for registration or comply with any registration requirements in respect of any of its Units whether in the US or any other jurisdiction in which it is not currently registered; or
- which would result (or would if other Units were acquired or held in like circumstances), in the opinion of the Manager, in the Trust, its Unitholders, the Trustee, the Manager or any investment adviser incurring any liability to taxation or suffering any other legal, regulatory, pecuniary or adverse consequence which it or they might not have otherwise suffered (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory); or

- where such person is a US Person or is holding the Units for the account or benefit of a US Person, together the "**relevant circumstances**".

In this connection, the Manager may, inter alia, reject in its discretion any application for the purchase, sale, Conversion or Switching of Units.

If it comes to the notice of the Manager that any Units ("**affected Units**") are owned directly or beneficially in any of the relevant circumstances or if it reasonably believes this to be the case, the Manager may give notice to the holder(s) of the affected Units requiring the transfer of such Units to a person who is qualified or entitled to own them, or the Conversion, where possible, of the affected Units the holding of which would not fall within the relevant circumstances or that a request in writing be given for the repurchase of such Units in accordance with COLL. If any person on whom such a notice is served does not within thirty days after the date of such notice transfer his affected Units to a person qualified to own them or Convert his Units for other Units the holding of which would not fall within any of the relevant circumstances or establish to the satisfaction of the Manager (whose judgement is final and binding) that he or the beneficial owner is qualified and entitled to own the affected Units, he shall be deemed on the expiration of that thirty day period to have given a request in writing for the redemption of all the affected Units pursuant to COLL.

A person who becomes aware that he is holding or owns affected Units in any of the relevant circumstances, shall forthwith, unless he has already received a notice as aforesaid, either transfer all his affected Units to a person qualified to own them or, where possible, Convert the affected Units for other Units the holding of which would not fall within any of the relevant circumstances or give a request in writing for the redemption of all of his affected Units in accordance with COLL.

If a Unitholder who holds gross paying Units (where these are available) fails or ceases to be entitled to have income so allocated or paid without deduction of UK income tax, then he shall, without delay, give notice thereof to the Manager and the Manager shall, upon receipt of such a notice treat the Unitholder concerned as if he had served a notice requesting Conversion of all gross paying Units owned by such Unitholder for net paying Units of the Class or Classes which, in the opinion of the Manager, most nearly equates to the Class or Classes of gross paying Units held by that Unitholder.

Redemption of Units

Instructions for the redemption of Units may be given in writing or, at the Manager's discretion, by telephone or by fax to the Manager's dealing department.

Telephone calls may be recorded by the Manager, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes, please see paragraph "Telephone and Electronic Communications Recording" below for further information.

Subject to COLL, the proceeds of a redemption of Units will be sent by the close of business three working days after the Manager receiving properly completed documentation. Subject to fulfilling that condition, for redemption instructions received prior to 12 noon on any Dealing Day, the Units concerned will be redeemed at a price based on that day's valuation; for deals placed after 12 noon, the Units will be redeemed at a price based on the valuation made on the next Dealing Day. Redemption proceeds are normally payable to one or more of the Registered Unitholders. The Manager reserves the right, at all times, to require a form of renunciation to be completed. If this is necessary, it will be issued with the contract note. The Manager also reserves the right to send repurchase proceeds by cheque to the registered address.

The minimum value of Units which may be redeemed in each Class of each Sub-Fund is given in Appendix D. A Unitholder will not be entitled to realise part only of his holding without the approval of the Manager if by so doing his holding would be reduced to less than the minimum permitted holding in respect of each Class of each Sub-Fund as set out in Appendix D.

Limited Redemption of Class Q Units in the Feeder Funds

In order to protect the liquidity of the Aegon PAIF, and to enable the orderly management of the Feeder Funds, requests for redemptions of Class Q Units (where these are in issue) in one or both of the Feeder Funds are subject to a notice period of 90 days (the "**Notice Period**"). Accordingly, redemption requests received by the Valuation Point on a particular Dealing Day will be redeemed at the price calculated at the Valuation Point on the Dealing Day 90 days from the day of receipt of the redemption request.

In order to appropriately manage the liquidity of the Aegon PAIF, the Manager will give the authorised corporate director of the Aegon PAIF notice of receipt of the redemption request.

At its discretion, the Manager may from time to time waive the Notice Period in whole or in part.

Deferred Redemption

In respect of the Feeder Funds, at times of high redemptions, the Manager may defer redemptions at a particular Valuation Point to the next Valuation Point and on a rolling basis where requested redemptions exceed 5% of the NAV. In addition, the Manager reserves the right to defer redemption of Units in circumstances where the shares in the Aegon PAIF are subject to deferred redemption arrangements. The authorised corporate director of Aegon Asset Management UK Investment Portfolios ICVC (of which the Aegon PAIF is a sub-fund) has discretion to defer redemptions at a particular valuation point to the next valuation point and on a rolling basis where requested redemptions exceed 5% of the net asset value of the Aegon PAIF. This will facilitate the authorised corporate director matching the sale of scheme property of the Aegon PAIF to the level of requested redemptions. Requests for redemptions in these circumstances will be dealt with on a pro rata basis.

Large Deals

Unitholders should be aware that, for large deals, the Manager reserves the right to allocate a higher price for subscriptions or a lower price for redemptions than those published, provided that those prices do not exceed the relevant maximum and minimum parameters set out in the FCA Rules. For this purpose, a large deal means a deal or a group of connected deals in the same dealing period (as set out in the FCA Rules) for which the total consideration payable is at least £15,000.

The Manager is not obliged to apply the large deal provision once the relevant threshold is met. In considering whether to apply a large deal provision, the Manager will consider:

- the Aegon PAIF's and the Sub-Fund's liquidity allocation compared to its target allocation;
- the Aegon PAIF's and the Sub-Fund's actual and forecast redemption trends;
- the Aegon PAIF's property asset purchase and sale pipeline;
- the intentions of investors wishing to place deals over the above threshold, including timing considerations; and
- any other information considered relevant by the Manager at that time.

Conversions between Classes of the same Sub-Fund

A Unitholder in a Sub-Fund may at any time Convert all or some of his Units of one Class (the "**Original Units**") for Units of another Class ("the **New Units**") of the same Sub-Fund, provided that they are eligible to hold Units of that Unit Class.

A Unitholder wishing to Convert Units should apply either in writing to the Manager or, at the Manager's discretion, by telephone or by fax to the Manager's dealing department, after which written confirmation signed by all Unitholders must be sent to the Manager's dealing department. Telephone calls may be recorded by the Manager, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes, please see paragraph "Telephone and Electronic Communications Recording" below for further information.

If a Conversion would result in the Unitholder holding a number of Original Units or New Units of a value which is less than the minimum holding in the Class concerned, the Manager may, if it thinks fit, convert the whole of the applicant's holding of Original Units to New Units or refuse to effect any Conversion of the Original Units. No Conversion will be made during any period when the right of Unitholders to require the redemption of their Units is suspended. Conversions will be effected by the Manager recording the change of class on the Register.

Conversions may not be effected by the Manager at the next Valuation Point following receipt of instructions to Convert from a Unitholder and may be held over and processed at a subsequent Valuation Point or ultimately to the Valuation Point immediately following the end of the relevant Sub-Fund's accounting period. For further information and to discuss the timing for the completion of Conversions please contact the Manager.

Please note that, under current United Kingdom taxation law and guidance, a Conversion of Units between different Classes within the same Sub-fund will generally not be treated by HM Revenue & Customs as a redemption and sale and will therefore generally not be a disposal for capital gains tax purposes for investors subject to United Kingdom taxation. However, please note that in certain limited circumstances, an exchange between Classes within the same Sub-fund may be classified as a Switch (for more information on Switches, see above under the heading "Switching between Different Sub-funds") and may be treated differently for the purposes of capital gains taxation and income equalisation may be applicable.

Conversions will not generally be subject to income equalisation as referred to in Part 8 of this Prospectus.

Please note that by performing a Conversion, the Manager may be required to convert a portion of capital to income in order to match the relevant yield in the Class into which the Unitholder is Converting. This may have the effect of creating taxable income for persons subject to United Kingdom taxation (depending upon the Unitholder's individual circumstances).

Switching between different Sub-Funds

A Unitholder in a Sub-Fund may at any time Switch all or some of his Units in one Sub-Fund (the "**Original Sub-fund Units**") for Units in another Sub-Fund (the "**New Sub-fund Units**") (subject to any relevant restrictions).

A Unitholder wishing to Switch Units should apply either in writing to the Manager or, at the Manager's discretion, by telephone or by fax to the Manager's dealing department, after which written confirmation signed by all Unitholders must be sent to the Manager's dealing department. Telephone calls may be recorded by the Manager, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes, please see paragraph "Telephone and Electronic Communications Recording" below for further information.

Switches will be effected at the next Valuation Point following receipt of instruction from a Unitholder to switch or at a date mutually agreed between the Manager and the Unitholder(s).

The number of New Sub-fund Units issued will be determined by reference to the respective prices of Original Sub-fund Units and New Sub-fund Units at the next Valuation Point applicable at the time the Original Sub-fund Units are repurchased and the New Sub-fund Units are issued.

The Unitholder must meet any relevant minimum investment or holding criteria in respect of the Units in the Sub-Fund into which the Switch is to be made.

If a Switch would result in the Unitholder holding a number of Original Sub-fund Units or New Sub-fund Units of a value which is less than the minimum holding in the Class concerned, the Manager may, if it thinks fit, convert the whole of the applicant's holding of Original Sub-fund Units to New Sub-fund Units or refuse to effect any Switch of the Original Sub-fund Units.

No Switch will be made during any period when the right of Unitholders to require the redemption of their Units is suspended. The general provisions on procedures relating to redemption of Units will apply equally to a Switch.

The Manager may adjust the number of New Sub-fund Units to be issued in order to reflect the imposition of any Switching fee together with any other charges or levies in respect of the issue or sale of the New Sub-fund Units or repurchase or Cancellation of the Original Sub-fund Units as may be permitted pursuant to COLL.

Please note that cancellation rights will not be given on Switches between Unitholdings in different Sub-Funds.

Please note that, under current United Kingdom taxation law and guidance, a Switch of Units in one Sub-Fund for Units in any other Sub-Fund is treated by HM Revenue & Customs as a redemption and sale and therefore will, for persons subject to United Kingdom taxation, generally be a disposal for the purposes of capital gains taxation (save in respect of a merger or reconstruction).

A switch of Units between different Sub-Funds may also be subject to income equalisation as referred to in Part 8 of this Prospectus.

A contract note showing details of the Switch will be sent to the Unitholder on the business day following completion of the transaction.

Switching between a Feeder Fund and the Aegon PAIF

The Manager may, at its sole discretion and subject always to COLL, accept assets in the form of Shares in the Aegon PAIF in whole or part satisfaction from investors wishing to buy Units in a Feeder Fund.

A Unitholder may, subject to satisfying the conditions for investment in the Aegon PAIF, Switch all or part of their Units in the Trust for shares in the Aegon PAIF. The number of shares in the Aegon PAIF to be issued will be determined in accordance with such formula as the Manager and the authorised corporate director of the Aegon PAIF shall determine by reference to the respective prices of the shares and Units at the Valuation Point applicable at the time of the Switch. A Unitholder wishing to Switch Units should contact the Manager to discuss and agree the likely timing of the Switch instruction.

For UK resident Unitholders, the Switching of Units in a Feeder Fund for shares in the Aegon PAIF will not, under current UK tax law and with the agreement of the Manager, be a realisation for the purposes of capital gains taxation.

Conversions and Switches

The Manager reserves the right to impose a fee for any Conversions or Switches.

Market Timing and Excessive Trading

The Manager may refuse to accept applications for subscriptions, redemptions or switches of Units in a Sub-Fund which it knows or in its absolute discretion considers to be associated with market timing and/or excessive trading activities.

