

## 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 Garraway Absolute Equity Fund (the "Fund")

a sub-fund of VT Garraway Investment Fund Series IV (the "Company")

Class A Accumulation Shares (ISIN: GB00B2PX1719)

The authorised corporate director of the Fund is Valu-Trac Investment Management Limited

#### Objectives and Investment Policy

The Fund is a fundamental equity long short fund which aims to provide a positive absolute return for investors over rolling thirty-six month periods. The Fund seeks to achieve its objective through exposure to UK and global equities. For all short and some long positions this is achieved through the use of derivatives which give the equivalent exposure of physical equities. The Fund is managed against a cash benchmark (3-month GBP LIBOR), reflecting the aim to deliver a positive return in all stock market conditions. There is no actual guarantee that these returns will be achieved over the specified, or any, time period and capital is not guaranteed.

In seeking to achieve absolute returns, the Fund may, from time to time, behave independently to equity markets and can even fall in value when equity markets rise. The manager seeks to generate positive returns from each position but, at times when this does not occur, the Fund may suffer negative returns.

The Fund invests mainly in a portfolio of equities, equity index futures, options on equity indices, ETFs and equity-related securities of companies with a UK listing or global equity exchange listing (including through derivatives and units in collective investment schemes). From time to time, cash, near cash and non-UK securities may be held. The Fund may also invest in other transferable securities, money market instruments and units in collective investment schemes.

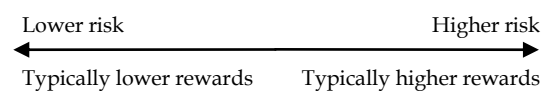
The Fund can invest up to 49% of its Net Asset Value in government and public securities issued by any one body; these securities will generally be less than one-year maturity. This is to allow the Fund to be able to spread counterparty risk for the free cash element, which tends to be significant because of the use of derivatives. In order to achieve its investment objective, the Fund generally uses derivatives (swaps) to obtain equivalent exposure to all short and some long equity positions. Total derivatives (longs and shorts) are likely to represent a significant proportion of the Fund's gross exposure (which typically lies in a range of 175-275% of NAV but which may potentially be as high as 300%). This gross exposure means that investors will receive risk/return outcomes which are proportionately greater than if gross exposure was restricted to 100% of NAV. However, holdings in these derivatives will have the same risk/return profile as if the exposure was in the equivalent physical equity. At times, the Fund may also use equity index futures or options (long or short) in order to achieve an overall level of managed volatility or market exposure.

The Fund seeks to invest in company shares that, after analysis, are deemed by the manager to be mispriced by the stock market. This creates opportunities to buy (long) underpriced stocks and to sell (short) overpriced stocks. The manager looks for a catalyst that will see the mispricing being corrected.

The Fund may be suitable for investors who are willing to invest over the medium term.

#### 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 weekly historical performance data indicates that it has experienced relatively high rises and falls in market prices historically.

The value of investments may go down as well as up in response to general market conditions and the performance of the assets held. Investors may not get back the money which they invested.

The following risks are material in addition to the risks captured by the indicator above:

- **Derivative risk:** Certain derivatives may result in gains or losses that are greater than the original amount invested. Derivatives also involve counterparty risk, which is the risk of a counterparty not meeting its contractual obligations as part of the derivative contract. As the Fund can take synthetic short positions, some market effects could be amplified and result in higher losses. The investment in derivative instruments may increase the leverage of the Fund significantly. The use of leverage in a Fund gives an investor a larger exposure to underlying assets than the amount actually invested and therefore may result in significant fluctuations in the value of your investment.
- **Currency risk:** The Fund invests in assets denominated in currencies other than the Fund's base currency. Changes in exchange rates may have a negative impact on the Fund's investments.
- **Investment risk:** The Fund invests in securities and the prices of these securities may rise or fall due to a number of factors affecting applicable stock markets.
- **Concentration risk:** The Fund invests primarily in UK equities. This focused strategy may produce high gains but also lead to significant losses. The Fund may be less diversified than other investment funds.
- The full list of the Fund's risks is contained in the "Risk Factors" section of the Fund's prospectus.

## 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 | None |
| Exit charge  | None |

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 adviser about this.

### Charges taken from the fund over a year

|                 |       |
|-----------------|-------|
| Ongoing charges | 1.86% |
|-----------------|-------|

### Charges taken from the fund under certain specific conditions

|                 |   |
|-----------------|---|
| Performance fee | 20% of outperformance of 3-month GBP LIBOR* |
|-----------------|---|

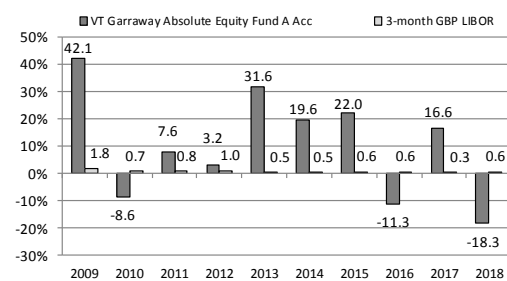
The ongoing charges figure is based on expenses for the 6-month period ending 31 October 2018. This figure may vary from year to year. The ongoing charges are taken from the capital of the Fund. It excludes portfolio transaction costs. The Fund's annual report for each financial year will include detail on the exact charges made.

You may also be charged a dilution levy on entry to or exit from the fund.

For more information about charges, please see section 7 of the prospectus, which may be obtained free of charge from the address in 'Practical Information' below.

\* No performance fee was paid in the 6-month period ending 31 October 2018.

## Past Performance



Source: City Financial Investment Company Limited

### Past performance is not a reliable guide to future performance.

The past performance in the chart shown opposite is inclusive of tax and charges, but excludes the entry charge that may be paid on the purchase of an investment.

The Fund and share class were launched on 10 March 2008.

Performance prior to June 2014 was while the Fund was a Non-UCITS Retail Scheme ("NURS") with a slightly different investment policy and objective. In June 2014, the investment policy was changed to reflect the Fund's increased global exposure.

Performance is calculated in Pounds Sterling.

## Practical Information

The depositary for the Fund is The Bank of New York Mellon (International) Limited.

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](http://www.valu-trac.com).

Details of the remuneration policy will be made available electronically at [www.valu-trac.com](http://www.valu-trac.com) and a paper copy will be made available free of charge from Valu-Trac Investment Management Limited upon request.

The Fund's latest published price and other information is available at [www.valu-trac.com](http://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.

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](http://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 has appointed Hugo Fund Services SA, 6 Cours de Rive, 1204 Geneva, Switzerland, as its Swiss representative. Banque Heritage SA, 61 Route de Chêne, CH-1208 Geneva, Switzerland is the Swiss Paying Agent. In Switzerland shares shall be distributed exclusively to Qualified Investors. In Switzerland, the Fund offering documents, articles of association and audited financial statements can be obtained free of charge from the representative. The place of performance with respect to shares distributed in or from Switzerland is the registered office of the representative.

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 25 March 2019.