

The Central Finance Board of the Methodist Church

Rules for the administration, valuation and investment of the Funds established under the Methodist Church Funds Act 1960

Approved at the meeting of members of the
Central Finance Board Council on 11th July 2018

As amended 27th May 2019, 4th September 2019, 5 September 2020, 23rd February 2021, 9th
February 2022, 27th September 2022, 21st September 2023, 20th January 2024, 7th October
2024, 25th August 2025 and 27th November 2025

1. Introduction – The Central Finance Board

The Central Finance Board of the Methodist Church (CFB) was established by the Methodist Church Funds Act 1960 (the Act). It is a statutory body with no shareholders. The governing body of the CFB is its Board whose membership consists of ex-officio appointments from the leadership of the Methodist Church, representatives of each District in Methodism and others appointed by the Methodist Conference. The main role of the Board is to approve the annual report and accounts and appoint the Council of the CFB. The Council has oversight of the day-to-day activities of the CFB, it consists of up to 12 members and currently meets 4 times a year.

The Act empowers the CFB to create and manage “investment funds” at its discretion and without limitation. The CFB is also authorised to create and manage a “deposit fund”.

The following “Fund Rules” detail how the CFB will manage the Funds within the rules established by the Act and in accordance with common market practice in the UK Fund industry. These Rules, as amended from time to time, have been approved by the Council of the CFB.

The CFB is not regulated by the Financial Conduct Authority and its investors do not have recourse to the Financial Ombudsman service or to the Financial Services Compensation Scheme.

2. Key Parties

The Investment Manager

The Central Finance Board of the Methodist Church
Methodist Church House
25 Tavistock Place
London
WC1H 9SF

Tel: 020 7496 3600

Custodian

Units in collective investment schemes are registered into the name of the Central Finance Board. Market securities are held by the following custodian:

CACEIS Bank S.A
5 Appold Street
London
EC2A 2AG

Telephone: 020 7858 0860

Fund Administrator and Fund Accountant

CACEIS Bank S.A.
5 Appold Street
London
EC2A 2AG

Telephone: 020 7858 0860

Transfer Agent and Registrar

JTC Fund Services (UK) Limited
The Scalpel,
18th floor,
52 Lime Street,
London EC3M 7AF

Telephone: 020 7409 0181

Auditors

The auditors of the CFB and of the Funds are:

Blick Rothenberg
16 Great Queen Street
Covent Garden
London WC2B 5AH

3. Who is eligible to use the CFB?

The Act states that the following may be engaged by the CFB:

- The Funds of the Methodist Church in Great Britain, the Channel Islands and the Isle of Man. This explicitly includes any funds held upon a model trust deed
- The funds of any charity controlled by the Methodist Conference. The test for this is whether the charity is administered by a body the majority of whose members are appointed by the Methodist Conference
- Legal opinion has been received that “charity” for these purposes includes the management of any pension schemes which are ancillary to the main purpose of the Church and its charities
- The overseas mission funds

4. The CFB Funds

The CFB currently offers six Fund choices to eligible investors:

Investment Funds	Deposit Fund
CFB Managed Fixed Interest Fund	CFB Deposit Fund
CFB Managed Equity Fund	
CFB Managed Mixed Fund	
Connexional Council Medium Term Fund	
Connexional Council Long Term Fund	

Additional Funds may be created by creating a new book of records in the accounts of the CFB. There is no limit to the minimum or maximum value of any such funds or the number of unit holders, but the Council will take a view as to the viability of any Fund given its external costs, the complexity of the investment arrangements and the operational requirements of the Fund.

There is no separate legal entity for each fund, therefore if a liability arises in one fund the responsibility for it could be shared by all of the CFB Funds. Therefore, to reduce this “contagion risk” in determining the investment policy of each fund the Council will not permit any of the following activities:

- borrowing (outside of the management of day-to-day settlement flows)
- any other form of leverage
- shorting of positions (i.e. selling a security that a Fund does not own)
- stock lending (lending the Fund’s securities to external investors)
- the writing of uncovered options or futures
- entering into swaps (where financial instruments are exchanged through a derivative contract)
- writing insurance
- entering into unlimited partnerships

The above restrictions over-ride the standard investment restrictions noted in section 6 below.