In general terms, market timing and excessive trading activities are strategies which may include frequent purchases and sales of Units with a view to profiting from anticipated changes in market prices between Valuation Points or arbitraging on the basis of market price changes subsequent to those used in the valuation of the relevant Sub-Fund or excessive short term dealing.

Such activities are disruptive to fund management, may lead to additional dealing charges and may be detrimental to performance and to the interests of long term Unitholders. Accordingly the Manager may in its absolute discretion reject any application for subscription or switching of Units from applicants that it considers to be associated with market timing activities.

Dealing Charges

Stamp Duty Reserve Tax (SDRT)

Generally, there will be no SDRT charge when Unitholders surrender or redeem their units. However, where the redemption is satisfied by a non-pro rata in specie redemption, then a charge to SDRT may apply.

Other Dealing Information

Money Laundering

As a result of legislation in force in the United Kingdom to prevent money laundering, persons conducting investment business are responsible for compliance with money laundering regulations. In order to implement these procedures, in certain circumstances investors may be asked to provide proof of identity when buying Units. Until satisfactory proof of identity is provided, the Manager reserves the right to refuse to sell Units.

The Manager may employ a reference agency to undertake online checks of a Unitholder's identity.

Issue of Units in Exchange for In Specie Assets

The Manager may arrange for the Trust to issue Units in exchange for assets but will only do so where the Trustee is satisfied that the acquisition by the Trust of those assets in exchange for the Units concerned is not likely to result in any material prejudice to the interests of Unitholders or potential Unitholders.

The Manager will not issue Units in exchange for assets the holding of which would be inconsistent with the investment objective or policy of the relevant Sub-Fund.

In Specie Redemptions

In specie redemptions and Cancellations of Units will be allowed:-

- a. In the case of holdings valued at less than 5% of the value of the Scheme Property attributed to the Sub-Fund, at the request of the Unitholder, and at the discretion of the Manager.
- b. In the case of holdings valued at 5% or greater of the value of the Scheme Property attributed to the Sub-Fund, at the request of the Unitholder, and at the discretion of the Manager, or if the Manager so demands by written notice to the Unitholder.

The Manager will give written notice to the Unitholder before the transfer of the Scheme Property of the relevant Sub-Fund to the Unitholder.

The Scheme Property to be transferred is subject to the retention by the Trustee of Scheme Property or cash of a value or amount equivalent to any stamp duty reserve tax or stamp duty (if any) to be paid in relation to the Cancellation of Units.

The Manager will select the Scheme Property to be transferred in consultation with the Trustee. They must ensure that the selection is made with a view to achieving no more advantage or disadvantage to the Unitholder requesting the Cancellation/redemption than to continuing Unitholders.

Liquidity Management Tools and Process

Liquidity risk includes both market liquidity risk and funding risk. Market liquidity risk is the inability to trade an instrument at the desired price due to a lack of investable assets or market demand. Funding risk is where a Sub-Fund has insufficient cash to meet its financial obligations.

Direct property is relatively illiquid compared to other asset classes such as bonds or equities. A Sub-Fund may not be able to meet redemption requests because of increased market liquidity risk and/or increased funding risk.

Liquidity management is governed by the Manager's Liquidity Management Policy which requires the Manager to monitor liquidity levels within the Trust and the Aegon PAIF and ensure that the Trust has sufficient access to liquidity taking into account its investment objective, liquidity profile and the redemption rights of Unitholders. The Liquidity Management Policy requires the Aegon PAIF to ensure that it has appropriate levels of liquidity on a day-to-day basis (which indirectly provides the Trust with an appropriate level of liquidity), with any unusual trends or areas of high risk being investigated and managed, including appropriate stress testing. The policy describes the tools available for liquidity

management purposes. On at least an annual basis the Manager undertakes a detailed review of the policy.

The relevant liquidity management tools for the Trust and the Aegon PAIF are summarised below.

Liquidity Buffer

The Aegon PAIF aims to maintain a diversified portfolio within its sub-funds as part of ongoing liquidity risk management. In order to manage liquidity risk under normal market conditions each sub-fund of the Aegon PAIF will aim to hold a target level of cash or other liquid assets which can be sold more quickly than direct property to cover redemptions (and, indirectly, redemptions within the Trust).

In normal circumstances, each sub-fund of the Aegon PAIF aims to hold cash and liquid assets in the region of 20% of its net asset value however this target level is used as a guide only and the Aegon PAIF shall in its complete discretion be permitted to depart from such target level (upwards or downwards) where it considers it appropriate to do so. In some circumstances, for example, this level could reach 40% of the net asset value. In considering the target level from time to time, the Aegon PAIF may consider:

- the period over which cash and liquid asset levels are expected to diverge from the target level;
- property commitments made and to be made; capital commitments (including proposed purchases) and proposed sales (but only if unconditionally exchanged);
- average recent subscription levels, adjusted for (i) any downward trend; (ii) anticipated material redemptions; and (iii) confirmed material subscriptions;
- property outlook of real estate market conditions, adjusting assumptions in light of any material negative concerns; and
- knowledge of pipeline subscriptions, adjusting assumptions in light of any material negative concerns.

There is no guarantee that the Aegon PAIF will hold its target allocation to cash and liquid assets, even in normal market conditions. A higher allocation to cash and liquid assets will most likely cause a reduction in potential investment returns, both capital and income. A lower allocation to cash and liquid assets increases the risk that the Aegon PAIF may not be able to cover redemption requests. These risks will indirectly affect the Trust.

Anti-Dilution Mechanisms

The Trust's dual-pricing mechanism is referred to in Section 5 above.

The dual-pricing model operates primarily as an anti-dilution mechanism which protects the interests of investors. This anti-dilution mechanism is designed to reduce the impact of transaction costs generated by incoming and outgoing investors on the liquidity position.

The Manager's ability to adjust pricing for large deals is set out in Section 6 (page 26) above.

The large deal provision operates primarily as an anti-dilution mechanism which protects the interests of investors. This anti-dilution mechanism is designed to reduce the impact of transaction costs generated by incoming and outgoing investors on the liquidity position.

Fair Value Pricing Adjustment

The circumstances in which the Aegon PAIF can make a “fair value pricing” adjustment are described in Section 5 (page 22) above.

Implementation of such adjustment fair value adjustment could ensure that the Aegon PAIF continues dealing in times of extreme market conditions and may prevent the initiation of more extreme liquidity management measures such as suspension, which could indirectly impact the Trust.

The use of the fair value pricing adjustment by the Aegon PAIF would impacts the value of its sub-funds and may do so negatively, therefore reducing the value of the Trust’s investment in the Aegon PAIF.

Rapid Sale Pricing Provision (RSP)

In response to a liquidity concern or event affecting the market, the Aegon PAIF or a particular asset within the Aegon PAIF, the Aegon PAIF may decide that an immovable asset held by it should be sold quickly to meet redemption requests as they fall due. In such circumstances, the Aegon PAIF will aim to complete the sale of an asset in a very short period, with the potential result that the selling price is lower (in some cases significantly lower) than the market value of the asset.

Implementation of a rapid sale could ensure that the Aegon PAIF continues dealing despite the existence of a liquidity event and may prevent the initiation of more extreme measures such as suspension.

In such circumstances, the Aegon PAIF must consult and agree with its standing independent valuer a fair and reasonable price for the relevant immovable asset(s).

In conjunction with the execution of a rapid sale to meet redemptions, the Aegon PAIF may also make a fair value pricing adjustment to the value of the remaining assets.

Where the Aegon PAIF uses the RSP, the value of the relevant sub-fund (and the corresponding Sub-Fund of the Trust) may be reduced accordingly. Therefore the value of the Trust’s investment in the Aegon PAIF will be lowered. There is no guarantee that by agreeing a fair and reasonable price to sell an asset rapidly that this will result in a sale as so intended. The Aegon PAIF, in consultation with its standing independent valuer, will return the asset to a market price as soon as it considers that there is no longer a need for rapid sale pricing to maintain liquidity.

Deferred Redemption

The Manager’s ability to defer redemptions is set out in Section 6 (page 27) above.

In the absence of sufficient levels of cash or other liquid assets within the Aegon PAIF, it is likely that any deferral of redemptions would have to be made on a rolling basis until such time as sufficient levels

of direct property assets can be sold by the Aegon PAIF to meet the relevant level of redemptions. The sale period for immoveable property can vary depending upon many factors such as market conditions, property sector and individual property characteristics, but is generally much longer than the sale period for other asset classes. In these circumstances, the Aegon PAIF might conclude that the use of other liquidity management tools would better serve the interests of shareholders.

Suspension of Dealings in Units

(1) Suspension by Manager or upon instruction of Depositary

In exceptional circumstances, the Manager may, with the agreement of the Trustee, or must if the Trustee so requires, and if there is good reason in the interests of all of the Unitholders, suspend the issue, Cancellation, sale and redemption of Units of any one or more Classes in any or all of the Sub-Funds. Examples of exceptional circumstances include, without limitation, insufficient liquidity within a Sub-Fund to meet redemptions, valuation uncertainty and events giving rise to liquidity concerns such as political events, economic events, corporate actions, pandemics and natural disasters. In many cases, external events would directly impact the Aegon PAIF, which would indirectly impact the position of the Trust.

If the Aegon PAIF suspends the issue, cancellation, sale and/or redemption of its Shares, then the Manager will also suspend dealing in the Units of the Feeder Funds.

(2) Suspension of Aegon PAIF for Material Uncertainty

The Aegon PAIF must suspend dealing within a sub-fund where: (a) its standing independent valuer has expressed material uncertainty in accordance with VPS 3 paragraph 2.2(o) and the guidance at VPGA10, RICS Valuation Global Standards 2017 (The Red Book) (effective from 1 July 2017), about the value of one or more immovables held within the relevant sub-fund and that material uncertainty applies to at least 20% of the sub-fund's net asset value; or (b) the relevant sub-fund invests at least 20% of its net asset value in units of one or more other authorised funds for which dealings in units have been temporarily suspended for the same reason.

Suspension for material uncertainty described above shall be implemented by the Aegon PAIF as soon as possible, and in any event by the end of the second business day after the day on which its standing independent valuer expresses such material uncertainty.

Notwithstanding a declaration of material uncertainty, dealings in shares may continue provided that:

(a) as soon as possible and in any event by the end of the second business day after the day on which its standing independent valuer expresses such material uncertainty, the Aegon PAIF and its depositary agree that dealings should continue;

(b) the Aegon PAIF and its depositary have a reasonable basis for determining that a temporary suspension of dealings would not be in the best interests of its shareholders; and

(c) the Aegon PAIF and its depositary do not rely solely on a fair value price adjustment when making the determination.

Where a decision has been taken by the Aegon PAIF not to suspend dealings during a period of material uncertainty, the Aegon PAIF and its depositary must review such decision at least every 14 days.

If the Aegon PAIF suspends the issue, cancellation, sale and/or redemption of its shares for material uncertainty, then the Manager will also suspend dealing in the Units of the Feeder Funds.

(3) General Suspension Process

At the time of any suspension, the Manager (or the Trustee if it has required the Manager to suspend dealing in Units) must inform the FCA immediately stating the reasons for its actions and, as soon as is practicable, give the FCA written confirmation of the suspension and the reasons for it.

The Manager will notify affected Unitholders of the suspension as soon as practicable after suspension commences.

The Manager must also notify the Depositary stating the reasons for its actions and, prior to the suspension, give the Depositary written confirmation of the proposed suspension and the reasons for it.

During any period of suspension, the obligations relating to the issue, sale, Cancellation and redemption of Units contained in Chapter 6 of COLL will cease to apply and the Manager must comply with as many of the obligations relating to the valuation of assets as is practicable in light of the suspension.

During any period of suspension, the Manager may agree to issue, redeem, Convert or Switch Units at a price calculated by reference to the first Valuation Point after the end of the suspension. Unless rejected by the Manager or cancelled by the investor at or during the suspension, any deals outstanding prior to the suspension shall be undertaken at a price calculated by reference to the first Valuation Point after the suspension. In connection with the suspension, the Manager shall be permitted to reject any deals received by the Manager following the Valuation Point prior to the suspension.

