

Valu-Trac Investment Management Limited

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

Orton, Moray
IV32 7QE

Tel: +44 (0)330 678 4760

8th May 2025

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document or the action you should take you should consult a person authorised under the Financial Services and Markets Act 2000 to advise on investments of the type referred to in this document such as your stockbroker, solicitor, tax adviser, accountant or other financial adviser.

Dear Shareholder

VT Momentum Investment Funds (the "Company") VT Momentum Diversified Cautious (the "Sub-Fund")

We are writing to inform you that following careful consideration and discussions with Momentum Global Investment Management Limited (as the investment manager of the Sub-Fund) and the Company's depositary, we consider it to be in the best interests of investors to close the Sub-Fund.

Due to the relatively small size of the Sub-Fund (particularly following recent redemptions), combined with wider challenges for funds in the face of recent market conditions, we no longer consider the Sub-Fund to be commercially viable. Given this, and after considering other available options, we believe that termination will protect investors from the impact of increased ongoing charges if other shareholders exercise their right to redeem. It will ensure an orderly wind-down, allowing monies to be returned to investors in a controlled fashion. Therefore, we believe that terminating the Sub-Fund is in the best interests of investors.

The audit/accountancy related costs associated with the termination which will be borne by the Sub-Fund, are expected to be approximately £5,000 (plus VAT and dealing costs). For reference, to reduce overall costs for investors, the Manager has agreed to bear the legal costs associated with the termination.

We expect to commence the process of termination on **9th June 2025** (the "**Effective Date**").

1. OPTIONS

You have the following options available:

- 1.1. provide instructions to redeem your investment in the Sub-Fund for cash before the termination begins; or
- 1.2. choose to switch your investment in the Sub-Fund to another fund managed by us (which may include any other Sub-Fund of the Company, for which Momentum Global Investment Management Limited is also the delegated investment manager) with no initial or switching charges. This includes the VT Momentum Diversified Balanced and/or VT Momentum Diversified Moderate Fund; or
- 1.3. take no action, in which case your investment in the Sub-Fund will automatically follow the default option which is the cash redemption of your investment upon termination.

Please note:

- (a) the return of proceeds (whether through redemption or switching) may be a taxable event, depending on your circumstances; and
- (b) before the termination begins, a dilution levy may be applied to redemptions if it is deemed in the best interests of investors as a whole.

Please provide any instructions regarding Option 1.1 or 1.2 as soon as practicable, **and no later than 12 noon on 6th June 2025. This is particularly important for any ISA holders.** Instructions should be sent in writing to us at: Valu-Trac Investment Management Limited, Mains of Orton, Orton, Moray, IV32 7QE.

Please note that if you choose Option 1.1 (or if you take no action and Option 1.3 applies by default), we will also need to confirm your bank details and verify your identity prior to making any payment to you. If you select Option 1.2, we may also need to refresh our identity checks. Further detail regarding these requirements are provided in section 3 below.

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Further information regarding the process for the redemption of shares is set out in the prospectus of the Company which is available at: <https://www.valu-trac.com/administration-services/clients/momentum/cautious/>.

The prospectus and the key investor information document for each fund that Valu-Trac manages can be found at www.valu-trac.com. In particular, details of those Funds which Momentum Global Investment Management Limited manage can be found at: <https://www.valu-trac.com/administration-services/clients/momentum/>. You should read the key investor information document (KIID) for the fund you wish to switch into before providing any instruction.

2. FURTHER DETAIL ON TERMINATION PROCESS

Dealing in shares of the Sub-Fund shall cease from 12 noon on the 6th June 2025.

From 12 noon on 9th June 2025, we will then begin to liquidate (i.e. sell) the remaining assets of the Sub-Fund so that the proceeds of sale can be paid to you and other remaining shareholders as soon as possible. Please note that, depending on the nature of the assets and any restrictions on their sale, the liquidation process may take some time. Therefore, payments are expected to be made in stages. Initially, there will be a substantial payment as soon as possible after the Effective Date, with the remainder of the proceeds being paid as they become available.