5. The Investment Objectives and Parameters of the Funds

All Funds of the CFB are invested in accordance with the ethical policy of the Methodist Church. Position and Policy papers on the teachings of the Church and their practical implications for investment can be found at www.CFBMethodistChurch.org.uk. Where appropriate the CFB may use benchmarks to assist in the asset allocation, stock selection and performance reporting of Funds. Any benchmarks that the CFB uses will be appropriate to the investment objectives of the relevant Fund and the Fund's potential stock universe given the extent of ethical exclusions that may apply.

The investment objectives and parameters for each Fund are detailed in Appendix One.

6. Investment restrictions

The CFB Funds will not breach any of the investment restrictions set out below. These restrictions largely follow those set out in the FCA's Handbook for Non UCIT Retail Schemes (NURS) except for the unlimited exposure to any single collective scheme (limited to 35% in the FCA restrictions related to NURS)

Issue	Limit
Approved transferable securities (including investment trusts)	Up to 100%
Unapproved transferable securities	Up to 20% (in combination with unapproved collective investment schemes)
Approved collective investment schemes (open-ended)	Up to 100%
Maximum in any single collective investment scheme	Up to 100%
Unapproved collective investment schemes (other than the Funds of the United Methodist Church which have no limit)	Up to 20% (in combination with unapproved transferable securities)
Warrants (in the absence of specific risk warnings)	Up to 5%
Deposits (with any single institution)	Up to 20%
Cash and near cash	Permitted for liquidity and other ancillary purposes
Derivatives	Permitted for efficient management and investment purposes
Real property	Up to 100%
Commodities	Up to 10% in gold only
Borrowing	Up to 10% Only to be used for management of day to day settlement flows

7. Excluded securities

No securities, debt issues or deposits will be held in companies or other borrowers that infringe the recommended exclusions of the Joint Committee of the Ethics of Investment of the Methodist Church (JACEI).

8. Permitted Exchanges

The CFB Funds invest entirely through collective investment schemes, so do not directly trade on exchanges. The bulk of these funds are managed by Epworth Investment Management Ltd (Epworth), the CFB's wholly owned subsidiary regulated by the FCA. Epworth's permitted exchanges are listed in the appendix of the Waystone (WS) Epworth Investment Funds for Charities Prospectus (available via <https://epworthim.com/>)

3. Investments in related Funds

Several of the CFB Funds invest wholly or partially into the WS Epworth Investment Funds for Charities (The Fund). This is a Charity Authorised Investment Fund managed by Epworth Investment Management Limited, a wholly owned subsidiary of the CFB, authorised and regulated by the FCA. The Fund will not invest in equities or bonds that are excluded by ethical screening based on Christian principles. Further information can be found at www.epworthim.com. In these cases, the investment restriction detailed in section 6 in relation to the maximum investment in approved collective investment schemes will not apply. The Funds concerned are:

CFB Deposit Fund

The Deposit Fund places deposits with the Epworth Cash Plus Fund for Charities, a Charity Commission established Common Deposit Fund managed by Epworth or such other loans, bonds or deposits as the Council of the CFB may approve from time to time

CFB Managed Equity Fund

The fund invests primarily in listed global equities including UK stock via Epworth funds, in addition to small exposure to some unlisted private assets. The benchmark for the fund is a composite index comprising:

- 75% FTSE All World Index
- 25% FTSE All Share Index

CFB Managed Mixed Fund

The Managed Mixed Fund invests wholly in the WS Epworth Multi Asset Fund for Charities

CFB Managed Fixed Interest Fund

The Managed Fixed Interest Fund invests in third party collective investment schemes providing exposure to fixed income securities primarily listed in the UK. Fund selection is overseen by the CFB's investment team

Connexional Council Medium Term Fund and Connexional Council Long Term Fund

Both funds are multi-asset funds investing according to their asset parameters (see appendix 1).

10. Procedures for Investment & Redemption

CFB Deposit Fund

Instructions must be received by 10:00am for same day value. These should be either submitted via the online portal or by signed instruction via email or post to JTC. Deposits will only be applied for same day value when cleared funds are received into the CFB Deposit Fund bank account before 10:00AM on that same day. .

CFB Managed Funds

Instructions for creations and redemptions must be received by the CFB before midday one business day prior to a dealing day. The dates of dealing days are set out in section 19 below.

