

Our ref: Sample

(Date)

Sample copy

Dear (Salutation)

Valu-Trac Investment Management Limited – fund closures

Account number: XXXXXX

Your financial adviser: XXXXXX

I am writing to you because you invest in one of more of the Valu-Trac Investment Management Limited funds listed below as part of a model portfolio set up by your financial adviser.

VT Blackfinch Balanced Portfolio

VT Blackfinch Cautious Portfolio

VT Blackfinch Defensive Portfolio

VT Blackfinch Income Portfolio

The funds will be closed from **29 November 2024**.

We will be unable to accept new investments into the fund from 28 October 2024.

Your financial adviser will take any action that needs to be taken and, if necessary, help to address any questions you may have.

How the fund closing will affect your account

- **Phasing and Rebalancing** – Any **phased investment** or **rebalancing** instructions using the fund will automatically continue. These will either buy units in your other assets proportionally, or go into cash, depending on how your adviser set up the model portfolio. Alternatively, we will update the instruction if your financial adviser provides a revised asset choice.
- **Direct Debits** – If you are paying into the fund by Direct Debit future payments will either buy units in your other assets proportionally, or go into cash, depending on how your adviser set up the model portfolio. Alternatively, we will update the instruction if your financial adviser provides a revised asset choice.

Cash may not be suitable for your long-term investment needs. If you're happy for the amount to stay in cash, you don't need to do anything. Your financial adviser will take any action that needs to be taken and help to answer any questions you may have.

The funds will close in line with the fund group's timeframe, which could mean it will take some time for the proceeds to appear on your account.

Valu-Trac advises that closing proceeds will be paid out in stages with an initial payment representing 98% of the fund's holdings to be paid on or around Friday 20 December 2024. The remainder of the closing proceeds will be paid out as soon as they become available. Where the fund holds long dated assets, it could take over four months for it to receive cash for such assets.

A note about cash in your account

We don't take any product or service charges on your cash balance (although the value is still included in the total value calculation for the charge). Instead, we pay you a rate of interest on cash in your account and we are paid by retaining a proportion of the interest we receive from our banking partners.

You can find more information, including the current interest rate payable and how much interest we retain, on our website at quilter.com/interest-on-cash

Capital gains tax – Collective Investment Account only

If you choose to sell or switch your holdings, this is a disposal for capital gains tax purposes. Please speak to your financial adviser to understand how this may affect you.

The cost of the closure

The transaction costs involved with selling the funds' assets will be borne by the funds. The costs are estimated to be the percentage of the fund value listed below:

Fund Name	Cost
VT Blackfinch Balanced Portfolio	0.07
VT Blackfinch Cautious Portfolio	0.19
VT Blackfinch Defensive Portfolio	0.80
VT Blackfinch Income Portfolio	0.23

Why the fund manager is closing the funds

Due to the relatively small size of each of the funds (particularly following recent redemptions), combined with wider challenges for funds in the face of recent market conditions, Valu-Trac no longer consider any of the funds to be commercially viable.

If you have any questions about this letter, please speak to your financial adviser who will be able to help you. Alternatively, you can call or email us using the details shown and we will be happy to help. Our Customer Service Centre is open 8:30am – 5:30pm, Monday to Friday.

Yours sincerely,



Callum Earl

Head of Customer Operations