Once we are reasonably assured that all cash proceeds arising from the sale of underlying investments (and any other income, such as dividends, due in respect of the Sub-Fund) have been received, a final distribution will be made to all shareholders in the Sub-Fund. Please note that this final payment can sometimes take a year or more and is typically very small.

If any additional monies fall due to the Sub-Fund later, it may be necessary to make further, smaller distributions to you. If this happens, we will write to you again to confirm any such windfall.

Please also note:

- If you hold income shares in the Sub-Fund, a final distribution of income will be paid separately into the last designated bank account that we have on file for you, and a tax voucher will be issued to you.
- If you hold accumulation shares in the Sub-Fund, any income on your investment will be included as part of the distribution(s) of capital to you and a tax voucher will be issued to you at the relevant time.
- If we do not have your bank details on file, or if we are awaiting verification of your identity, the settlement of any payments to you may be delayed.
- Due to market movements between the Effective Date and the date on which the investments held by the Sub-Fund are actually able to be sold, you may receive more or less than the value attributable to your holding in the Sub-Fund on the Effective Date.

Once all proceeds have been paid out to shareholders the Sub-Fund will be formally terminated.

Please be aware that once the termination process begins, the Sub-Fund will no longer be managed in accordance with its current objective and policy. Instead, the focus will shift to an orderly wind-down. However, all FCA rules will continue to be complied with throughout this process.

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3. CONFIRMATION OF BANK DETAILS AND ID VERIFICATION

As noted above, in order to enable us to release proceeds of the sale, whether you redeem your shares before the Effective Date or wait for shares to be redeemed by default, we require you to:

- (i) confirm details of the bank account you wish proceeds to be paid into; and
- (ii) verify your identity. Until this is done, monies from the redemption will be held in a non-interest bearing client money bank account for you.

Bank account:

In order to allow us to pay the proceeds due to you, please send us:

- a written instruction, containing the details of the bank you wish payment to be made into, signed by all holders; and
- a void cheque or pay-in slip for the same bank account

ID Verification:

We will also need to verify your identity.

We recently contacted you to request that an 'Information Request Form' is completed and returned to us. If you have not already returned this to us, then please do so.

We also wrote to you about our investor identity verification process in partnership with Smartsearch, along with details on how to upload your identity documents (passport, driver's licence, etc) and perform the facial recognition process. Please ensure that you complete this process - if you have not already done so - to allow us to process the redemption and arrange payment of proceeds to you (or indeed, to arrange a switch to another fund).

4. SUMMARY OF KEY DATES

The following are key dates relevant to the closure of the Sub-Fund:

Timetable of key dates	Date
Last date for receipt of instruction to switch your investment in the Sub-Fund	Before 12 noon on 6th June 2025
Last date for subscriptions to the Sub-Fund	Before 12 noon on 6th June 2025
Last date for redemptions from the Sub-Fund	Before 12 noon on 6th June 2025
Commencement of Termination of the Sub-Fund	12 noon on the 9th June 2025
Process of liquidating the Sub-Fund	12.01 on the 9th June 2025
Initial payment of proceeds from liquidation of the Sub-Fund*	Expected on or around 23rd June 2025
Additional payment of further proceeds from liquidation of the Sub-Fund*	As soon as possible following the sale of relevant underlying assets

*(subject to receipt of Bank account details and ID verification)

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5. IMPORTANT NOTE

As noted above, please be aware that any decision you make - whether switching into another fund, redeeming your shares, or receiving proceeds from the termination - will be treated as a disposal of your shares in the Sub-Fund for capital gains tax purposes, and may result in a capital gains tax liability. If you are unsure about the best course of action or the potential tax implications - especially if you hold your investment in an ISA and want to retain its tax benefits - we recommend consulting your financial adviser.

If you have any questions in relation to the proposed changes, please contact us on 0330 678 4760 by email: investorservices@valu-trac.com, or by post to Valu-Trac Investment Management Limited, Mains of Orton, Orton, Moray, IV32 7QE. Calls may be recorded for training or monitoring purposes.

Please note Valu-Trac Investment Management Limited does not provide investment advice.

Yours faithfully

Anne A. Laing CA

Executive Director – Head of Fund Relationships & Products

For and on behalf of Valu-Trac Investment Management Limited (as authorised fund manager of the Company)