Investors using the Trustees for Methodist Church Purposes (TMCP) should ensure that any dealing instructions are with TMCP in the prescribed form in good time for TMCP to submit the orders to the CFB before the above cut-off times. All other investors should submit redemption and withdrawal requests directly to the Head of Discretionary Services at the CFB. Redemption requests should be submitted by signed instruction either via email or by post to the CFB.

New CFB Deposit Fund accounts can be opened by completing the application form that is available on www.cfbmethodistchurch.org.uk/depositfund. The application form should be counter-signed by a Methodist minister or, in the case of an eligible charity, by an authorised Trustee.

There is no minimum investment amount in CFB Funds and no minimum holding amount.

Confirmation of the allocation or redemption of units will be sent to the investing entity within two working days after the dealing day.

Units are uncertificated and therefore no certificates are issued. All units in issue at present are 'income' units.

11. In Specie transfers

At the discretion of the CFB, investments into the Funds may be made by the transfer of quoted market securities rather than cash. Where accepted, such securities will be valued at the mid-market price at the valuation point of the relevant Fund. The normal dealing surcharges (see Appendix 2) may be waived at the discretion of the CFB. The CFB will only accept in specie transfers where they do not breach the ethical exclusions of the CFB and meet the investment objectives and parameters of the relevant Fund. The CFB further reserves the right to reject an in specie transfer on investment grounds.

Where there is a substantial redemption of more than 10% in a Fund the CFB reserves the right to transfer securities from the Fund to the investor rather than make cash payment. The securities will be valued at mid-market price at the valuation point of the relevant Fund. The CFB will select assets for the in specie transfer so as to ensure that there is no advantage or disadvantage for the unitholder over the continuing unitholders. Where an investor is considering making a substantial redemption in a Fund we encourage early communication with the CFB so that any required sales within the Fund can be managed so as to not to penalise the remaining unit-holders. If an in specie transfer is likely to be necessary this will also ensure that appropriate custody accounts and instructions have been established.

12. Recognition of Income

In all CFB Funds, distributions receivable on Collective Investment Schemes are recognised when the scheme goes ex dividend.

In the Equity Funds, where direct investments are held, dividends and distributions on other investments are credited to income when the securities are quoted ex-dividend.

The price used for creations/redemptions will include any accrued interest.

13. Distribution policy

Apart from the CFB Deposit all net income of the Funds is distributed to unit holders. There is no distribution reserve; all distributions are made to two decimal places.

The CFB Deposit Fund does operate an interest reserve account.

Our Custodian will reclaim foreign with-holding tax on overseas dividends where applicable.

Distributions on the funds are declared quarterly on 28 February, 31 May, 31 August and 30 November. They are payable on 20 April, 20 July, 20 October and 20 January. Letters will be sent to all unitholders and depositors confirming the income distribution on the payment date.

Additional provisions relating to the Deposit Fund

Interest on bank and building society deposits is accrued on a daily basis. Premiums and discounts arising on the purchase of short dated investments are amortised on a straight line basis from the date of purchase to maturity. This amortisation is taken to the Income account.

The Deposit Fund may operate an income reserve which is accumulated out of income and held on trust for depositors for the time being. The income reserve is maintained to ensure payment of interest to depositors each month even though a proportion of the income earned by the Fund will not be received until maturity of individual deposits. The reserve is also available to augment the Fund's deposit rate and to provide against potential default of counterparties.

All income of the Fund, after deduction of management and other expenses, and transfers to/from the income reserve, is distributed to account holders.

Fund distribution payments are usually made to the clients CFB Deposit Fund account or the clients nominated bank account as advised and verified on set up. This verification is to include a voided cheque or paying in slip in the name of the client. For security purposes the CFB may telephone the client to verify updated information before amending any bank details.

14. Voting Policy

The fund's equity exposures are managed by Epworth. Epworth's voting policy can be viewed at <https://epworthim.com/voting/>. If any conflicts arise between the voting policy and the best interests of the Fund, they will be scrutinised on a case by case basis by the Investment team.

15. Fees and other charges

The CFB charges fees to each fund to cover all administrative expenses in relation to the management of the Funds. The CFB is a not-for-profit organisation and the Council assesses the revenue that it needs to collect from the Funds in order to meet the running costs of the organisation. The Council apportions these costs across the funds in an equitable manner to reflect fees on different asset classes in equivalent third-party funds. One of the key objectives of the CFB's mission statement is to be a low-cost provider to Methodism and the Council therefore endeavours to manage our cost base and the allocation of fees to each Fund to deliver fund charges that are significantly lower than equivalent external funds.

