

### SCHEDULE 3

#### POWERS AND DUTIES OF THE INVESTMENT MANAGER IN RESPECT OF EACH FUND

2. The investment manager shall—
  - (a) keep proper books of account with respect to—
    - (i) the income and expenditure of the fund;
    - (ii) the assets and liabilities of the fund;
    - (iii) the expenses sanctioned by the Treasury under Section 42(11) of the Act;
    - (iv) the allotment and realisation of units;
  - (b) prepare and send to the Accountant General at least once in every half year—
    - (i) an income and expenditure account made up to a date not earlier than six weeks before the date on which it is sent;
    - (ii) an account of the forecast income and expenditure for the subsequent half year;
    - (iii) a balance sheet relating to the fund as at the date to which the income and expenditure account is made up;
  - (c) send to the Accountant General by not later than 31st March in every year a Manager's Report made up to 1st January in that year containing such information as the Accountant General may require;
  - (d) prepare consolidated dividend counterfoils for each fund for issue to the Accountant General such counterfoils to be sent to the Accountant General within two weeks of the accounting dates set out in Schedule 2 above;
  - (e) deem such amount as he considers appropriate of the first dividend payable after the purchase of a unit to have accrued in the buying price;
  - (f) attend to the completion of all the sales and purchases on behalf of the fund and arrange for the transfer of all investments acquired on behalf of the fund into the name of the investment manager or such nominee on his behalf as may be agreed between him and the Lord Chancellor;
  - (g) arrange for the collection of all dividends, income and other distributions made in respect of any investments of the fund;
  - (h) manage any cash balances to the best advantage of the fund;
  - (i) supervise all bank accounts and foreign exchange transactions relating to the fund;
  - (j) arrange for the publication of the prices of units in the Financial Times and inform Extel of those prices;
  - (k) prepare and submit to the Inland Revenue within the required time half yearly income tax returns and repayment claims and reclaim overpaid tax from overseas tax authorities; and
  - (l) where he is required to collect fees under section 42(12) of the Act, pay out of the fund that proportion of the fees which the value of the fund determined in accordance with paragraph 4 of Schedule 1 bears to the aggregate value of all the funds.