

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.

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.

The last day we can sell units in the funds will be 28 November 2024.

To continue receiving the benefits of being invested in this type of fund you will need to switch into an alternative asset(s) from our extensive range.

If you don't have a financial adviser, we recommend that you consider the benefits of receiving professional financial advice, which can be especially important when you need to make investment decisions. If you would like to search for an adviser in your area you can start by visiting quilter.com/financial-advice/find-an-adviser.

How the fund closure will affect your account

- **Phasing and Rebalancing** – Any **phased investment** or **rebalancing** instructions using the fund will automatically continue after the closure. Unless you give us an alternative instruction, the portion allocated to the closing fund will be reapportioned across the other assets in your instruction, or cash if the closing fund is the only fund in your instruction.
- **Direct Debits** – If you are paying into the fund by Direct Debit:
 - 1) we will redirect it into your new fund choice.

- 2) if you don't give us a new asset choice before 28 November 2024 we will buy units proportionally across the other assets in your Direct Debit instruction.
- 3) if the closing fund is the only fund in your Direct Debit instruction we will allocate your payment to cash, where it will stay until you send us a new instruction.

Please note: if a regular Direct Debit payment is allocated to the closing fund, and you decide to switch to an alternative asset(s) from our extensive range, your Direct Debit will not automatically invest into your new asset choice. You will need to update your Direct Debit instruction separately with us.

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. Alternatively, you can switch the cash into an alternative asset(s) from our extensive range. Your financial adviser can give us your switch instruction, or you can switch by logging into our online Customer Centre at quilter.com/login or by sending us a switch form in the post.

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

What happens if you don't take action

If we don't hear from you by 11:00 on 28 November 2024, the funds will close and you will receive cash based on the value of your holding at the closure date*. It will stay in cash until you choose a new asset.

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.

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,

A handwritten signature in black ink that reads "Callum Earl". The signature is written in a cursive, slightly slanted style.

Callum Earl

Head of Customer Operations