Full details on the CFB and third party fees and other charges to each CFB Fund can be found in Appendix Two. There is one exception to these standard fee rates:

- The Trustees for Methodist Church Purposes (TMCP) consolidates Methodist trust deposits in their records and makes one deposit into the CFB Deposit Fund. These consolidated deposits pay a reduced management fee to the standard rate.

Where the CFB Funds invest into the WS Epworth Investment Funds for Charities they do so via a nil management fee unit (or deposit). Fees are charged on the CFB Funds in accordance with the fee schedule in Appendix two.

16. Changes to client data and instructions

Changes to the unit-holders address, correspondent's details and registered bank details can be instructed via the completion of a Mandate Change Form or an instruction signed by an authorised signatory for the account.

Any change of unitholder is confirmed in writing to the new and old unitholder. Similarly a change of address is confirmed to the old and new address. Changes to bank details must be supported by a blank paying in slip, voided cheque or bank statement. The CFB may not make any requested change to bank account details until a security telephone call has been completed.

17. Accounting Policies

The accounts have been prepared under the historic cost convention, as modified by the revaluation of investments, and in accordance with FRS102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” and with reference to the Statement of Recommended Practice issued by the Investment Management Association in 2014, and the requirements of the Methodist Church Funds Act 1960

18. Basis of Valuation

Listed Investments

Listed investments are valued at mid-market values at the close of business on an accounting date less, in the case of fixed interest securities, interest accrued.

Unitised funds

Single priced funds are valued at the single price quoted. Funds with a bid and offer spread will be valued at their mid-price.

Non-Sterling balances and transactions

Assets and liabilities in foreign currencies are expressed in sterling at rates of exchange ruling on the accounting date. Transactions in foreign currencies are translated into sterling at the exchange rates ruling on the transaction dates

Other assets & liabilities

Other financial assets and liabilities of the Funds are included in the balance sheet at their fair value.

Fair value pricing

The CFB will itself value investments at a price which, in its opinion, reflects a fair and reasonable price for that investment (the fair value price) where:

- it has reasonable grounds to believe that no reliable price exists for a security (including a unit/share in a collective investment scheme) at a Valuation Point; or
- the most recent price available does not reflect CFB’s best estimate of the value of the security (including a unit/share in a collective investment scheme) at the Valuation Point.

The circumstances which may give rise to a fair value price being used include:

- no recent trade in the security concerned;
- suspension of dealings in an underlying collective investment scheme; or
- the occurrence of a significant event since the most recent closure of the market where the price of the security is taken.

In determining whether to use a fair value price, the Authorised Fund Manager will include in its consideration but need not be limited to:

- the type of authorised fund concerned;
- the securities involved;
- whether the underlying collective investment schemes may already have applied fair value pricing and/or
- the basis and reliability of the alternative price used

19. Unit pricing, valuation points and dealing days

The units, which are single priced, are priced on a forward basis. With the exception of the Deposit Fund, the CFB Funds are valued and dealt 3 times a month on the following dates:

Valuation and dealing points: 10th, 20th, last working day of the month

If the valuation point is a non-working day, the preceding working day is used. If the dealing day is a non-working day, the following working day is used.

At each valuation point the unit price is calculated by dividing the total assets of the fund by the number of units in issue. Pricing is to four significant figures.

If, subsequent to publication, the unit price calculation is found to be incorrect by more than 0.5% due to either one incorrectly priced asset or an accumulation of incorrectly priced assets, the creations and cancellations will be corrected, new confirmations sent to the unit holders and compensation paid to sellers where appropriate.

If the unit price is incorrect by less than 0.5% no further action will be taken.

The CFB can instruct an additional valuation if it thinks that would be desirable and can use the price at that additional valuation as the price for that Dealing Day.

CFB Deposit Fund

The CFB Deposit Fund deals on a daily basis.