In accordance with Chapter 7 of COLL, a suspension of dealing Units will cease:

(1) as soon as practicable after the exceptional circumstances leading to the suspension have ceased; or

(2) in relation to suspension by the Aegon PAIF for *material uncertainty*, as soon as reasonably practicable after the cessation of its suspension (where (a) the standing independent valuer's *material uncertainty* assessment applies to less than 20% of the relevant sub-fund's net asset value; and (b) the Aegon PAIF's depositary has approved the cessation).

The Manager and the Trustee must formally review the suspension at least every 28 days and must inform the FCA of the results of this review.

The calculation of Unit prices will recommence as at the next Valuation Point following the end of the suspension period.

The use of suspension is expected to be in the best interests of investors. However, the length of a suspension depends on the circumstances leading to it and it may last for a significant period of time. Therefore Unitholders are exposed to the risk that they may not be able to redeem when they so desire. During a suspension, because the issue of new units is not possible, Unitholders that subscribe on a repeated and regular basis, for example monthly subscriptions, will not be able to allocate their capital and increase their holding in a Sub-Fund.

Governing Law

All dealings in Units will be governed by English Law.

Electronic Communications

Transfers of title to Units may be effected on the authority of an electronic communication via the Portal to the extent that the functionality of the Portal supports this.

Client Money

In accordance with the FCA Rules and in appropriate circumstances, for example where Units cannot be allocated to Unitholders following their purchase, or the proceeds of a redemption cannot be remitted to Unitholders following their redemption, money in respect of such Units will be transferred to a client money bank account until such transactions can be completed. Money transferred to a client money bank account will be held in accordance with the FCA Rules. No interest will be paid on money held in these client money bank accounts.

The Manager makes use of an exemption from these rules where money does not have to be transferred into a client money bank account if such money is held in relation to a Delivery versus Payment transaction. Delivery versus Payment (DvP) is a procedure the investment industry uses to settle transactions made by their clients and it permits the Manager to cease to treat money as client money in connection with Delivery versus Payment transactions.

However, use of the exemption is limited in time, and where the Manager receives client money, in connection with a DvP transaction, and the Manager has not, by close of business on the business day following the date of receipt of the money, paid this money to the Depositary, the Manager will cease to make use of the exemption and will hold client money in a client money bank account. Similarly, the proceeds of redemptions (also arising from DvP transactions) will only be protected in a client money account if the proceeds are still held by the Manager by close of business on the day following receipt of such proceeds from the Depositary.

7. Fees and Expenses

The Trustee, the Custodian, the Manager, the Auditor or any other "affected person" are not liable to account to each other or to Unitholders for any profits or benefits made or received which derive from or in connection with dealings in the Units, or any transaction in the Scheme Property or the supply of services to the Trust.

General

The Trust Deed and COLL permit the following expenses to be paid out of the Scheme Property of any one or more of the Sub-Funds:

- (1) Broker's commission, fiscal charges and any other disbursements which are necessarily incurred in effecting transactions for the Trust. This will include expenses incurred in acquiring and disposing of investments including legal fees and expenses, whether or not the acquisition or disposal is carried out.
- (2) Any costs incurred in modifying the Trust Deed or this Prospectus.
- (3) Any costs incurred in respect of meetings of the Unitholders (including meetings of Unitholders in any particular Sub-Fund and/or Class).
- (4) Any costs incurred in establishing and maintaining the Trust's Register of Unitholders and any plan register, if any, and related matters. In this regard a portion of the costs of establishing and maintaining the Trust's Register of Unitholders and associated registration and transfer agency services charged by the Registrar will be deducted from the Scheme Property of each Sub-Fund. These charges will not exceed 0.00375% of the NAV (plus VAT if any), per year.
- (5) Interest on borrowings permitted under the Trust Deed or the Prospectus and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings.
- (6) Taxation and duties payable in respect of the Scheme Property, the Trust Deed, the Prospectus or the creation, Cancellation, sale or redemption of Units.
- (7) The fees of the Auditors and the tax, legal and other professional advisers to the Manager and the Trustee properly payable and any proper expenses of the Auditors, tax, legal and other professional advisers to the Manager and the Trustee.
- (8) The fees of the FCA under Chapter 4 Annex 4R of the FCA's Fees Manual, or any corresponding periodic fee of any regulatory authority in a country or territory outside the United Kingdom in which Units are or may be marketed.

- (9) Any expenses properly incurred by the Trustee in performing duties imposed upon it (or exercising powers conferred on it) by general trust law or by COLL. The relevant duties include (but are not limited to) the delivery of stock to the Trustee or the Custodian, the custody of assets, the collection of income, the submission of tax returns, the handling of tax claims, the preparation of the Trustee's annual report and any other duties the Trustee is required to perform by law.
- (10) Fees in respect of the publication and circulation of details of the prices and yields of Units, and other such information which the Manager is required by law to publish.
- (11) The costs of printing and distributing reports, accounts, the Prospectus, any NURS-KII document (but excluding the costs of distributing any NURS-KII documents), and such other information relating to the Trust, any Sub-Fund and/or any Class from time to time.
- (12) Insurance which the Trust may purchase and/or maintain for the benefit of and against any liability incurred by any directors of the Trust in the performance of their duties.
- (13) Liabilities on amalgamation or reconstruction arising where the property of a body corporate or another collective investment scheme is transferred to the Trustee in consideration for the issue of Units to the Unitholders in that body or to participants in that other scheme, provided that any liability arising after the transfer could have been paid out of that other property had it arisen before the transfer and, in the absence of any express provision in the Trust Deed forbidding such payment, the Manager is of the opinion that proper provision was made for meeting such liabilities as were known or could reasonably have been anticipated at the time of transfer.
- (14) It is not currently proposed to seek a listing for the Units on any stock exchange, but if a listing is sought in future, the fees connected with the listing will be payable by the Trust.
- (15) Any other costs or expenses that may be taken out of the Trust's property in accordance with COLL.

Value added tax will be added to these payments, where applicable.

Expenses will be allocated between capital and income in accordance with COLL. Treating any fees, expenses and charges as a capital charge may erode the capital or may constrain future capital growth.

In the event that any expense, cost, charge or liability which would normally be payable out of income property attributable to a Class cannot be so paid because there is insufficient income property available for that purpose, such expense, cost, charge or liability may be paid out of the capital property attributable to that Class.

The Manager may from time to time, cover (in whole or in part) the fees and expenses incurred in respect of a Sub-Fund and which would otherwise properly be payable out of the Scheme Property of that Sub-Fund. This will not in any way obligate the Manager to meet such fees and expenses on an on-going basis.

As each Feeder Fund is dedicated to investment in the Aegon PAIF and the prices of Units are derived from the price of Shares in the Aegon PAIF, it is currently intended that the only charge payable in the Feeder Funds will be the initial and periodic charges payable to the Manager (as detailed below). As at the date of this Prospectus all other charges and expenses (with the exception of the registration and transfer agency fees referred to above) relating to the Feeder Funds will be borne by Aegon Asset Management UK plc. The Manager shall keep this under review. The Manager is in no way obligated to continue to meet the other charges and expenses relating to the Feeder Funds on an on-going basis and may decide, at a future date, that it is no longer appropriate to do so. Any changes will be determined in accordance with COLL.

Charges payable to the Manager

The Manager is permitted, in terms of the Trust Deed, to be paid an annual fee out of the Scheme Property of each Sub-Fund daily.

The current annual fee expressed as a percentage of the value of the Scheme Property attributed to each Class in each Sub-Fund is set out in Appendix D.

The current annual fee to the Manager for a Class may be increased for that Class 60 days after:-

- (i) the Manager has given notice in writing to all the Unitholders of that Class; and
- (ii) the Manager has published and revised the Prospectus showing the rate of charge, and its commencement date.

The Manager is also entitled to be paid out of the Scheme Property all reasonable, properly vouched, out-of-pocket expenses incurred in the performance of its duties including set-up costs of the Trust, stamp duty and stamp duty reserve tax (if any) on transactions in Units.

The Manager may enter into side letters with certain Unitholders whereby the Manager agrees to pay a rebate which has the effect of reducing the fee rate payable to the Manager in respect of that Unitholder's investment in a Sub-Fund. The fact that the Manager has agreed to pay such a rebate to one Unitholder shall not automatically entitle other Unitholders to receive such a rebate.

Trustee's Fee

The Trustee is entitled under the Trust Deed to receive for its own account a periodic fee out of the Scheme Property of each Sub-Fund.

The current rate of the Trustee's periodic fee is £4,000 per annum (subject to such discounted rate as may be agreed between the Trustee and Manager from time to time).

The rate can be varied from time to time in accordance with COLL.

In addition to the periodic fee referred to above, the Trustee shall also be entitled to be paid transaction and custody charges in relation to transaction handling and safekeeping of the Scheme Property of each Sub-Fund as follows:

Item	Range
Transaction Charges	£3.50 to £100
Custody Charges	0.0025% to 0.45%

These charges vary from country to country depending on the markets and the type of transaction involved. Transaction charges accrue at the time the transactions are effected and are payable as soon as is reasonably practicable, and in any event not later than the last business day of the month when such charges arose or as otherwise agreed between the Trustee and the Manager. Custody charges accrue and are payable as agreed from time to time by the Manager and the Trustee.

Where relevant, the Trustee may make a charge for its services in relation to: distributions, the provision of banking services, holding money on deposit, lending money, or engaging in stock lending transactions and may purchase or sell or deal in the purchase or sale of Scheme Property, provided always that the services concerned and any such dealing are in accordance with the provisions of COLL.

The Trustee will also be entitled to payment and reimbursement of all costs, liabilities and expenses properly incurred in the performance of, or arranging the performance of, functions conferred on it by the Depositary Agreement, AIFMD, Trust Deed, COLL or by the general law.

On a winding up of the Trust the Trustee will be entitled to its *pro rata* fees, charges and expenses to the date of winding up or the redemption (as appropriate) and any additional expenses necessarily realised in settling or receiving any outstanding obligations.

Any value added tax on any fees, charges or expenses payable to the Trustee will be added to such fees, charges or expenses.

In each such case such payments, expenses and disbursements may be payable to any person (including the Manager or any associate or nominee of the Trustee or of the Manager) who has had the relevant duty delegated to it pursuant to COLL by the Trustee.

The Trustee and the Manager have agreed that the Manager will meet the Trustee's periodic fee, the custody and transaction charges and any other costs and expenses properly incurred by (or on behalf of) the Trustee in performing its duties in respect of the Feeder Funds. This does not obligate the Manager to meet such fees, charges, costs and expenses on an on-going basis and the Manager and the Trustee shall keep this under review.

Introduction or increase of remuneration of Trustee or Custodian

Remuneration payable out of the Scheme Property to the Trustee or Custodian can only be introduced or increased in accordance with COLL.

8. Accounting and Income

Accounting Periods

The annual accounting period of the Trust ends on 31 March (the "**accounting reference date**") in each year. The half-yearly accounting period ends on 30 September in each year.

Annual Reports

The annual reports of the Trust will normally be published by 31 July and half-yearly reports will be published by 30 November each year. Copies of the annual and half-yearly reports are available free of charge on request from the Manager and on its website at www.aegonam.com. The annual report of the Trust will also include certain disclosures of information, such as the current risk profile, any changes to the maximum level of leverage and any new arrangements for managing liquidity in relation to the Trust, which the Manager is required to provide to holders on a periodic basis under FUND 3.2.5 R and 3.2.6 R.

Income

Allocations of income are made in respect of the income available for allocation in each accounting period (whether annual or interim). The annual and interim income allocation dates, if any, for each Sub-Fund are given in Appendix D. Allocations of income for each Sub-Fund will be made on or before the relevant income allocation due date in respect of the income available for allocation in each accounting period (whether annual or interim).

Income is paid by direct credit to each Unitholder's bank or building society account to the first named Unitholder when the distribution is paid.

