



10<sup>th</sup> April 2026

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. YOU DO NOT NEED TO TAKE ANY ACTION, BUT WE RECOMMEND THAT YOU READ IT.**

Dear Investor

**Changes to VT SG Defined Return Assets ICVC (the “Company”).**

We are writing to you as an investor in the sub-fund of the Company (the “Fund”) to notify you that we are making some changes to the Company and the Fund. We set out these changes below, along with an explanation of why we are making them. The changes are relevant to your investment in the following share class or classes of the Fund.

**THESE CHANGES WILL TAKE EFFECT FROM 12 JUNE 2026**

We set out a list of the share classes below to help you to identify your shareholding.

Fund	Share Class	ISIN
VT SG UK Defined Return Assets Fund	A Accumulation	GB00BDZRYK47

You do not need to take any action in relation to these changes - they will take place automatically on 12 June 2026.

The changes will have no impact on the way any Fund is managed or invested and will not change the risk profile of any Fund.

**1. Change of Depositary and Custodian**

We are changing the Depositary of the Company from NatWest Trustee and Depositary Services Limited (“NWTDS”) to The Bank of New York Mellon (International) Limited (“BNYM”).

**What does this change mean?**

The Depositary performs an important function in respect of the Company. It is responsible for the custody and safekeeping of the Fund’s assets, providing oversight in respect of the investments of the



Fund, and ensuring that the Fund is being valued correctly. BNYM has provided fully independent depositary services for UK funds since 1996.

As of the 12 June 2026, BNYM will provide these services to the Company in place of NWTDS. In addition, while NWTDS delegates its custody and safekeeping services to CACEIS Bank (UK Branch), BNYM does not delegate this service and so it will also act as global custodian of the assets of the Funds.

#### **Why are we making this change?**

We are making this change across the entire range of funds we operate to realise cost savings for each of our funds, including the Company.

There will be a reduction in the overall costs and charges paid out of the property of the Fund. Details of the new fees and charges payable by the Fund will be available in the Company's prospectus which will be republished on the 12 June 2026 to reflect the change of Depositary.

#### **Costs of implementing this change**

Some of the costs of making this change will be paid out of the scheme property of the Company. The Fund will pay £5,500 (including VAT) to cover the project fees of NWTDS and external legal fees. In addition, the Fund will pay for the Custodian's migration costs. These are dependent on the assets within the Fund at the point of transfer but are expected to be between £400 and £900.

We consider that this is a reasonable cost to pay from the scheme property given that there will be an overall and ongoing reduction in costs payable by the Funds as a result of the change.

## **2. Change to the Company's anti-dilution policy**

The Company currently allows the Fund to charge a dilution levy, which is a charge that may be added to the cost when you buy shares, or taken from your redemption proceeds when you sell shares, in the Fund.

This charge is a mechanism, permitted under the FCA Rules, used to protect existing or remaining investors from the costs incurred as a result of other investors buying into, or selling out of, the Fund.

When an investor buys or sells shares in the Fund, the Fund may need to buy or sell investments to meet that request. This creates costs such as brokerage fees and taxes. A dilution levy is an additional charge applied to the investor's transaction so that these costs are covered by the investor whose transaction causes them, rather than by all of the investors in the Fund.

However, from the 12 June 2026, we are adopting a different method of protecting investors from the effects of dilution and will be implementing a "dilution adjustment" policy in respect of the Fund. This is sometimes known as "swing pricing".

By way of comparison to the current policy:

- Unlike a dilution levy, a dilution adjustment is not a separate charge added to a particular sale or redemption, but instead is an increase or decrease to the Fund's share price.
- Like a dilution levy, it is a mechanism used to protect existing or remaining investors from the trading costs incurred as a result of having to buy or sell investments.
- By adjusting the share price of the Fund, these costs – like a dilution levy – are borne by the investors whose transactions create the costs, helping to ensure that all investors are treated fairly.

Once adopted, the dilution adjustment may be applied to the Fund on any dealing day at our discretion (as authorised corporate director of the Company). However, in the usual course of business, the dilution



adjustment will be triggered automatically and on a consistent basis. We may apply a dilution adjustment on any dealing day where we believe it is necessary to protect the interests of shareholders. When dealing in the Fund has taken place but a dilution adjustment has not been applied, there may be an adverse impact on the total value of the Fund.

We expect that the average dilution adjustment applied to the Fund will be between a 0.2% and 1.25% increase or decrease on the mid-market value in normal market conditions. However, the actual rate applied could be higher or lower than this.

We do not consider that investors will be prejudiced by this change of anti-dilution policy, because the existing dilution levy and the new dilution adjustment both serve to protect investors' best interests in the event of large trades in or out of the Fund.

Further details on the operation of the dilution adjustment will be included in the prospectus of the Company which will be adopted on the 12 June 2026.

The costs associated with this change will be borne by Valu-Trac Investment Management Limited.

### 3. Changes to the Annual Management Charge

We are also changing the structure of our Annual Management Charge (which is the charge payable to us by the Fund for the services we provide). The new structure will more clearly reflect the commercial services we carry out.

From the 12 June 2026, we will include the following transfer agency fees in the prospectus of the Company:

- *"The ACD is also entitled to be paid out of the Scheme Property any fees, expenses and disbursement in respect of the administration of the Company or a Fund, including in respect of the provision of transfer agency services as follows:*

***Registration fee:** £10 per shareholder per annum*

***Transaction charge:** £2.75 per STP (automated) trade*

*£10 per manual trade*

- *The Registration fee shall be calculated based on the number of shareholders on the shareholder register on the last business day of the previous month. Such transfer agency fees shall accrue daily during the current month and shall be payable on the first business day of the following month."*

These charges are currently paid for by us out of our existing Annual Management Charge. However, as they are dependent on the number of shareholders and transactions, it is not possible to accurately calculate what these might be in advance.

As we will not be decreasing the Annual Management Charge, this change is likely to result in a small increase to the overall costs paid to us.

The costs associated with this change will be borne by Valu-Trac Investment Management Limited.

### Further Information

Both NatWest Trustee & Depositary Services Limited, as the current depositary of the Company, and the FCA have been advised of the changes.



We would remind you that no action is required by you as these changes will come into effect on 12 June 2026. If you have any queries about these changes, please do not hesitate to contact us on 0330 678 4760, although please note we do not offer financial advice. Your call may be recorded for training or monitoring purposes.

Yours faithfully

Jonathan Sim

CEO

For and on behalf of Valu-Trac Investment Management Limited  
(as Authorised Fund Manager of the Company)