20. The CFB's right to defer sales

The CFB may defer a Unitholder's request to sell their Units at a Valuation Point to the next Valuation Point if the total requests for redemptions represent a value exceeding 10% of the Sub-fund's value. Where the deferred sale policy is in effect, the CFB will defer all Unitholder sales requests for a particular Valuation Point to the next Valuation Point. Requests to sell Units can continue to be deferred in this way over multiple Valuation Points. The CFB will ensure that all requests to sell Units relating to an earlier Valuation Point are completed before those relating to a later Valuation Point are considered.

21. Suspension of dealing

The CFB may temporarily suspend the issue, cancellation, sale and purchase of Units in any or all of the Funds where, due to exceptional circumstances, it is in the interests of all the Unitholders in the relevant Fund or Funds.

The suspension will only continue for as long as is justified having regard to the interests of Unitholders.

The CFB will notify Unitholders as soon as is practicable after the commencement of the suspension, including details of the exceptional circumstances which have led to the suspension, in a clear, fair and not misleading way.

Suspension will cease as soon as practicable after the exceptional circumstances leading to the suspension have ceased. The CFB may agree during the suspension to deal in Units in which case all deals accepted during and outstanding prior to the suspension will be undertaken at a price calculated at the first Valuation Point after the restart of dealings in Units.

22. Risk Warnings

There are a number of market, investment, liquidity and other risks associated with investing in the CFB Funds. Some of these risks are listed in Appendix Four. This is not an exhaustive list and if any investor has concerns about the risks of investing in any Fund we urge you to contact the CFB.

23. Taxation

The CFB Funds are exempt from UK income tax and capital gains tax due to their charitable status pursuant to Sections 505 and 506 of the Income and Corporation Taxes Act 1988.

Distributions are paid on the basis that all recoverable UK taxation has been reclaimed.

Overseas withholding tax is deducted in full from overseas income on receipt. Recoverable withholding tax is credited to income when it is declared.

24. Complaints

All complaints should be addressed to the Compliance Officer of the CFB by letter at the above address.

We will endeavour to reply to your complaint within 7 working days.

25. Regulatory status

All investors are reminded that the Funds of the CFB are not regulated by the FCA and that investors are not entitled to take a complaint to the Financial Ombudsman service. The Funds do not participate in the protection of the Financial Services Compensation Scheme.

Appendix One

Fund Objectives & Investment Parameters

CFB Deposit Fund

Objective	Parameters
To obtain the higher rates of interest usually available in the London Money Market, whilst maintaining the ability to make withdrawals at short notice and with minimal risk of capital loss	To invest mainly in the Epworth Cash Plus Fund for Charities managed by Epworth Investment Management. No more than 5% of the Fund may be lent to the Methodist Council, subject to approval of terms by the CFB Council

CFB Managed Fixed Interest Fund

Objective
Over rolling five year periods, to achieve, a total return equal to or in excess of the UK Government fixed interest market.

CFB Managed Equity Fund

Objective
Over rolling five year periods, to achieve a total return equal to or in excess of composite index measuring 75% FTSE All World Index, 25% FTSE All Share Index.

CFB Managed Mixed Fund

Objective
Over the long term, to provide a good level of income, with capital growing in line with inflation. The Fund invests entirely in the WS Epworth Multi-Asset Fund for Charities.

Connexional Council Medium Term Fund

Objective	Parameters	
Over the medium term, to provide income and to preserve nominal capital value with some prospect of capital growth	<i>Equities 30 - 50%</i>	
	Min%	Max%
	UK Equities	15 - 25
	Global Equities	15 - 25
	Fixed interest	40 - 60
	UK Property	5 - 15
	Cash	0 - 5

Connexional Council Long Term Fund

Objective	Parameters	
Over the long term, to preserve real capital value with an expectation of income growth.	<i>Equities 60 - 80%</i>	
	Min%	Max%
	UK Equities	30 - 40
	Global Equities	30 - 40
	Fixed Interest	5 - 25
	UK Property	10 - 20
	Cash	0 - 5

Appendix Two Fees & Charges

Fund	CFB Fees	JTC fees	CACEIS fees
CFB Deposit Fund	0.26%	0.03% with a minimum of £130,000pa	£15,000 Per quarter
CFB Managed Mixed Fund	0.60%	£2,500 per quarter	£3,000 Per quarter
CFB Managed Fixed Interest Fund	0.25%	£2,500 per quarter	£3,000 Per quarter
CFB Managed Equity Fund	0.60%	£2,500 per quarter	£3,000 Per quarter
Connexional Council Long Term Fund	0.65%	£2,500 per quarter	£3,000 Per quarter
Connexional Council Medium Term Fund	0.65%	£2,500 per quarter	£3,000 Per quarter

Appendix Three

Risk Warnings

The following risks may apply to some or all of the Fund

Regulatory status

The CFB Funds are not regulated by the FCA or any other UK supervisory body. The Manager is therefore not subject to the level of external oversight of comparable regulated funds. No investor in CFB Funds has recourse to the Financial Ombudsman or to the Financial Services Compensation Scheme.