The amount available for distribution or accumulation in any accounting period is calculated by taking the proportion of the aggregate of the income received or receivable for the account of the relevant Sub-Fund in respect of that period attributable to the relevant Class and deducting the charges and expenses of the relevant Class paid or payable out of income in respect of that accounting period. The Manager then makes such other adjustment as it considers appropriate (and after consulting with the auditors as appropriate) in relation to:

- taxation;
- income equalisation;
- income unlikely to be received within twelve months following the relevant income allocation date;
- income which should not be accounted for on an accruals basis because of lack of information as to how it accrues;
- transfers between the income and capital account;
- the Manager's best estimate of the tax reliefs on charges and expenses; and

- any such other adjustments (including those for authorisation) which the Manager considers appropriate.

Income earned in an interim accounting period need not be distributed immediately and may instead be retained and used to ensure that distributions paid throughout the year are broadly similar. Any residual income will be distributed at the Sub-Fund's annual income allocation date. This policy is known as **smoothing**".

Any distribution payment of a Sub-Fund which remains unclaimed after a period of six years from the date of payment, will be forfeited and will be transferred to and become part of that Sub-Fund's capital property. Thereafter, neither the Unitholder nor any successor will have any rights to it except as part of the capital property.

Income Equalisation

The Trust will operate grouping for equalisation.

Each Class of each Sub-Fund will operate its own equalisation account.

Units purchased during a distribution period are called Group 2 Units.

Units purchased during any previous distribution period are called Group 1 Units.

Group 2 Units contain in their purchase price an amount called equalisation which represents a proportion of the net income of the Sub-Fund that has accrued up to the date of purchase. The amount of equalisation is averaged across all the Unitholders of Group 2 Units and is refunded to them as part of their first distribution and is treated as a return of capital for tax purposes. Being capital it is not liable to income tax but must be deducted from the cost of Units for capital gains tax purposes.

9. UK Taxation

Please note that the tax treatment of investors depends on their individual circumstances and may be subject to change in the future. The information given under this heading does not constitute legal or tax advice and prospective investors should consult their own professional advisers as to the implications of subscribing for, purchasing, holding, Converting or disposing of Units or Switching (including effecting a Switch into Shares of the Aegon PAIF) under the laws of the jurisdiction in which they are resident for tax purposes.

The Trust

General

Each Sub-Fund will be treated as if it were a separate unit trust scheme for UK tax purposes.

As the Trust is an authorised unit trust scheme, the Trustee, on account of the Trust is exempt from United Kingdom tax on capital gains or losses realised on the disposal of investments within it.

The Trustee, for the account of the Trust, is liable to Corporation Tax on the Trust's taxable income net of management expenses as if it were a company resident in the United Kingdom but at a rate of tax equal to the basic rate of income tax (currently 20%).

Dividends received by the Trust from a UK or overseas company are generally exempt from UK Corporation Tax. Other sources of income, for example bank deposit interest are, however, liable to Corporation Tax.

Income and gains received by the Trust in respect of investments located outside the UK may be subject to overseas withholding taxes. Where overseas tax has been suffered in respect of income and gains it may be possible for the Trust to offset such tax against UK Corporation Tax liabilities as double tax relief.

If the Trust invests primarily in cash, gilts, corporate bonds and similar assets, rather than equities, it may pay interest distributions. The gross interest distribution is relievable as an expense against income of the Trust to the extent that the interest distribution is derived from income subject to corporation tax.

Where the Trust holds an investment in any other UK or offshore fund that during the Trust's accounting period is invested directly or indirectly (through similar funds or derivatives) primarily in cash, gilts, corporate bonds and similar assets any amounts accounted for as income will be taxed as income of the Trust for the period concerned. In addition any dividends paid by such funds will be taxed as interest income.

Where a Trust holds an interest in an offshore fund that has not been certified by HM Revenue & Customs as a reporting fund, the Trust will not be exempt from tax on gains realised on disposal of the interest in the offshore fund.

Specific Provisions as they apply to the Feeder Funds

Each Feeder Fund will receive income (or will be deemed to do so in the case of the Aegon Property Income Feeder (Accumulation) Fund) from the Aegon PAIF. Depending on the nature of the income generated by the Aegon PAIF, this income will be streamed into three parts for UK tax purposes:

- Property income distributions will be received gross;
- PAIF dividend distributions will be exempt from corporation tax;
- PAIF interest distributions will be received gross.

All distributable income will be paid to Unitholders as dividend distributions (or deemed to be so paid in the case of the Aegon Property Income Feeder (Accumulation) Fund).

As indicated in the "General" section above, any disposals by or on behalf of the Feeder Funds of holdings in the Aegon PAIF are exempt from capital gains tax.

Unitholders

Income

Allocations of income to Unitholders are treated as taxable distributions regardless of whether the income is retained within the Sub-fund or actually paid to Unitholders.

Income – dividend distributions

Any dividend distribution made by a Sub-fund will be treated as if it were a dividend from a UK company. No deduction of UK income tax is made from a dividend distribution.

All UK resident individual Shareholders have a tax-free Dividend Allowance. The allowance is available to anyone who has dividend income. From 6 April 2018, the Dividend Allowance provides a 0% tax rate on the first £2,000 of dividend income per year (2016/2017 and 2017/18 tax years: £5,000 Dividend Allowance per year). UK residents will pay tax on dividends received over this allowance. Where additional tax is payable it is the individual's responsibility to report this to HMRC.

Tax is paid on dividend income received over the £2,000, at the following rates:

8.75% on dividend income within the basic rate band

33.75% on dividend income within the higher rate band

39.35% on dividend income within the additional rate band

A UK resident corporate Unitholder receiving a dividend distribution (or deemed to receive a dividend distribution for example in respect of accumulated income) after deducting any equalisation payment in respect of Units in any Sub-fund, is treated as receiving a payment which may consist of two parts, one part being the "**unfranked part**" (which may be further split into a foreign and non-foreign element) and the other the "**franked part**".

The extent to which the receipt is treated as unfranked will in broad terms depend on the proportion of the total income of the Sub-fund (brought into account when determining the distribution for the period in question) which is subject to corporation tax. The unfranked part of a dividend distribution is treated as an annual payment from which income tax at a rate equal to the basic rate of income tax is deemed to have been deducted.

A repayment of income tax on the unfranked part may be available to a Unitholder subject to anti-avoidance provisions.

Non-UK resident Unitholders may be entitled to a refund from HM Revenue & Customs of the tax credit (or a proportion of it) in respect of dividend distributions, depending on their personal circumstances and the terms of any double taxation agreement which exists between their country of residence and the UK.

Capital Gains

Unitholders who are resident in the UK for tax purposes may be liable to capital gains tax or, where the Unitholder is a company, corporation tax in respect of gains arising from the sale, exchange or other disposal of Shares. See Part 6 above for further information in respect of Switches and Conversions.

Capital gains made by individual Shareholders on disposals from all chargeable sources of investment will be tax free if the net gain (after deduction of allowable losses) falls within an individual's annual exempt amount. For the tax year 2022/2023, the first £12,300 of an individual's net chargeable gains is exempt from capital gains tax (2021/2022: £12,000); gains in excess of this amount are taxed at 10% if the individual's total chargeable gains do not exceed the upper limit of the income tax basic rate band and at 20% if the total exceeds that limit.

Shareholders chargeable to UK corporation tax must include all chargeable gains realised on the disposal of Shares in their taxable profits. The amount chargeable may be reduced by an indexation allowance. For disposals of assets on or after 1 January 2018, indexation allowance will be calculated using the Retail Price Index or factor for December 2017, irrespective of the date of disposal of the asset.

UK companies within the charge to UK corporation tax may be liable to corporation tax in respect of chargeable gains arising from the disposal of Units. The amount chargeable may be reduced by an indexation allowance.

Part of any increase in value of accumulation Units represents the accumulation of income (including income equalisation but excluding tax credit). These amounts may be added to the acquisition cost when calculating the capital gain realised on their disposal.

Non Resident Capital Gains Tax

From April 2019 non-UK residents will be subject to UK tax on gains arising from direct or indirect disposals of all types of UK land and interests in UK property rich entities.

Unless an exemption applies, a non-resident investor will be subject to UK tax on gains arising from disposals made on or after 6 April 2019 of:

- Interests in UK land; and
- Interests in entities deriving at least 75% of their value from UK land (i.e. 'UK property rich' entities) where the investor has a 25% or more interest in the property rich entity.
- The 25% de minimis will not be applicable in the case of interests in UK property rich collective investment vehicles (CIVs).

Where an investor makes a chargeable disposal, they must report this disposal and make a payment on account of the capital gains tax due within 30 days.

10. Meetings of Unitholders, Voting Rights and Service of Notices

In this section "relevant Unitholder" in relation to a general meeting of Unitholders means a person who is a Unitholder on the date seven days before the notice of that general meeting is sent out but excludes any person who is known to the Manager not to be a Unitholder at the time of the general meeting.

Service of Notice to Unitholders

Notices of the Meetings and Adjourned Meetings as well as any other notices required to be sent to Unitholders, will be sent to the Unitholders via the Portal or via e-mail as appropriate. The Manager reserves the right at its discretion to send any notice to Unitholders at their registered address. Unitholders as at 31 July 2023 who do not have access to the Portal will be sent notices at their registered address.

Convening and Requisition of Meetings

The Manager and the Trustee may convene a general meeting at any time. Unitholders may also requisition a general meeting of the Trust. A requisition by Unitholders must state the objects of the meeting, be dated, be signed by Unitholders not representing less than one tenth in value of all Units of the Trust then in issue and the requisition must be deposited with the Trustee. The Manager must convene a general meeting no later than eight weeks after receipt of such requisition.

Notice and Quorum

Unitholders will receive at least 14 days' notice of a Unitholders' meeting (other than an adjourned meeting when a shorter period of notice is permitted) and are entitled to be counted in the quorum and vote at such meeting either in person or by proxy. The quorum for a meeting is two Unitholders, present in person or by proxy or, in the case of a corporation, by a duly authorised representative. The quorum for an adjourned Meeting is one Unitholder present in person or by proxy or, in the case of a corporation, by a duly authorised representative.

When a meeting is proposed for the Aegon PAIF, Unitholders will, to the extent that the proposals to be put to the meeting will impact on them, be consulted by the Manager to help to inform the Trustee on how it shall, at its discretion, exercise any right to vote. Please note, however, that this will not entitle Unitholders to a right to attend the meeting of the Aegon PAIF.

Voting Rights

At a meeting of Unitholders, on a show of hands every Unitholder who (being an individual) is present in person or (being a corporation) is present by its representative properly authorised in that regard, has one vote.

On a poll vote, a Unitholder may vote either in person or by proxy. The voting rights attaching to each Unit are such proportion of the voting rights attached to all Units in issue as the price of the Unit bears to the aggregate price(s) of all the Units in issue at a cut-off date selected by the Manager which is a reasonable time before the notice of meeting is sent out.

A Unitholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

Except where COLL requires an extraordinary resolution (which needs 75% of the votes cast at the meeting to be in favour if the resolution is to be passed) any resolution required by COLL will be passed by a simple majority of the votes validly cast for and against the resolution. The Manager may

not be counted in the quorum for a meeting and neither the Manager nor any associate (as defined in COLL) of the Manager is entitled to vote at any meeting of the Trust except in respect of Units which the Manager or an associate holds on behalf of or jointly with a person who, if the Registered Unitholder, would be entitled to vote and from whom the Manager or associate has received voting instructions.

Class Meetings and Sub-Fund Meetings

The above provisions, unless the context otherwise requires, apply to Sub-Fund meetings and Class meetings as they apply to general meetings of Unitholders but by reference to Units of the Sub-Fund or Class concerned and the Unitholders and prices of such Units.

Variation of Class Rights

The rights attached to a Class may only be varied in accordance with COLL.

