

Valu-Trac Investment Management Limited

Authorised and regulated by the Financial Conduct Authority (FCA), registration number 145168.
Registered in England No. 2428648

Tel: +44 (0)1343 880344

Orton, Moray
IV32 7QE

[NAME]

[ADDRESS]

20 December 2018

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. VALU-TRAC ISA HOLDERS IT SHOULD BE READ IN CONJUNCTION WITH THE TERMS AND CONDITIONS THAT HAVE PREVIOUSLY BEEN PROVIDED TO YOU. IF YOU DO NOT UNDERSTAND IT OR ARE IN ANY DOUBT AS TO THE ACTION YOU ARE TO TAKE YOU SHOULD CONSULT IMMEDIATELY WITH YOUR PROFESSIONAL ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000.

Dear Shareholder,

IMPORTANT CHANGES TO VT TCAM INVESTMENT FUNDS ICVC (the "Company") AND ALL SUB-FUNDS (the "Sub-Funds")

1. BACKGROUND

We are writing to you as an investor in the Company to inform you about some important changes that affect the Company, the Sub-funds and the Valu-Trac Investment Management Limited ISA (the "**Valu-Trac ISA**").

As you will be aware Tcam Asset Management Limited, the investment manager of the Company, was recently acquired by Seven Investment Management LLP ("**7IM**"). Following this development, we, Valu-Trac Investment Management Limited ("**Valu-Trac**") intend to retire as the authorised corporate director of the Company in favour of 7IM which will result in some changes to the Company.

It is intended that the changes to the Company, which we summarise below, will take effect on 22 February 2018 (the "**Effective Date**") which is to be a non-dealing day.

Unless you hold your shares through the Valu-Trac ISA there is no need for you to take any action as a result of these changes.

The Financial Conduct Authority ("**FCA**") has confirmed that the implementation of the changes referred to in this letter will not affect the continued authorisation of the Company.

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2. CHANGES TO THE COMPANY

Only a limited number of changes to the way in which the Company is operated will be made. In particular, it should be noted that there will be no change to the investment objective or policy of the Company or any Sub-fund as a result of the change in ACD.

2.1. Change of ACD

The ACD, which is the organisation responsible for the management and operation of the Company, will change from us, Valu-Trac, to 7IM on the Effective Date.

7IM is a company incorporated in England & Wales with its registered office being at 55 Bishopsgate, London, EC2N 3AS. Its head office and principal place of business is also at 3rd Floor, 55 Bishopsgate, London, EC2N 3AS. 7IM currently acts as the ACD for a number of other UK collective investment schemes, similar to the Company.

2.2. Change of name

With effect from the Effective Date:

- the name of the Company will change from "VT Tcam Investment Funds ICVC" to "7IM Funds ICVC"; and
- the name of each Sub-Fund will change as follows:

| Current name | New Name |
|--------------------------------------|---------------------------------------|
| VT Tcam Absolute Return Portfolio | 7IM Absolute Return Portfolio |
| VT Tcam Income Portfolio | 7IM Income Portfolio |
| VT Tcam Growth Portfolio | 7IM Growth Portfolio |
| VT Arden Fund | 7IM Arden Fund |
| VT Randolph Place Diversified Fund | 7IM Randolph Place Diversified Fund |
| VT Tcam Capital Strategy Fund | 7IM Capital Strategy Fund |
| VT UK Strategic Value | 7IM UK Strategic Value |
| VT Japan Strategic Value | 7IM Japan Strategic Value |
| VT Mulgy Fund | 7IM Mugly Fund |
| VT CTAK CAPIV Fund | 7IM CTAK CAPIV Fund |
| VT Craigshannoch Multi-Strategy Fund | 7IM Craigshannoch Multi-Strategy Fund |
| VT Matterhorn Fund | 7IM Matterhorn Fund |

2.3. Change of Head Office

From the Effective Date, the Head Office of the Company will also change to 3rd Floor, 55 Bishopsgate, London, EC2N 3AS which is also the registered office of 7IM.

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2.4. Administration of the Company

The administrator and registrar will change from Valu-Trac to Northern Trust Global Services SE ("**NTGS**"). NTGS will administer the Company in much the same way as Valu-Trac, however, there will be some changes to the dealing arrangements as follows:

- Complaints should be brought in writing to Northern Trust Investor Services at 50 Bank Street, London E14 5NT, or by email to 7IMinvestorservices@ntrs.com or by telephone to 0333 300 0354.