Market risk

The investments of the Trust are subject to normal market fluctuations and other risks inherent in investing in securities. There can be no assurance that any appreciation in the value of investments will occur. The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount they invest in a Fund. There is no certainty that the investment objective of any Fund will actually be achieved and no warranty or representation is given to this effect. Past performance is no guide to the future.

Credit risk

The Funds' transactions in securities expose them to the risk that a counterparty will not deliver the investment for a purchase or the cash for a sale. To minimise this, the Funds only deal with an approved list of brokers maintained by the Council.

The Deposit Fund invests in the Epworth Cash Plus Fund for Charities. This Fund's transactions exposes it to the risk that its counterparties will not repay the deposit on maturity. To minimise this risk, the Epworth Cash Plus Fund only gives deposits to banks and other institutions which meet rigorous criteria based on independent credit ratings and size, with a maximum average maturity date for the investments of no more than 180 days. Risk is further minimised by limiting the proportion of the Fund deposited with any single bank or other institution.

Liquidity risk

With the exception of Property Income Trust for Charities and unlisted private equity commitments, the Funds' assets comprise securities that can readily be realised to meet obligations that may arise on the redemption of units.

The chosen collective investment schemes may invest in the securities of companies with a relative small market capitalisation that are less liquid than the securities of larger companies. They may also be subject to more abrupt price movements than trading in the securities of larger companies.

To ensure that the Deposit Fund can meet obligations that may arise from depositors wishing to make withdrawals, the Manager of the Epworth Cash Plus Fund for Charities must maintain at all times a minimum of 10% of the Fund's assets in investments realisable within 5 working days.

Interest rate risk

The CFB Managed Fixed Interest Fund and the CFB Deposit Fund invests may invest in fixed rate and floating rate deposits or funds that invest in these instruments. Changes in the interest rates may result in income either increasing or decreasing. The income may be affected by the manager being unable to secure similar returns following the disposal or redemption of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movements in the future.

Inflation Risk

Inflation will over time, reduce the value of investments in real terms.

Currency risk

Certain assets may be exposed to currency risks where denominated in currencies other than sterling. The CFB does not typically seek to avoid this exposure since it believes that, in the long-term, hedging costs are detrimental to total return.

Sub investment grade bonds

The collective investment schemes held by the CFB Managed Fixed Interest Fund may invest in sub-investment grade bonds. These bonds have a lower credit rating than investment grade bonds and carry a higher degree of risk.

Investing in other collective investment schemes – third party charges

Each Fund invests in other regulated collective investment schemes. As an investor of another collective investment scheme, a Fund will bear, along with the other investors, its portion of the expenses of the other collective investment scheme, including management, performance and/or other fees. These fees will be in addition to the management fees and other expenses which a Sub-fund bears directly with its own operations.

Exchange Traded Sub-funds (“ETFs”)

The funds may invest in exchange traded sub-funds. Exchange traded sub-funds represent a basket of securities that are traded on an exchange and may not necessarily trade at the net asset value of their underlying holdings. As a result, they may trade at a price that is above or below the value of the underlying portfolio.

Suspension of dealings in Units and in specie transfers

Investors are reminded that in certain circumstances their right to sell units may be suspended or, upon a substantial redemption instruction, an in specie transfer may be made to them.

Risk of contagion

The CFB Funds are not separate legal entities. Therefore, all unitholders in all Funds are potentially responsible for liabilities arising in the CFB Funds. The CFB will not use any investment instruments or undertake any activity that could cause a Fund to have a negative asset value. Further, the CFB does not have any right of recourse to unit-holders in the Funds for additional investment. However, unit-holders should be aware that the value of the units in the Funds in which they invest could be detrimentally impacted by a negative net asset value in another Fund.