# Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

**VT MUNRO SMART-BETA UK FUND (the "Fund")**
**a sub-fund of VT Munro Smart-Beta Fund (the "Company")**
**Class X Net Income Shares (ISIN: GB00B1Z8L916)**
**Class X Net Accumulation Shares (ISIN: GB00B1Z8LM43)**
**The authorised corporate director of the Fund is Valu-Trac Investment Management Limited**

## Objectives and Investment Policy

The Fund aims to maximise overall returns by seeking to replicate the performance of the Freedom Smart-Beta UK Dividend Index..

The Fund will invest mainly in large and medium sized companies, except investment trusts, that are listed on the London Stock Exchange. The Fund's portfolio will be determined by investing most in those companies that are expected to make the larger dividend payments.

The Fund may also make other investments, including:
• bonds issued by companies, governments and other organisations,
• cash, deposits and money market instruments

The Fund may use derivatives to protect against market or currency movements.

If you hold accumulation shares, any income from the Fund will be reinvested to grow the value of your investment.

If you hold income shares, any income from the Fund may be paid out to you.

You can buy and sell shares on any working day in London.

For full investment objectives and policy details please refer to the prospectus.

*1 The Freedom Smart-Beta UK Dividend index is a Sterling based total return index, comprising approximately 300 of the largest dividend paying stocks (excluding Investment Trusts) that are quoted on the London Stock Exchange.While the full universe is initially determined by market capitalisation, the investible universe is reweighted based on expected dividend payout. The Sub-Fund aims to replicate the performance of the Freedom Smart-Beta UK Dividend index but has the discretion to not be invested in all the constituents.*

## Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area of the table below shows where the Fund ranks in terms of its potential risk and reward based on historical data.

Lower risk ⟷ Higher risk

Typically lower rewards — Typically higher rewards

| 1 | 2 | 3 | 4 | **5** | 6 | 7 |
|---|---|---|---|---|---|---|

Historical data may not be a reliable indicator of the Fund's future risk profile. The risk category shown is not guaranteed and may change over time. The lowest category does not mean "risk free".

The Fund is ranked 5 because monthly historical performance data indicates that it has experienced relatively high rises and falls in market prices historically.

- Counterparty risk: The Fund can conclude various transactions with contractual partners. If a contractual partner becomes insolvent, it can no longer or can only partly settle unpaid debts owed to the Fund. The price of the Fund and any income from it can go down as well as up and is not guaranteed. Investors may not get back the amount invested. Past performance is not a guide to the future.

- Market Risk: External factors can cause an entire asset class to decline in value.

- Risk from use of derivatives: Investments in derivatives may result in gains or losses that are greater than the original amount invested.

- All the risks currently identified as being applicable to the Fund are set out in the "Risk Factors" section of the prospectus which may be obtained from the address in 'Practical Information' overleaf.

## Charges

The charges you pay are used to pay the costs of running the Fund, including marketing and distributing costs. These charges reduce the potential growth of your investment.

| One-off charges taken before or after you invest | |
|---|---|
| Entry charge | 0.00% |
| Exit charge | 0.00% |
| This is the maximum that might be taken out of your money before it is invested or before the proceeds of your investment are paid out. In some cases you may pay less and you should speak to your financial advisor about this. | |
| **Charges taken from the fund over a year** | |
| Ongoing charges | 1.20% |
| | |
| **Charges taken from the fund under certain specific conditions** | |
| Performance fee | None |

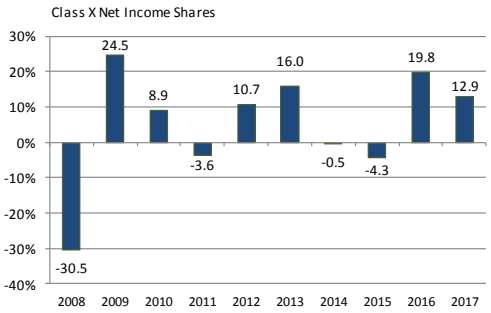
The ongoing charges figure is based on expenses and the net asset value as at 31 July 2017 and may vary from year to year. It excludes the costs of buying or selling assets for the Fund. All of the ongoing charges are taken from the capital of the Fund. They include charges for the operation and management of the Fund.

The Fund's annual report for each financial year will include detail on the exact charges made.

A dilution levy may be charged on a purchase or sale of shares in the Fund in some cases. It may be necessary to reduce the difference between the cost of buying or selling the Fund's investments and the Fund's mid-market share price. Any dilution levy charged will be paid into the Fund.

For more information about charges, please see the "Buying, Selling and Switching Shares" and "Fees and Expenses" sections in the Fund's prospectus.

## Past Performance




You should be aware that past performance is not a guide to future performance.

- The Fund was launched on 14/09/2007.
- The share/unit class was launched on 14/09/2007.
- Performance is calculated in GBP.
- All charges and fees, except any entry, exit or switching charges, have been included within the performance calculation. Please see the section on Charges for more details.

## Practical Information

The depositary for the Fund is National Westminster Bank Plc.

You can obtain further information about the Fund, copies of the prospectus, annual reports and accounts and half-yearly reports and accounts in English, free of charge, from Valu-Trac Investment Management Limited, Orton, Moray, IV32 7QE. They are also available electronically at www.valu-trac.com.

The Fund's latest published price and other information is available at www.valu-trac.com and can also be obtained during normal business hours by calling 01343 880 344.

The Fund is a sub-fund of the Company. The Prospectus and annual or half yearly reports and accounts contain information about the Company and all of its sub-funds.

Each of the sub-funds of the Company is segregated by law. This means that the assets of this Fund may not be used to pay the liabilities of other sub-funds of the Company. There are currently no other sub-funds of the Company.

Shares in other classes may be available. Details are set out in the Prospectus. It may be possible to switch your investment at any time for shares in other classes within the Fund or for shares in a class within a different sub-fund. For further information on switching please contact Valu-Trac Investment Management Limited by calling 01343 880 344.

United Kingdom tax legislation may have an impact upon your own personal tax position. You are advised to seek professional advice on the tax treatment of your investment in the Fund.

Details of the up to date remuneration policy of Valu-Trac Investment Management Limited which includes a description of how remuneration and benefits are calculated and the identities of the persons responsible for awarding remuneration and benefits, is available at www.valu-trac.com and a paper copy is available free of charge upon request.

Valu-Trac Investment Management Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Fund.

The Fund is authorised in the United Kingdom and regulated by the Financial Conduct Authority. Valu-Trac Investment Management Limited is authorised in the United Kingdom and regulated by the Financial Conduct Authority.

This key investor information is accurate as at 31/12/2017.