From the Effective Date, all communications concerning the Company should be referred to Northern Trust Investor Services at 50 Bank Street, London E14 5NT (Telephone 0333 300 0354).

2.5. Accounting Periods

The Accounting Period will change from being 31 May as opposed to 15 November (meaning that the interim accounting period will be 30 November). For those funds which have additional interim accounting periods the relevant dates will also change. Income allocation dates will therefore also change to being two months after the end of the relevant accounting period.

2.6. Non dealing day

The Effective Date will be classed as a non-dealing day in order to ensure that the transfer of data from the outgoing administrator/registrar to the incoming administrator/registrar can be accommodated. You will therefore not be able to buy or sell shares in the Sub-Funds on the Effective Date.

2.7. Price Publication

From the Effective Date, you will be able to find the most recent price of shares in the Sub-Funds at www.7im.co.uk or by calling 0333 300 0354 during the ACD's normal business hours (8.30am – 5.30pm).

2.8. Management Fee

The annual management fee will remain unchanged.

2.9. Depositary and Depositary Fees

The Depositary will change from NatWest Trustee and Depositary Services Limited to being Northern Trust Global Services SE.

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There will be a change in the Depositary's fee structure as a result, which will result in a reduction in the overall Depositary fee.

| Current Depositary charges | | New Depositary charges | |
|---|------------|---|------------|
| Value of Sub Fund | Fee | Value of Sub Fund | Fee |
| Up to £25m: | 0.04% | Up to £50m: | 0.015% |
| £25m to £50m | 0.0375% | £50m to £150m | 0.0125% |
| £50m to £100m | 0.035% | Thereafter: | 0.01% |
| Thereafter: | 0.03% | of the value of the scheme property (plus VAT) per annum per Sub-fund | |
| of the value of the scheme property subject to a minimum of £15,000 (plus VAT) per annum per Sub-fund | | | |

2.10. Custodian and Custodian Fees

The Custodian will change from being RBC Investor Services Trust, UK Branch, London Branch to The Northern Trust Company (London Branch).

There will be some changes to the fees payable to the Custodian which may result in slightly higher fees being payable in respect of custody services:

| | Current Custodian charges | New Custodian charges |
|---------------------|--|---|
| Transaction charges | £0 to £40 (plus VAT) | £3 to £120* (plus VAT) *this is a range of fees charged for custody in different markets. The higher fees are charges for more unusual markets which may not be accessed by the Sub-Funds. |
| Custody charges | 0.00% to 0.12% per annum of the value of property of the Company | 0.00225% to 0.120% per annum of the value of the property of the Company |

2.11. Ongoing charges figure

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Although the fee arrangements are changing slightly 7IM has confirmed that the ongoing charges figure will remain broadly the same (if not slightly less) than they are currently.

2.12. Change of Auditor

With effect from the Effective Date, the current auditors, namely Johnston Carmichael LLP, will retire and KPMG LLP will be appointed by 7IM.

2.13. Change for shareholders in the VT Tcam Income Portfolio

There has been a historic arrangement in respect of the VT Tcam Income Portfolio whereby it did not bear a few costs which were otherwise being shared amongst all other Sub-Funds. This was in respect of costs related to preparing, and distributing the prospectus and any costs incurred as a result of periodic updates of or changes to any prospectus, key investor information document or instrument of incorporation. We understand this arrangement was designed to assist the VT Tcam Income Portfolio when it was initially established and so assist in ensuring its viability. As the fund is now viable in its own right, this arrangement is to be stopped going forward so that all sub-funds will be treated equally. It is not expected that this change will result in significant additional costs being borne by the VT Tcam Income Portfolio going forward.

3. DATA PROTECTION

As a result of the proposed change of ACD, Shareholders' personal details will be transferred to 7IM, a company that is not within the same group of companies as Valu-Trac. Valu-Trac will retain personal details in order to comply with the FCA's record keeping rules but will not keep your personal data longer than is necessary and will take all reasonable steps to destroy, or erase from its systems, all data which is no longer required.

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4. ISA

If your investment in the Company is through a Valu-Trac ISA, please read the information contained in the Schedule carefully as action may need to be taken. If you hold shares in the Company other than through a Valu-Trac ISA you need not take any action and can ignore the Schedule.

5. CONTACT DETAILS

| | Pre Effective Date | Post Effective Date |
|--|---|---|
| Fund administration address | Valu-Trac Investment Management Limited, Mains of Orton, Orton, Moray IV32 7QE. | Seven Investment Management LLP PO Box 3733 Royal Wootton Bassett Swindon SN4 4BG |
| Contact number for dealing and enquiries | 01343 880 344 | 0333 300 0354 |

For the avoidance of doubt, the costs of the transition of ACD responsibilities shall be met by 7IM.