Notifying Unitholders of Changes

Where the Manager proposes to make a change to the operation of the Trust this will be classified as either a fundamental, significant or notifiable change as described below:-

- A. A fundamental change is one where the Manager must, by way of an extraordinary resolution, obtain prior approval from Unitholders for the proposed change. A fundamental change is a change or event which:-
 - (i) changes the purpose or nature of the Sub-Fund; or
 - (ii) may materially prejudice a Unitholder; or
 - (iii) alter the risk profile of the Sub-Fund; or
 - (iv) introduces a new type of payment out of the Scheme Property.
- B. A significant change is one where the Manager must give a minimum of 60 days' prior written notice of the proposed change to Unitholders. A significant change or event is one which is not fundamental, as described above, but which:-
 - (i) affects a Unitholder's ability to exercise his rights in relation to his investment; or
 - (ii) would reasonably be expected to cause the Unitholder to reconsider his participation in the Sub-Fund; or
 - (iii) results in any increased payments out of the Scheme Property to an authorised fund manager or any director of an ICVC or an associate of either; or
 - (iv) materially increases other types of payment out of the Scheme Property.
- B. A notifiable change is one where the Manager must inform Unitholders in an appropriate manner and timescale of any changes that are reasonably likely to affect, or have affected, the operation of the Sub-Fund. A notifiable change is one other

than a fundamental or significant change, as described above, which a Unitholder must be made aware of unless the Manager concludes that the change is insignificant.

11. Winding Up of the Trust and Terminating a Sub-Fund

Where the Trust is to be wound up or a Sub-Fund terminated under COLL, such winding up or termination may only be commenced following approval by the FCA.

Subject to the foregoing, the Trust may be wound-up or a Sub-Fund terminated under COLL if:

- a. an extraordinary resolution to that effect is passed by Unitholders; or
- b. the period (if any) fixed for the duration of the Trust by the Trust Deed expires, or the event (if any) occurs on the occurrence of which the Trust Deed provides that the Trust (or the Sub-Fund) is to be wound up, or if a change in the laws or regulations of any country means that, in the Manager's opinion, it is desirable to terminate the Trust or wind-up the Sub-Fund); or
- c. on the date of effect stated in any agreement by the FCA to a request by the Manager for the revocation of the authorisation order in respect of the Trust.

On the occurrence of any of the above:

- a. Parts 5, 6.2 and 6.3 of COLL relating to investment and borrowing, dealing and pricing will cease to apply to the Trust or to the Sub-Fund (as the case may be);
- b. The Trustee will cease to Issue and Cancel Units in the Trust or in the Sub-Fund (as the case may be) and the Manager shall cease to sell or redeem Units or to arrange for the Trust to issue or cancel them for the Trust;
- c. No transfer of a Unit shall be registered and no other change to the Register shall be made without the sanction of the Manager.

The Trustee shall, as soon as practicable after the Trust falls to be wound up or a Sub-Fund terminated, realise the assets and liabilities of the Trust or the Sub-Fund and, after paying out or retaining adequate provision for all liabilities properly payable and retaining provision for the costs of winding up or of termination, provided that there are sufficient liquid funds available, distribute the net proceeds to Unitholders proportionately to their rights to participate in the Scheme Property of the Trust or the Sub-Fund. In the case of a winding up any unclaimed net proceeds or other cash held by the Trustee after the expiration of 12 months from the date on which such proceeds became payable will be paid by the Trustee as the court may direct (subject to the Trustee having the right to retain from the proceeds any expenses properly incurred by it).

As soon as is reasonably practicable after the completion of the winding up of the Trust or the termination of a Sub-Fund, the Trustee must notify the FCA of that fact.

Following the completion of a winding up of the Trust or a termination of a Sub-Fund, the Manager must prepare a final account showing how the winding up or termination took place and how the Scheme Property was distributed. The Auditors shall make a report in respect of the final account stating their opinion as to whether the final account has been properly prepared. This final account and the Auditors' report must be sent to the FCA and to each Unitholder within four months of the termination.

12. Risk Factors

Potential investors should consider the following risk factors before investing in the Trust.

General

The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original investment invested in the Trust. There is no assurance that the investment objective of the Trust will actually be achieved and no warranty or representation is given to this effect.

Past performance is not a guide to future performance. It can in no way provide a guarantee of returns that Unitholders may receive in future.

The profile of a typical investor for whom each Sub-Fund is designed is detailed in Appendix D.

Use of benchmark indices as a performance comparator, target or constraint

The Manager may nominate a benchmark index for each Sub-fund as a way for investors to compare performance of the relevant Sub-funds; or may include within the investment objective or policy of a Sub-fund a benchmark which is used as a performance target or as a constraint on the portfolio. Benchmarks used for these purposes will be set out in Appendix D.

Such benchmarks are not intended to be a guarantee of the performance of the relevant Sub-fund and the performance of any such Sub-fund may not be the same as the comparator or in line with the target. The Manager keeps the benchmark indices used under review and may change the benchmarks as required in line with the FCA Handbook.

Tax Risks

Tax regulations and concessions are not guaranteed and can change at any time.

The levels, bases and reliefs from taxation can change. Any rates of tax to which this Prospectus refers are those which are currently available.

Leverage

The Trust may employ leverage that will magnify gains and losses and result in greater volatility in the value of Scheme Property as a result of market movements.

Specific Risks of the Feeder Funds

Each Feeder Fund is intended to invest solely in the Aegon PAIF and there is therefore an enhanced diversification risk. If the value of Shares in the Aegon PAIF falls then this will have an adverse effect on the value of Units in the Feeder Funds.

Limited Redemption Arrangements

Holders of Class Q Units (where these are in issue) are subject to a notice period of 90 days. The value of holders' Units may have fallen in the period in which they submitted their redemption request which once submitted may not, without express agreement from the Manager, be cancelled or withdrawn.

Redemptions in Sterling Class Q Units (where these are available) are subject to a 90 day notice period to protect the interests of other Unitholders. Any such redemption will receive the price calculated at the Valuation Point on the day of the redemption, not the price calculated at the Valuation Point following receipt of the redemption instruction. The proceeds of any such redemption will be subject to the Manager's usual requirements.

Specific Risks associated with the Aegon PAIF

Investors are advised to read the prospectus of the Aegon PAIF for full details of the risk factors of the Aegon PAIF.

Property investment is a specialist sector. Investors are advised to contact a financial adviser if they have any doubts about the suitability of the Feeder Funds and/or the Aegon PAIF.

The Aegon PAIF will be invested significantly in real estate which is a fundamentally illiquid asset class. The liquidity of an asset reflects the time it takes to convert that asset into cash and illiquid assets take the longest time to convert. Due to the non-homogenous nature of most real estate assets, the complexities of the sale process and the length of time required to market and agree sales of real estate, the time that it can take to liquidate a real estate asset can be significant, possibly lasting years. This may lead to constraints for the Trust when redeeming shares in the Aegon PAIF, which would in turn lead to constraints for redemptions within the Trust. Furthermore, if a property cannot be liquidated in a timely manner then it may be harder to attain a reasonable price, affecting the overall price of shares in the Aegon PAIF and, indirectly the price of Units.

The Trust and the Aegon PAIF are operated in such a way that subscriptions into and out of sub-fund are accepted on a daily basis. Where redemption requests in either the Trust or the Aegon PAIF outweigh subscriptions, it is likely that the Aegon PAIF will have to sell real estate assets to fund the redemption requests.

Investors can expect their holdings to be liquidated and returned to them in cash three days after such a request is accepted by the Manager but the real estate in the Aegon PAIF will always take longer to liquidate. Over time, and this period can be very short (days or weeks) or very long (months or years), depending upon rate and volume of redemption requests, available cash within the Trust and Aegon

PAIF can deplete which gives rise to a risk that the Aegon PAIF is unable to liquidate sufficient real estate to generate sufficient cash to fund the requested redemptions.

A large percentage of the Aegon PAIF's assets may not be considered as liquid which could present difficulties in circumstances where there are large volumes of daily redemptions in either the Trust or Aegon PAIF.

It is important to note that liquidity risks may be exacerbated in times of market stress, political uncertainty and negative sentiment towards real estate as an asset class. This can increase the time it takes to sell real estate or, where the market value of real estate falls, cause the Aegon PAIF to have to sell more real estate. It is also possible that investors may seek to liquidate their holdings at greater pace and volume in these circumstances which further increases liquidity risk.

In these circumstances the Manager and the Aegon PAIF will seek to manage the need to liquidate assets and meet redemptions through the use of a liquidity risk management toolkit. The toolkit is described in Section 6 above and Unitholders are recommended to read this to understand the implications of the Manager's and Aegon PAIF's use of the various tools in the toolkit. Use of the tools creates a range of consequences for Unitholders such as causing the value of a Sub-Fund to decrease or potentially, in exceptional circumstances, significant delay in returning cash to an investor following a redemption request. In all circumstances the Manager and Aegon PAIF will use the toolkit in a manner which is in the best interests of investors.

The Aegon PAIF may also from time to time invest in residential type properties which can give rise to additional risks associated with the residential nature of the property for example such as reputational and logistical risks. It is a specialist sector which could be volatile in adverse market conditions.

The Aegon PAIF may also from time to time acquire property to develop. There are inherent risks associated with development property, including the risk of insolvency of a contractor or sub-contractor and failure to obtain all necessary consents.

The supply of new property investment opportunities may be limited from time to time. There is therefore the risk that the proportion of scheme property which is invested from time to time in immovable property falls. This could constrain growth and impact the performance of the Aegon PAIF.

Property values can be significantly affected by factors such as the level of interest rates, economic growth, market conditions and sentiment, rates of tenant default and applicable building, environmental, geological issues and planning rules. Property values may also be affected by other "Acts of God", instances of terrorist, malicious damage or the risk that counterparties fail to fulfil their obligations.

While the authorised corporate director of the Aegon PAIF has taken out insurance in respect of the immovable property held within the Aegon PAIF, there is no guarantee that the insurance will be payable in any given circumstance in full or at all. Where insurance policies are not available to meet any liability in full or in part, outstanding liabilities will be met out of the Scheme Property of the Aegon PAIF.

In the initial phase from launch of the Aegon PAIF, the Aegon PAIF is likely to hold few immovable properties. Equally, there is a risk that diversification may be compromised if the size of the Aegon PAIF falls significantly as the Aegon PAIF may hold fewer assets.

Property valuation is a matter of judgement by an independent valuer. Therefore, it is generally a matter of a valuer's opinion rather than fact. There is no assurance that the valuations will reflect the actual sales price when a sale of the property does occur.

Although it is generally anticipated that rental growth will take place, this is not guaranteed. Normally liquid investments may be subject to periods of significant lower liquidity in difficult market conditions. As a result, changes in the value of investments may be more unpredictable and, in certain cases, it may be difficult to deal in an investment at the last market price quoted or at a value considered to be fair.

It may not always be possible to invest in the Aegon Property Income Fund as the issue of Shares may be limited in certain circumstances.

The bid-offer price spread is likely to be materially wider for the Aegon Property Income Fund than for other less specialist funds and may vary. The authorised corporate director reserves the right to change from bid basis to offer basis or vice versa and such changes to the Company's pricing basis will lead to an increase or decrease in what investors will pay or receive when buying or selling Shares. The overall impact of these changes should, however be less for long term investors and may be either positive or negative.

The Aegon PAIF may also invest from time to time in unlisted securities and other collective investment schemes (including unregulated collective investment schemes). These can from time to time be more illiquid than quoted securities and can be of higher risk. In addition, there are additional costs associated with investing in other collective investment schemes.

Other Risks

Effect of Charges

Investors should note that there are costs and charges in investing in the Sub-Funds, which could impact on the overall investment return. Therefore, the Units should be viewed as a long term investment.

Suspension of Dealings in Units

Investors are reminded that in certain circumstances their right to redeem Units may be suspended (see "Suspension of Dealings in Units" in Part 6).

Restriction on activities due to embargo etc.

From time to time, the Trust's activities, or the activities of the Aegon PAIF in which the Feeder Funds invest, may be restricted due to governmental and/or regulatory restrictions. As a result, there may be

periods, for example, during which the Manager or the Aegon PAIF may be restricted from engaging in certain transactions.

