

Our ref: 8823/balanced

Fund objective and investment policy change

I am writing to you because you are invested in the VT Momentum Diversified Balanced fund, provided by Valu-Trac Investment Management Limited.

Valu-Trac will change the objective and investment policy of the fund from **26 March 2026**. The old and new objectives and policies are overleaf for you to compare.

In addition, it is changing the fund's benchmark by removing CPI +4 as a target benchmark and instead, introducing a performance comparator benchmark – IA Mixed Investment 20-60% Shares sector.

You may want to speak to your financial adviser about the impact of these changes. Please speak to them before making any investment decisions, or if you have any questions about these changes.

If you don't have a financial adviser, we recommend that you consider the benefits of receiving professional financial advice, which can be especially important when you need to make investment decisions. If you would like to search for an adviser in your area you can start by visiting quilter.com/financial-advice/find-an-adviser.

How the changes will affect your account

- **The value of your holding** – The changes may affect the value of your fund holding. The costs associated with the changes will be borne by the Investment Manager and the fund. This cost is estimated to be in the region of 0.02% of the fund's value.
- **Risk profile** – The fund's risk profile will not change.
- The Ongoing Charges Figure (OCF) / Total Expense Ratio (TER) will not change.

The OCF/TER represents the ongoing charges for the fund, expressed as a percentage. It is the sum of the Annual Management Charge (AMC) and all other running costs of the fund. OCF is increasingly replacing TER.

Why the changes are happening

Valu-Trac is changing the investment objective and policy of the fund to more clearly articulate what the fund is trying to achieve and better describe how the fund is managed. The change is intended to ensure that there is standardised wording across the VT Momentum fund range.

The change to the investment policy is being made to provide investors with more detail and transparency about the kind of assets that the fund may invest in.

The next steps

You don't need to take any action unless you would like to choose a new asset from our extensive range. Please speak to your financial adviser before making any investment decisions or if you have any questions about this change.

If you have any questions about this letter, please speak to your financial adviser who will be able to help you. Alternatively, you can call or email us using the details shown and we will be happy to help. Our Customer Service Centre is open 8:30am – 5:30pm, Monday to Friday.

Yours sincerely



Callum Earl

Head of Client Services

Fund objectives

Old objective	New objective
<p>To achieve total returns (comprised of capital growth and income) of the Consumer Price Index + 4% (net of management fees and underlying fund charges) over the medium to long-term (3-5 years). Capital is in fact at risk and there is no guarantee that a positive return will be achieved over a five year, or any, period.</p> <p>The fund may gain exposure to a broad range of asset classes, including global equities, UK equities, corporate and government bonds, money market instruments, cash and near cash by investing at least 50% in a globally diverse mix of collective investment vehicles (including investment trusts)(which may include those managed and/or operated by the ACD or Investment Manager). The risk profile of the fund is broadly balanced with between 40% and 60% exposure to equities.</p>	<p>To provide capital growth (generated through an increase in the value of the assets held by the fund and/or income received from those assets) over rolling 5 year periods, while maintaining a risk profile as defined by the portfolio's annualised ex ante volatility in the range of 6% to 9%.</p> <p>The fund aims to meet its investments objective by investing up to 60% of its assets, directly and indirectly, in the shares of companies based in the UK and internationally.</p> <p>The fund will also invest at least 30% of its assets, directly and indirectly, in fixed interest and corporate bonds and cash, near cash, deposits, money market instruments and money market funds.</p> <p>The underlying companies in which the fund will be invested will be in any industry sector and of any size and the fund will have a low concentration of individual issuers.</p> <p>The other underlying assets in the portfolio will include real assets (property and infrastructure, indirectly through listed securities) and other diversifying assets (including indirect exposure to gold, alternative/uncorrelated strategies and managed futures strategies).</p>