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Should you have any queries concerning your holding on or **before the Effective Date**, please contact Valu-Trac on 01343 880 344 or write to us at Valu-Trac Investment Management Limited, Mains of Orton, Orton, Fochabers, Moray, IV32 7QE.

If you have any doubt as to the action you should take in relation to this letter, we strongly recommend that you contact your professional adviser in the first instance.

Yours faithfully



Anne A. Laing CA, Director

Valu-Trac Investment Management Limited

Authorised Corporate Director to the VT Tcam Investment Funds

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SCHEDULE

IMPORTANT – ACTION MAY BE REQUIRED IF INVESTING IN THE COMPANY VIA A VALU-TRAC ISA

If you currently have an investment in the Company or the Sub-fund through a Valu-Trac ISA, it is important that you read the below information. Please note that, if you have an investment in the Company through an ISA other than a Valu-Trac ISA, this section is not relevant.

Important changes regarding your Valu-Trac ISA:

- Change of Plan Manager

Following the appointment of 7IM as the ACD of the Company, you will not be able to hold your shares through the Valu-Trac ISA as its terms permit investment only in funds managed or operated by Valu-Trac. This means that with effect from the Effective Date Valu-Trac will retire as your ISA plan manager. Our retirement will coincide with the appointment of 7IM as your new ISA plan manager. Northern Trust Global Services SE will act as the administrator to the ISA.

The ISA transfer will occur at no cost to you. The proposed transfer of your ISA to 7IM is intended to maintain the tax-free wrapper around your investment whilst minimising the amount of paperwork you need to complete.

- Valu-Trac ISA Terms and Conditions

From the Effective Date the terms and conditions of the Valu-Trac ISA will cease to apply and the 7IM ISA Terms & Conditions will be effective. If you remain invested in the Company at the Effective Date you will be deemed to have accepted the 7IM ISA Terms & Conditions a copy of which is enclosed.

There are very few differences between your current Valu-Trac ISA Terms and Conditions and those which will apply from the Effective Date. There are no differences which would have any material impact on your investment and a copy of the 7IM ISA Terms & Conditions is available on request.

A Form of Election is also enclosed with this letter. If you are content for your Valu-Trac ISA to transfer from Valu-Trac to 7IM, then you **need not** complete this Form of Election.

Alternatively, if you do not wish your ISA to be transferred from Valu-Trac to 7IM, then please indicate your preferred option by completing and signing the form and returning it to us by **8 February 2019** in the reply paid envelope provided or otherwise addressed to Valu-Trac Investment Management Limited, Mains of Orton, Orton, Moray, IV32 7QE.

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- Alternative Arrangements

If for any reason you do not wish to transfer your Valu-Trac ISA to 7IM, the following alternative options are available:

A. You may switch your Valu-Trac ISA holding in the Company to other funds of your choosing available in the Valu-Trac ISA. Details of these funds are available at www.valu-trac.com or by telephoning us on 01343 880 344.

You must read an up-to-date version of the Key Investor Information Document ("KIID"), as applicable for each new fund in which you wish to switch into. You should also read an up-to-date version of the relevant Supplementary Information Document ("SID") and Valu-Trac ISA Terms and Conditions. Please contact us if you have not received up-to-date versions of these documents by calling 01343 880 344 or by visiting our website www.valu-trac.com.

If you choose to invest in other funds available in the Valu-Trac ISA please complete the enclosed Form of Election (ticking Option 1), indicating your choice of fund, sign and return it no later than 8 February 2019.

The switch of your existing holding to other funds within the Valu-Trac ISA will be at no cost to you. You will not lose any of the tax advantages which you currently enjoy in your Valu-Trac ISA as a consequence of switching.

B. You may transfer your Valu-Trac ISA to another ISA plan manager. If you choose to transfer to another ISA plan manager you will need to indicate this in the enclosed Form of Election (ticking **Option 2**) and contact your chosen ISA plan manager who will make the necessary transfer arrangements for you.

Please note that it will only be possible for shares in the Company held under your Valu-Trac ISA to be re-registered with your new ISA plan manager where your new ISA plan manager offers the Company/Sub-fund. If your new ISA plan manager does not offer the Company/Sub-fund, it may be necessary for us to sell the shares and transfer the cash proceeds to your new ISA manager. This will not affect the tax status of your ISA but may have tax consequences.

