



WAY Fund Managers Limited

Our Ref: FT/EITRUST/0321/

Date: 31 March 2021

Dear Investor,

Elite Income Trust ("the Trust") – Notification of immediate suspension of dealing and further intention to wind-up the Trust.

It is with regret that we, WAY Fund Managers Limited ("WFM"), hereby give you formal notice of our intention to wind-up the Trust, subject to receipt of approval from the Financial Conduct Authority ("the FCA"). It is important that we explain our reasons for closing the Trust, as well as telling you what will happen now.

WFM recently received notification of an impending request to withdraw around 70% of the value of the Trust which, due to the effect of the Trust's fixed operating costs on a much-reduced asset base, would result in the Trust's ongoing charge figure ("OCF") rising substantially. This would be unfair on the remaining investors who would not have withdrawn and would leave the Trust commercially unviable to continue operating. Therefore, we consider that the best option is to suspend dealing immediately in order to protect the interests of all of the Trust's investors and commence winding-up procedures as quickly as possible. To facilitate this, we have today written to the FCA, to notify it of the suspension and to seek permission to wind-up the Trust. WFM, with the agreement of the Trustee (Northern Trust Global Services SE) has, therefore, suspended all dealing in the Trust's units from 31st March 2021.

WFM has considered alternative options, such as a merger of the Elite Income Trust with a similar fund, either under WFM's management, or with another management company. However, this was ultimately not deemed to be viable.

We expect to be in receipt of the FCA's approval by around the 3rd May 2021, following which the winding-up process will commence. Up to the point of the receipt of FCA approval, the management of the Trust's assets will continue, as normal. We will write out to all unitholders again once FCA approval is received, advising of this fact and confirming the options available to you. This will include the option to receive the value of your capital back as a cash payment, or to switch into an alternative fund of your choice, free of initial charges. If you hold your investment in a WAY Stocks and Shares ISA, you will also be able to maintain your tax wrapper status by having the option to transfer to another ISA Manager, should you wish to do so. Full details will follow the receipt of FCA approval.

Should you have any questions in the interim, we would suggest that you contact your usual financial adviser in the first instance. Alternatively, you can contact this office, by telephone on 01202 855856, or by e-mail



WAY Fund Managers Limited

to customerservice@wayfunds.com (quoting the Subject as 'Elite Income Trust – Winding-up'). Please note that WFM is unable to provide any financial advice.

Yours faithfully

V N Hoare
CEO
WAY Fund Managers Limited