Inflation Risk

Inflation erodes the real value of investments and changes in the anticipated rate of inflation could lead to capital losses in the Trust's investments.

Market Timing

The Trust may be subject to market timing activities which may include frequent purchases and sales of Units with a view to profiting from anticipated changes in market prices between Valuation Points (often stemming from quantitative analysis) or arbitraging on the basis of market price changes subsequent to those are used in the Trust's valuation. Such market timing activities are disruptive to fund management, may lead to additional dealing charges which cause losses/dilution to the Trust and may be detrimental to performance and to the interests of long term Unitholders. Whilst the Manager will seek to detect and deter market timing activity, it may be unable to detect such activity if it occurs within deals in a nominee or other omnibus account.

Manager Risk

There is a risk that the Sub-Funds will not achieve their performance objectives or not produce returns that compare favourably against peers.

Segregation of Liability

In terms of the Trust Deed, each Sub-Fund is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against, that Sub-Fund (this is often referred to as "segregated liability"). Unitholders should, however, be aware that where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not known whether a foreign court would give effect to the segregated liability provisions. Therefore, it is not possible to be certain that the assets of a Sub-Fund will always be completely insulated from the liabilities of another Sub-Fund in every circumstance.

13. General Information

Risk Management Information

The Manager must establish, implement and maintain an adequate and documented risk management process for identifying the relevant risks to which the Trust is or might be exposed. This risk management policy sets out, amongst other things, procedures to enable the Manager to assess the exposure of the Sub-Funds to market, liquidity and counterparty risks, as well as exposure of the Sub-Funds to other relevant risks.

Order Execution Information

The Manager must act in the best interests of the Trust when executing decisions to deal on behalf of the Trust. The Manager's Order Execution Policy sets out (i) the systems and controls that have been put in place and (ii) the basis upon which the Manager will effect transactions and place orders in relation to the Trust whilst complying with its obligations under the FCA Handbook to obtain the best possible result for the Trust. Details of the Order Execution Policy are available from the Manager on request. If you have any questions regarding the policy please contact the Manager or your professional adviser.

Research

Any third party research received in connection with the services that the Manager provides to the Trust will be paid for by the Manager out of its fees and will not be charged to the Trust.

Inducements and Commission

When executing orders, or placing orders with other entities for execution, that relate to financial instruments for, or on behalf of, the Trust, the Manager will not accept and retain any fees, commissions or monetary benefits; or accept any non-monetary benefits, where these are paid or provided by any third party or a person acting on behalf of a third party.

The Manager will return to the Trust as soon as reasonably possible after receipt any fees, commissions or any monetary benefits paid or provided by any third party or a person acting on behalf of a third party in relation to the services provided to the Trust, and disclose in the annual report the fees, commissions or any monetary benefits transferred to them.

However, the Manager may accept without disclosure minor non-monetary benefits that are capable of enhancing the quality of service provided to the Trust; and of a scale and nature such that they could not be judged to impair their compliance with its duty to act honestly, fairly and professionally in the best interests of the Trust.

Voting Rights Strategy

In accordance with the Regulations, the Manager must develop strategies for determining when and how voting rights of assets held within the Scheme Property are to be exercised ("**Voting Rights Strategy**"). A summary copy of the Manager's Voting Rights Strategy document, together with details of the actions which the Manager has taken on the basis of those strategies are available, free of charge, from the Manager at 3 Lochside Crescent, Edinburgh EH12 9SA.

Fair Treatment of Investors

As a company authorised and regulated by the Financial Conduct Authority, the Manager must ensure that it pays due regard to the interests of its customers and treats them fairly. Breaching this principle

would make the Manager liable to disciplinary sanctions by the Financial Conduct Authority. Accordingly, the Manager has policies and procedures in place to ensure the fair treatment of investors.

The Manager may, from time to time, give preferential treatment to a particular Unitholder or class of Unitholders such as the right to obtain more detailed information on the performance of the Trust than is ordinarily made available to Unitholders. The Manager does not give preferential treatment or the right to obtain preferential treatment to any Unitholder that creates an overall material disadvantage to other Unitholders.

Box Management

In order that the Manager may deal in Units as principal it may at its discretion hold Units in the Sub-funds in order to achieve this. This is commonly known as the Manager's "**box**". The Manager's policy is that it may at its discretion hold Units in relevant Sub-funds for the purposes of issuing Units in order to meet outstanding orders from investors and not to generate a profit for its own account, although such profits may result incidentally. The size of the box maintained in each Sub-fund will be dependent on whether the Sub-fund is considered to be expanding or contracting.

Documents Available for Inspection

Copies of the Trust Deed, the Prospectus and the annual and half-yearly reports are kept and may be inspected at and obtained from the Manager at 3 Lochside Crescent, Edinburgh EH12 9SA.

Jurisdiction, Recognition and Enforcement of Judgments

The investment by Unitholders in the Trust is governed by the law of England.

Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (the "**Brussels Regulation**") sets out a system for the allocation of jurisdiction and for the reciprocal enforcement of judgments between Member States of the European Union. Subject to the Brussels Regulation and the circumstances of a particular claim, Unitholders residing outside of the UK may be able to bring a claim before their local court and have that judgment enforced in the UK.

Complaints

Anyone wishing to make a complaint about the operation of the Trust should contact the Manager, via the Portal or by post using the contact details located on the Manager's web-site at www.aegonam.com or as separately provided. If the response received from the Manager is not satisfactory referrals may be made by eligible complainants to the Financial Ombudsman Service, Exchange Tower, London, E14 9SR or online via www.financial-ombudsman.org.uk. Making a complaint will not prejudice your rights to commence legal proceedings.

Further information regarding any compensation scheme or any other investor-compensation scheme of which the Manager or the Trust is a member (including, if relevant, membership through a branch) or any alternative arrangement provided, are also available on request .

Telephone and Electronic Communications Recording

Please note that the Manager may record telephone calls and electronic communications for training and monitoring purposes and to confirm investors' instructions. Recordings will be provided on request for a period of at least five years from the date of such recording, or, where requested by a competent regulatory authority, for a period of seven years, where we can identify the call or communication. If you ask us to send you a recording of a particular call or communication, we may ask for further information to help us identify the exact call or communication to which your request relates.

Appendix A Eligible Markets

A list of the eligible securities markets and eligible derivatives markets for each Sub-Fund is set out below. The lists can be changed from time to time in accordance with COLL.

Feeder Funds

As the Feeder Funds are dedicated to investment in the Aegon PAIF there are no eligible securities or eligible derivatives markets.

Appendix B

Investment and Borrowing Powers of the Trust

The Scheme Property of each Sub-Fund will be invested with the aim of achieving the investment objective of that Sub-Fund but subject always to the limits of investment set out in COLL 5.6 as they apply to the Trust and the Trust Deed, as applicable.

INVESTMENT AND BORROWING POWERS AS THEY APPLY TO THE FEEDER FUNDS

The Feeder Funds are dedicated to investment in the Aegon PAIF. Accordingly, they have only taken limited investment and borrowing powers, as follows:

Units in Collective Investment Schemes

Each Feeder Fund will be invested solely in Shares of the Aegon PAIF. This is in accordance with COLL 5.6.7 for so long as the Aegon PAIF satisfies the following:

- (1)
 - a. satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive; or
 - b. is a non-UCITS retail scheme; or
 - c. is recognised under the provisions of section 270 of the Act; or
 - d. is constituted outside the UK and the investment and borrowing powers of which are the same or more restrictive than those of a non-UCITS retail scheme; or
 - e. is a scheme not falling within (a) to (d) and in respect of which no more than 20% in value of the scheme property (including any transferable securities which are not approved securities) is invested;
- (2) operates on the principle of the prudent spread of risk;
- (3) is prohibited from having more than 15% in value of the property of its scheme property consisting of units in collective investment schemes; and
- (4) the participants must be entitled to have their units redeemed in accordance with the scheme at a price
 - a. related to the net value of the property to which the units relate and
 - b. determined in accordance with the scheme.

Where the other scheme is an umbrella, the provisions of (2) to (4) above apply to each sub-fund as if it were a separate scheme.

In accordance with COLL, the Trust is permitted to invest in another collective investment scheme managed or operated by, or which has as its manager, the Manager or an Associate of the Manager provided that certain provisions of COLL regarding investment in such scheme are complied with.

The Trust may, subject to the limits above, invest in collective investment schemes managed operated by, or whose authorised corporate directors is, the Manager or one of its Associates.

Where the Trust invests in or disposes of shares in another collective investment scheme which is managed or operated by the Manager or an Associate of the Manager, the Manager must pay to the Trust by the close of business on the third business day, in the case of a sale, any charge made for the disposal.

Liquidity

The Scheme Property of each Feeder Fund may consist of cash and near cash to the extent that this is regarded as necessary to enable the making of payments to Unitholders.

In respect of each Feeder Fund, not more than 20% in value of the Scheme Property may consist of deposits with a single body (and for this purpose all uninvested cash comprising capital property of the Sub-Fund that the Trustee holds should be included in calculating the total sum of the deposits held by it on behalf of the Fund). A "single body" is the person with whom a deposit is placed.

Borrowing

The Trustee may, in accordance with COLL, and on the instruction of the Manager, subject to any restrictions in the Trust Deed borrow from eligible institutions or approved banks (both as defined in COLL) on the terms that the borrowing is repayable out of the property of the scheme property within the limits prescribed in COLL from time to time.

COLL currently provides that the Manager must ensure that the borrowing of a Sub-Fund must not, on any business day, exceed 10% of the value of the property.

Leverage

The term "leverage" is defined under AIFMD as any method by which the Manager increases the exposure of the Trust whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means. The Manager has, in accordance with the FCA Rules, set the maximum level of leverage which each Sub-fund will employ. This is intended to reduce the extent that leverage may magnify a loss in value of Scheme Property resulting from fluctuations in the value of assets in which a Sub-fund invests, exposure to other market participants or to systemic risks. The maximum level of leverage is expressed as a percentage of "exposure" compared to the net asset value of the Sub-fund, with "exposure" being calculated in accordance with a "gross" and "commitment" method. The "gross" method, generally speaking, takes account of the absolute exposure of the Sub-fund while the "commitment" method takes into account netting or hedging arrangements put in place.

The maximum level of exposure to be employed by the Manager on behalf of the Sub-funds, calculated in accordance with the "gross" method, is 10%.

The maximum level of exposure to be employed by the Manager on behalf of the Sub-funds, calculated in accordance with the "commitment" method, is 10%.

Typical types and sources of leverage which the Sub-funds employ include: (i) borrowing cash; and (ii) derivatives for efficient portfolio management purposes (including hedging). For information on the associated risks with these types and sources of leverage please refer to the section under the heading "Risk Factors" on page 44.