You must contact your new ISA plan manager and notify us that you have done so by no later than 8 February 2019 to give Valu-Trac and your chosen new plan manager sufficient time prior to the Effective Date to carry out the transfer.

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Valu-Trac will not charge you for the transfer of your Valu-Trac ISA to another plan manager.

If your new plan manager has not arranged the transfer with us by 8:30 a.m. on 21 February 2019, your Valu-Trac ISA will automatically be carried over to the 7IM ISA and you will have to provide a further notification to your chosen plan manager so that they may liaise with 7IM to effect the transfer following the transfer to them.

It is important that you do not redeem your Valu-Trac ISA to use cash to effect such a transfer as this will result in the loss of the tax benefit of your investment.

C. You may decide to redeem your Valu-Trac ISA. This will result in the loss of any future tax benefits of your investment. If you choose to redeem your Valu-Trac ISA you will need to indicate this in the enclosed Form of Election (ticking **Option 3**) or otherwise instruct us in writing by **8 February 2019**. We will then send you the redemption proceeds.

If, by 21 February 2019 we have not received your Form of Election and you have not made arrangements to redeem your Valu-Trac ISA, you will be deemed to have instructed us to transfer your Valu-Trac ISA to 7IM on the Effective Date.

The purpose of this deemed instruction is to ensure (insofar as possible) that you retain all the benefits associated with your investment.

Please note – you only need to fill in the enclosed Form of Election if you hold your investment in the Company through a Valu-Trac ISA. If you hold shares in the Company other than through a Valu-Trac ISA, you need not take any action.

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*** VALU-TRAC ISA INVESTORS ONLY****

FORM OF ELECTION

If you are content for your Valu-Trac ISA to transfer from Valu-Trac to 7IM, then you do not need to complete this Form of Election.

Please complete this Form of Election in BLOCK CAPITALS in black ink and return it, by no later than **8 February 2019**, in the reply-paid envelope provided to: Valu-Trac Investment Management Limited, Mains of Orton, Orton, Fochabers, Moray, IV32 7QE.

The options set out below are explained in the letter which you have received alongside this Form. Terms which are used in this Form are defined in the letter.

PLEASE NOTE THAT YOU ONLY NEED TO COMPLETE AND RETURN THIS FORM IF YOU DO NOT WANT TO TRANSFER YOUR ISA TO 7IM AUTOMATICALLY ON 22 FEBRUARY 2019, BEING THE EFFECTIVE DATE OF THE CHANGE IN ACD AND ISA PLAN MANAGER FROM VALU-TRAC TO 7IM.

We will be unable to accept this as a valid instruction if this Form has not been signed and dated.

PERSONAL DETAILS

DECLARATION

I, being an ISA investor in the Company, hereby request that Valu-Trac Investment Management Limited implements the following option in relation to my entire shareholding in the Company:

Please select (by placing a tick in the box) **one** of the following three options:

Option 1:

I would like to transfer my Valu-Trac ISA to another fund in the Valu-Trac range of funds.

My chosen fund is

My chosen share class is

By selecting this Option (1) and signing this Form:

- I confirm that I have received an up-to-date version of the Key Investor Information Document ("KIID") and Supplementary Information for the fund specified. (These are available at www.valu-trac.com). I acknowledge that the Valu-Trac ISA Terms & Conditions as they apply to the Company will cease and that the most recent Valu-

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Trac Investment Management Limited ISA Terms & Conditions will apply to my investment; and

- I understand that the price used for the switch will be the one calculated at the next valuation point of the Company and alternative fund after receipt of the Form.

OR

Option 2: I would like to transfer my Valu-Trac ISA to another ISA Manager and understand that I need to make my own arrangements prior to **8 February 2019** to initiate this.

OR

Option 3: I would like to redeem my Valu-Trac Fund Management Limited ISA

I would like to sell on the next Dealing Day

Or

I will be sending separate instructions by

(not to be later than the Effective Date)

By selecting this Option (3) and signing this Form I understand that:

- my investment will not retain the ISA tax benefits attaching to it; and
- the price used for the sale of my shares will be that calculated at the next valuation point of the Company, after receipt of the form.

PLEASE SIGN

Please sign and date this form.

Signature of registered holder

Date

If signing in another capacity, please note the capacity in which you are signing (for example, Power of Attorney). If this Form is completed by an Attorney, it must be accompanied by the original Power of Attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) unless details of the Power of Attorney are already on our records.

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