Appendix C

Determination of Net Asset Value

Calculation of the Net Asset Value

The Net Asset Value of the Scheme Property of the Trust or Sub-Fund (as the case may be) shall be the value of its assets less the value of its liabilities and shall be determined in accordance with the following provisions:

1. All the Scheme Property (including receivables) is to be included, subject to the following provisions.
2. The valuation of the Scheme Property shall consist of two parts, one on an Issue basis and one on a Cancellation basis calculated in accordance with the following provisions:

2.1 Issue Basis

The valuation of Scheme Property for that part of the valuation which is on an Issue basis shall be valued as set out below and the prices used shall (subject as set out below) be the most recent prices which it is practicable to obtain:

- (a) units or shares in a collective investment scheme:
 - (i) if a single price for buying and selling units or shares is quoted, at that price plus any dealing costs as defined below), and any dilution levy or SDRT provision which would be added in the event of a purchase by the Manager for the account of the Sub-fund of the units or shares in question (except that, where the Manager, or an associate of the Manager, is also the manager or manager of the collective investment scheme whose units or shares are held by the Trust); or
 - (ii) if separate buying (offer) and selling (bid) prices are quoted, at the buying price, less any expected discount plus any dealing costs (as defined below), but where the Manager, or an associate of the Manager, is also the manager or manager of the collective investment scheme whose units or shares are held by the Trust, the issue price shall be taken instead of the buying price; or
 - (iii) if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the Manager's best estimate of the value of the units or shares, at a value which, in the opinion of the Manager, is fair and reasonable;
- (b) immovable property:

- (i) by a Standing Independent Valuer, on the basis of an "open market value" as defined in Practice Statement 3 in the Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual as updated and amended from time to time;
 - (ii) on the basis of a full valuation with physical inspection (including, where the immovable is or includes a building, internal inspection), at least once a year; and
 - (iii) on the basis of the last full valuation, at least once a month; or
 - (iv) where the Manager, the Trustee or the Standing Independent Valuer have reasonable grounds to believe that the most recent valuation of an immovable does not reflect the current value of that immovable, at a value which the Manager and the Standing Independent Valuer agree (after consultation) is fair and reasonable;
- (c) exchange-traded derivative contracts:
 - (i) if a single price for buying and selling the exchange-traded derivative is quoted, at that price; or
 - (ii) if separate buying and selling prices are quoted, at the average of the two prices; or
 - (iii) if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no price exists or if the most recent price available does not reflect the Manager's best estimate of the value of the security, at a value which, in the opinion of the Manager, is fair and reasonable;
- (d) over-the-counter derivative contracts shall be valued in accordance with the method of valuation as shall have been agreed between the Manager and the Trustee;
- (e) any other investment:
 - (i) the best available market dealing offer price on the most appropriate market in a standard size (plus any dealing costs, (as defined below)); or
 - (ii) the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the Manager's best estimate of the value of the units or shares, at a value which, in the opinion of the Manager, is fair and reasonable;

- (f) property other than that described in sub-paragraphs (a), (b), (c), (d) and (e) above, at a value which, in the opinion of the Manager, is fair and reasonable (plus any dealing costs (as defined below));

2.2. Cancellation basis

The valuation of Scheme Property for that part of the valuation which is on a Cancellation basis shall be valued as set out below and the prices used shall (subject as set out below) be the most recent prices which it is practicable to obtain:

- (a) units or shares in a collective investment scheme:
 - (i) if a single price for buying and selling units or shares is quoted, at that price less any dealing costs (as defined below), any redemption charge payable by the Manager for the account of a Sub-fund on the sale of the units or shares, (taking account of any expected discount) and any dilution levy or SDRT provision which would be deducted in the event of a sale by the Manager for the account of the Sub-fund of the units or shares in question (except that, where the Manager, or an associate of the Manager, is also the manager or authorised corporate director of the collective investment scheme whose units or shares are held by the Trust, the valuation must not include any redemption charge payable in the event of a sale by the Trust of those units or shares); or
 - (ii) if separate buying (offer) and selling (bid) prices are quoted, at the selling price, less any dealing costs (as defined below) and any redemption charge payable on the sale of the units or shares taking account of any expected discount (except that where the Manager, or an associate of the Manager, is also the manager or authorised corporate director of the collective investment scheme whose units or shares are held by the Trust, the cancellation price shall be taken instead of the selling price); or
 - (iii) if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the Manager's best estimate of the value of the units or shares, at a value which, in the opinion of the Manager, is fair and reasonable;
- (b) immoveable property
 - (i) by a Standing Independent Valuer, on the basis of an "open market value" as defined in Practice Statement 3 in the Royal Institution of

Chartered Surveyors' Appraisal and Valuation Manual as updated and amended from time to time;

- (ii) on the basis of a full valuation with physical inspection (including, where the immovable is or includes a building, internal inspection), at least once a year; and
 - (iii) on the basis of the last full valuation, at least once a month; or
 - (iv) where the Manager, the Trustee or the Standing Independent Valuer have reasonable grounds to believe that the most recent valuation of an immovable does not reflect the current value of that immovable, at a value which the Manager and the Standing Independent Valuer agree (after consultation) is fair and reasonable;
- (c) exchange-traded derivative contracts:
- (i) if a single price for buying and selling the exchange-traded derivative is quoted, at that price; or
 - (ii) if separate buying and selling prices are quoted, at the average of the two prices; or
 - (iii) if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no price exists or if the most recent price available does not reflect the Manager's best estimate of the value of the security, at a value which, in the opinion of the Manager, is fair and reasonable;
- (d) over-the-counter derivative contracts shall be valued in accordance with the method of valuation as shall have been agreed between the Manager and the Trustee;
- (e) any other investment:
- (i) the best available market dealing bid price on the most appropriate market in a standard size (less any dealing costs, (as defined below)); or
 - (ii) the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the Manager's best estimate of the value of the units or shares, at a value which, in the opinion of the Manager, is fair and reasonable;

- (f) property other than that described in sub-paragraphs (a), (b), (c), (d) and (e) above, at a value which, in the opinion of the Manager, is fair and reasonable (less any dealing costs (as defined below)).
3. Cash and amounts held in current deposit and margin accounts and in other time-related deposits shall be valued at their nominal values;
 4. Approved money market instruments which have a residual maturity of less than three months and have no specific sensitivity to market parameters, including credit risk, shall be valued on an amortised cost basis.
 5. All instructions given to issue or cancel Units shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case;
 6. Subject to paragraph 7 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if they are made shortly before the valuation takes place and, in the opinion of the Manager, their omission will not materially affect the final net asset amount;
 7. All agreements are to be included under paragraph 6 which are, or ought reasonably to have been, known to the person valuing the Scheme Property;
 8. Deduct an estimated amount for anticipated tax liabilities (on unrealised gains where the liabilities have accrued and are payable out of the Scheme Property; on realised gains in respect of previously completed and current accounting periods; and on income where liabilities have accrued) at that point in time including (as applicable and without limitation) any liability for capital gains tax, income tax, corporation tax, value added tax, stamp duty and stamp duty reserve tax;
 9. Deduct an estimated amount for any liabilities payable out of the Scheme Property and any tax thereon, for this purpose treating periodic items as accruing from day to day;
 10. Deduct the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings;
 11. Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable;
 12. Add any other credits or amounts due to be paid into the Scheme Property;
 13. Add a sum representing any interest or any income accrued due or deemed to have accrued but not received and any stamp duty reserve tax provision anticipated to be received.

14. Currencies or values in currencies other than base currency of the Trust shall be converted at the relevant Valuation Point at a rate of exchange that is not likely to result in any material prejudice to the interests of Unitholders or potential Unitholders.
15. For the purposes of this Appendix C, "**dealing costs**" means any fiscal charges, commission or other charges payable in the event of the Manager for the account of a Sub-Fund carrying out the transaction in question, assuming that the commission and charges (other than fiscal charges) which would be payable by the Sub-Fund are the least that could reasonably be expected to be paid in order to carry out the transaction.

Proportionate Interests

1. If there is more than one Class in issue in respect of a Sub-Fund, the proportionate interests of each Class in the assets and income of the Sub-Fund shall be ascertained as follows:
 - (i) A notional account will be maintained for each Class. Each account will be referred to as a "**Proportion Account**".
 - (ii) The word "**proportion**" in the following paragraphs means the proportion which the balance on a Proportion Account at the relevant time bears to the balance on all the Proportion Accounts of a Sub-Fund at that time. The proportionate interest of a Class of Unit in the assets and income of a Sub-Fund is its "**proportion**".
 - (iii) There will be credited to a Proportion Account:
 - the subscription money for the issue of Units of the relevant Class;
 - that Class's proportion of the amount by which the Net Asset Value of the Sub-Fund exceeds the total subscription money for all Units in the Sub-Fund;
 - the Class's proportion of the Sub-Fund's income received and receivable; and
 - any notional tax benefit under paragraph (v) below.
 - (iv) There will be debited to a Proportion Account:
 - the redemption payment for the cancellation of Units of the relevant Class in the Sub-Fund;
 - the Class's proportion of the amount by which the Net Asset Value of the Sub-Fund falls short of the total subscription money for all Units in the Sub-Fund;
 - all distributions of income (including equalisation if any) made to Unitholders of that Class in the Sub-Fund;
 - all costs, charges and expenses incurred solely in respect of that Class;

- that Class's proportion of the costs, charges and expenses incurred in respect of that Class and one or more other Classes, but not in respect of the Sub-Fund or the Trust as a whole;
 - that Class's proportion of the costs, charges and expenses incurred in respect of or attributable to the Sub-Fund as a whole; and
 - any notional tax liability under paragraph (v).
- (v) Any tax liability in respect of the Sub-Fund and any tax benefit received or receivable in respect of the Sub-Fund will be allocated between Classes in order to achieve, so far as possible, the same result as would have been achieved if each Class were itself a scheme so as not materially to prejudice any Class. The allocation will be carried out by the Manager after consultation with the Trust's auditors.
- (vi) Where a Class is denominated in a currency which is not the base currency of the Trust, the balance on the Proportion Account shall be converted into the base currency of the Trust in order to ascertain the proportions of all Classes. Conversions between currencies shall be at a rate of exchange decided by the Manager as being a rate that is not likely to result in any material prejudice to the interests of Unitholders or potential Unitholders.
- (vii) The Proportion Accounts are notional accounts maintained for the purpose of calculating proportions. They do not represent debts from the Trust to Unitholders or the other way round.
2. Each credit and debit to a Proportion Account shall be allocated to that account on the basis of that Class's proportion immediately before the allocation. All such adjustments shall be made as are necessary to ensure that on no occasion on which the proportions are ascertained is any amount counted more than once.
 3. When Units are issued thereafter each such Unit shall represent the same proportionate interest in the property of the relevant Sub-Fund as each other Unit of the same category and Class then in issue in respect of that Sub-Fund.
 4. The Manager shall allocate the amount available for income allocation (calculated in accordance with COLL) between the Units in issue relating to the relevant Sub-Fund according to the respective proportionate interests in that Sub-Fund's Scheme Property represented by the Units at the Valuation Point in question.
 5. A different method of calculating the proportionate interests of each Class in the assets and income of a Sub-Fund from that set out in this part of Appendix C provided that the Manager is satisfied that such method is fair to Unitholders and that it is reasonable to adopt such method in the given circumstances.

Appendix D Sub-Fund Details

Sub-Fund Name:	Aegon Property Income Feeder (Accumulation) Fund (please note that this Sub-Fund is in the process of being terminated and is no longer available for new investment)	
Investment Objective:	The investment objective is to provide income with potential for capital growth by investing in the Aegon Property Income Fund, which invests mainly in commercial property.	
Investment Policy:	<p>The Aegon Property Income Feeder (Accumulation) Fund will invest solely in the Aegon Property Income Fund.</p> <p>Cash may be held from time to time for the purposes of efficient portfolio management.</p>	
Use of derivatives:	Derivatives will not be used in the management of this Sub-Fund	
Benchmarks/Performance Management:	<p>As the purpose of the Sub-Fund is to invest solely in the Aegon Property Income Fund, the Sub-Fund does not use any Target, Constraint or Comparator Benchmark in managing the Fund or comparing performance.</p> <p>Instead, the Manager invites investors to assess the Sub-Fund's performance by reference to the Benchmark or other comparator referred to in Appendix D (1).</p>	
Unit Classes:	Sterling Class B Net Accumulation	
Minimum Initial Lump Sum Investment:	Sterling Class B Net Accumulation	£250,000
The Manager at its discretion may waive the minimum initial lump sum investment levels		
Minimum Subsequent Investment:	Sterling Class B Net Accumulation	£5,000
The Manager at its discretion may waive the minimum subsequent investment levels		
Minimum Holding:	Sterling Class B Net Accumulation	£50,000
The Manager at its discretion may waive the minimum holding levels		
Minimum Partial Redemption:	Sterling Class B Net Accumulation	£5,000
The Manager at its discretion may waive the minimum partial redemption levels		
Annual Management Charge:	Sterling Class B Net Accumulation	0.75%
The Manager at its discretion may waive the Annual Management Charge in whole or in part.		
Interim Accounting Period(s):	1 April to 30 September	
Ex-Dividend Date(s):	<p>Annual: 1 April</p> <p>Interim: first day of each month</p>	

Income Allocation Date(s):	Annual: 30 April
(Also known as "Pay Date")	Interim: last day of each calendar month
Additional power re government & public securities:	None
Historic performance:	See Appendix E
Profile of typical investor:	The Sub-Fund is designed for retail and institutional investors seeking pooled exposure from investments mainly in commercial property in the British Isles through the Aegon PAIF but who are unable to invest directly into the Aegon PAIF and who are comfortable with a medium level of investment risk. In most cases, we expect the Sub-Fund to be held as part of a diversified portfolio which may include other assets such as bonds, equities and cash. Unit prices will fluctuate and may fall significantly in value. Consequently, it is important to understand that the Sub-Fund should be viewed as a longer term investment.

Sub-Fund Name:	Aegon Property Income Feeder (Income) Fund (please note that this Sub-Fund is in the process of being terminated and is no longer available for new investment)	
Investment Objective:	The investment objective is to provide income with potential for capital growth by investing in the Aegon Property Income Fund, which invests mainly in commercial property.	
Investment Policy:	<p>The Aegon Property Income Feeder (Income) Fund will invest solely in the Aegon Property Income Fund.</p> <p>Cash may be held from time to time for the purposes of efficient portfolio management.</p>	
Use of derivatives:	Derivatives will not be used in the management of this Sub-Fund	
Benchmarks/Performance Management:	<p>As the purpose of the Sub-Fund is to invest solely in the Aegon Property Income Fund, the Sub-Fund does not use any Target, Constraint or Comparator Benchmark in managing the Fund or comparing performance.</p> <p>Instead, the Manager invites investors to assess the Sub-Fund's performance by reference to the Benchmark or other comparator referred to in Appendix D (1).</p>	
Unit Classes:	Sterling Class B Net Income	
Minimum Initial Lump Sum Investment:	Sterling Class B Net Income	£250,000
The Manager at its discretion may waive the minimum initial lump sum investment levels		
Minimum Subsequent Investment:	Sterling Class B Net Income	£5,000
The Manager at its discretion may waive the minimum subsequent investment levels		
Minimum Holding:	Sterling Class B Net Income	£50,000
The Manager at its discretion may waive the minimum holding levels		
Minimum Partial Redemption:	Sterling Class B Net Income	£5,000
The Manager at its discretion may waive the minimum partial redemption levels		
Annual Management Charge:	Sterling Class B Net Income	0.75%
The Manager at its discretion may waive the Annual Management Charge in whole or in part.		
Interim Accounting Period(s):	1 April to 30 September	
Ex-Dividend Date(s):	<p>Annual: 1 April</p> <p>Interim: first day of each month</p>	
Income Allocation Date(s):	Annual: 30 April	
(Also known as "Pay Date")	Interim: last day of each calendar month	

Additional power re government & public securities: None

Historic performance: See Appendix E

Profile of typical investor: The Sub-Fund is designed for retail and institutional investors seeking pooled exposure from investments mainly in commercial property in the British Isles through the Aegon PAIF but who are unable to invest directly into the Aegon PAIF and who are comfortable with a medium level of investment risk. In most cases, we expect the Sub-Fund to be held as part of a diversified portfolio which may include other assets such as bonds, equities and cash. Unit prices will fluctuate and may fall significantly in value. Consequently, it is important to understand that the Sub-Fund should be viewed as a longer term investment.

Appendix D (1)

Summary Details of the Aegon PAIF

Investment Objective:	This Sub-Fund aims to provide a combination of income and capital growth over any 7 year period. The investment objective is to carry on Property Investment Business and to manage cash raised from investors for investment in the Property Investment Business.
Investment Policy:	<p>To invest at least 60% of the Sub-Fund in a diversified portfolio of commercial property in the British Isles. The Sub-fund may invest in any commercial property sector and may invest in a mix of freehold and leasehold properties.</p> <p>To the extent that the Sub-Fund is not fully invested in the main asset class listed above, the Sub-Fund may also invest in other types of property-related assets, including real estate investment trusts, as well as collective investment schemes (which may include schemes managed by the ACD) and transferable securities, money market instruments, deposits, and cash and near cash.</p> <p>The ACD will select investments that offer attractive income returns and asset management potential. The ACD will seek to add value by actively managing the portfolio of properties to enhance its capital value and rental income.</p> <p>The Sub-Fund is actively managed and the ACD will also seek to achieve diversification across regions in the British Isles and sectors when constructing the portfolio.</p>
Investment in Collective Investment Schemes:	Not more than 15% of scheme property of the Aegon Property Income Fund may be invested in other collective investment schemes. Where such investments are made, they may be into schemes which are managed or operated by the authorised corporate director, or its associates.
Use of derivatives:	Derivatives will not be used in the management of the Aegon Property Income Fund
Benchmarks/performance measurement:	<p><i>Comparator Benchmark</i></p> <p>Investment Association UK Direct Property Peer Group</p> <p>Investors are invited to compare the Sub-Fund's performance against the performance of other funds within this Peer Group. Comparison of the Sub-Fund against this Peer Group will give investors an indication of how the Sub-Fund is performing compared with funds investing in a similar but not identical investment universe.</p> <p>The above comparison should be performed over at least a 7 year period (or period since inception) to provide the most useful long term comparison.</p>
ISA:	It is intended that the sub-fund will be invested in a manner which aims to ensure that shares in the Aegon Property Income Fund will constitute Qualifying Investments under the ISA Regulations.
Share Classes available at the date of this Prospectus:	<p>Sterling Class B Net Accumulation</p> <p>Sterling Class B Net Income</p> <p>Sterling Class B Gross Accumulation*</p>

Sterling Class B Gross Income*
(together "*B Shares*")

Sterling Class F Gross Accumulation*

Sterling Class F Gross Income*
(together "*F Shares*" **)

*Note: gross classes of shares are only available to investors who are permitted in accordance with UK tax law to receive income from the Sub-Fund without deduction of any UK income tax.

**Note: only available to the Feeder Funds.

Minimum Initial Lump Sum Investment:	B Shares	£500
	F Shares	£250,000

The authorised corporate director at its discretion may waive the minimum initial lump sum investment levels

Minimum Subsequent Lump Sum Investment:	B Shares	£100
	F Shares	£5,000

The authorised corporate director at its discretion may waive the minimum subsequent investment levels

Minimum Regular Savings Plan Investment:	B Shares	£50 p/m
Minimum Holding:	B Shares	£250
	F Shares	£50,000

The authorised corporate director at its discretion may waive the minimum holding levels

Minimum Partial Redemption:	B Shares	£100
	F Shares*	£5,000

* Note that some Unitholders in the Feeder Funds (which ultimately invest in this Share Class) may be subject to limited redemption provisions.

The authorised corporate director at its discretion may waive the minimum partial redemption levels

Annual Management Charge:	B Shares	0.75%
	F Shares	0%

The authorised corporate director at its discretion may waive the Annual Management Charge in whole or in part

Interim Accounting Period(s): 1 April to 30 September

Ex-Dividend Date(s): Annual: 1 April

	Interim: 1st day of each calendar month
Income Allocation Date(s):	Annual: 30 April
(Also known as "Pay Date")	Interim: last calendar day of each month
Additional power re government & public securities:	None
Profile of typical investor:	<p>The Aegon Property Income Fund is designed for retail and institutional investors seeking an absolute return through an actively managed portfolio which has the flexibility to access the complete range of fixed income securities. Investors in the Aegon Property Income Fund should be comfortable with a medium level of investment risk. In most cases, we expect the Aegon Property Income Fund to be held as part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. Share prices will fluctuate and may fall in value. Consequently, it is important to understand that the Aegon Property Income Fund should be viewed as a longer term investment and should therefore be held with an investment horizon of at least 3 years.</p>
Bodies Corporate:	<p>No Body Corporate shall acquire Shares in the Aegon Property Income Fund (whether as beneficial owner or otherwise) unless it certifies that it holds:</p> <ul style="list-style-type: none"> • All the Shares as beneficial owner; or • All of the Shares on behalf of one or more persons who are not Bodies Corporate; or • Some or all of the Shares on behalf of one or more other Bodies Corporate, in which case it must further certify that: <ul style="list-style-type: none"> • Its own interest and those of each of the other beneficial owners is less than 8% of the NAV of the Aegon Property Income Fund; and • Each of the other Bodies Corporate has given the undertakings described below. • Any Body Corporate that acquires Shares in the Aegon Property Income Fund and holds them otherwise than as beneficial owner must undertake to disclose to the authorised corporate director the names and shareholding of each Body Corporate on whose behalf it is holding Shares • Any Body Corporate that acquires Shares in the Aegon Property Income Fund as beneficial owner, trustee (other than of a bare trust) or personal representative (whether the Shares are registered in its name or the name of a nominee or other person) must give the following undertakings: <ul style="list-style-type: none"> • Not to acquire 8% or more of the net asset value of the Aegon Property Income Fund; and • On becoming aware that it has acquired 8% or more of the net asset value of the Aegon Property Income Fund, to reduce its holding of that NAV below 6%.

Genuine Diversity of Ownership:	<p>Shares in the Company will be widely available.</p> <p>The intended categories of investors are retail investors as well as institutional investors (including but not limited to life companies, pension funds and charities) and other collective investment schemes.</p> <p>Shares in the Company are and will continue to be marketed and made available sufficiently widely to reach the intended categories of investors and in a manner appropriate to attract them.</p>
Launch Date:	28 March 2014
Base Currency:	Sterling
Pricing Basis:	Dual-priced

Appendix E

Historic Performance

Past performance is not a guide to future performance. The value of your investment and any income from it may fall as well as rise and is not guaranteed.

The performance data presented here shows performance in 12 month periods to 31 December 2019.

Fund		% Growth from 1 January 2019 to 31 December 2019	% Growth from 1 January 2018 to 31 December 2018	% Growth from 1 January 2017 to 31 December 2017	% Growth from 1 January 2016 to 31 December 2016	% Growth from 1 January 2015 to 31 December 2015
Aegon Property Income Feeder (Income) Fund		1.04%	-3.59%	5.89%	3.02%	8.71%
Aegon Property Income Feeder (Accumulation) Fund	0.99%	-3.34%	6.18%	3.17%	8.96%	

Source: Lipper Hindsight, % growth, net of AMC.

Appendix F

Directors of the Manager

The following is a list of the Directors of the Manager and their main business activities not connected with the business of the Manager as at the date of this Prospectus

Stephen James Marshall Jones	Aegon Asset Management UK Limited Aegon Asset Management UK Holdings Limited
Kirstie Sarah MacGillivray	Aegon Asset Management Limited Aegon Asset Management UK Holdings Limited Kildalton Limited
Adrian John Charles Hull	Aegon Asset Management Limited Aegon Asset Management UK Holdings Limited The East Anglian Heights Trading Company Limited
Thomas J. Scherer (Non- Independent Non-Executive)	Pearl Holdings, Inc. I Pearl Holdings, Inc. II Aegon USA Asset Management Holding LLC Aegon USA Investment Management LLC Aegon USA Realty Advisors LLC
Mary Teresa Kerrigan (Non-Executive)	Just Group PLC Just Retirement Limited Partnership Life Assurance Company Limited The London Irish Centre New Ireland Assurance Company Prudential UK La Banque Postale Asset Management Holding Anavon DAC trading as Companion
Andrew John Mack (Non-Executive)	ICE Clear Europe Limited

Appendix G

Other Regulated Collective Investment Schemes

Aegon Asset Management UK plc also acts as the authorised fund manager in respect of the following regulated collective investment schemes:

Scheme Name	Scheme Type
Aegon Asset Management UK ICVC	An OEIC, structured as an Umbrella which is categorised as a UCITS
Aegon Asset Management UK Investment Portfolios ICVC	An OEIC, structured as an Umbrella which is categorised as a Non-UCITS Retail Scheme