



WAY Fund Managers Limited

Our Ref: VH/EITRUST/0521/

Designation:

Date: 5 May 2021

Dear Investor,

Elite Income Trust (“the Trust”) – Notification regarding wind-up the Trust.

We wrote to you on 31st March 2021, informing you of our decision to apply to the Financial Conduct Authority (the “FCA”) to wind-up the Trust and to suspend any dealing in the Trust with immediate effect. FCA approval under Section 256 of the Financial Services and Markets Act 2000 was duly received on 30th April 2021 and we have now commenced the winding-up of the Trust with immediate effect.

As explained in our previous letter, WAY Fund Managers Limited (“WFM”) was notified of an impending request to withdraw circa 70% of the value of the Trust which would cause a substantial increase in the Ongoing Charge Figure (“OCF”) for any remaining investors. Not only would this be unfair on the remaining investors who had not withdrawn, but the Trust would also cease to be commercially viable. Therefore, we believe that it is in the best interests of protecting all investors to commence the winding-up of the Trust at this time, in order to facilitate an orderly sale of the Trust’s assets.

What happens now?

WFM will sell down the Trust’s assets as soon as possible. We expect the initial distribution of the capital proceeds of the winding-up to take place on or around **4th June 2021** (although this date may be subject to change). Any remaining monies will be distributed by way of a final payment later this year when the final audit has been completed.

The value of your holding in the Trust will be distributed in line with your choice of options which are explained below. **Please read these carefully and make your selection by completing the attached ‘Option Selection Form’ at the back of this letter and returning it to us in the enclosed envelope.** You will receive a contract note from us confirming the amount of each capital distribution or reinvestment, as appropriate, in due course.

You have the following options available to you:

Options for non-ISA holders

- 1. A Cash Payment (the Default Option):** You can choose to have the value of your holding realised through the winding-up process paid to you in cash. This will be paid directly to the bank account you provided when investing in the Trust. If no bank details were provided, you will find instructions about how to provide your account details to us under ‘Providing your bank details’ below. This will enable us to facilitate a payment directly to your bank account. If you do not wish to provide your bank details, you may request that a cheque be issued by



e-mailing us at customerservice@wayfunds.com. In the event that we do not hear from you, after a period of 60 days, a cheque will be issued in the registered holder's name(s) to the address we hold on our register.

- 2. A reinvestment into any of the other funds operated by WFM:** If you wish to reinvest the proceeds of the winding-up of the Trust into any of the other funds we offer, you may do so, free of charge. The details of the other funds operated by WFM can be found at www.wayfunds.com or you may call us on 01202 855856. All reinvestment will be subject to meeting the criteria required for investment into the chosen fund(s) (e.g. the minimum investment requirements etc.) and will be made at its net asset value price. WFM will not apply any initial charges, should you decide to reinvest.

When selecting option 2, please ensure you have read the latest Key Investor Information Document (KIID / NURS Kii) and Supplementary Information Document for the chosen fund(s). These can be found at www.wayfunds.com. The "Funds" tab on our website provides a link to each fund in our range, in alphabetical order.

If your preference is for any other arrangement, or if you have any queries regarding what action needs to be taken, we recommend that you contact your usual financial adviser in the first instance. Alternatively, please call us on 01202 855856. Please note that WFM cannot offer you investment advice.

To confirm your preference, please complete the attached form, and return it to us in the enclosed freepost envelope no later than 12pm (noon) on the 2nd June 2021. Please note that should we not receive a response from you by the deadline given, the Default Option (a cash payment) will be automatically selected.

Options for ISA holders

- 1. A Cash Payment (the Default ISA option):** You can choose to have the value realised through the winding-up process of your holding paid to you in cash. This will be paid directly to the bank account you provided when investing in the Trust. If no bank details were provided, you will find instructions about how to provide your account details to us under '**Providing your bank details**' below. This will enable us to facilitate a payment directly to your bank account. If you do not wish to provide your bank details, you may request that a cheque be issued by e-mailing us at customerservice@wayfunds.com. In the event that we do not hear from you, after a period of 60 days, a cheque will be issued in the registered holder's name(s) to the address we hold on our register.
- 2. A reinvestment into any of the other funds operated by WFM:** If you wish to reinvest the proceeds of the winding-up of the Trust into any of the other funds offered by WFM, you may do so. The details of the other funds operated by WFM can be found at www.wayfunds.com or you may call us on 01202 855856. All reinvestments will be subject to meeting the criteria required for investment into the chosen fund(s) and will be made at its net asset value price. WFM will **not** apply any initial charges, should you decide to reinvest.

When selecting option 2, please ensure you have read the latest Key Investor Information Document (KIID / NURS Key Investor Information) and Supplementary Information Document for the chosen fund(s). These can be found at www.wayfunds.com. The "Funds" tab on our website provides a link to each fund in our range, in alphabetical order.

- 3. ISA Transfer:** As an alternative, WAY Fund Managers will accept transfers of your WAY ISA to another provider as long as this is notified to us (we must be in receipt of notification from the transferee ISA manager) by 12pm (noon) on **2nd June 2021**.

The three main options numbered above are available to you. **However, you should be aware that if you choose a cash distribution the ISA status of this part of your investment in the Trust will be lost. Please note that should we not receive a response from you by the deadline given, the Default ISA Option (a cash payment) will automatically be selected.** The above options do not constitute financial advice and we recommend that you contact your usual financial adviser in the first instance.

To confirm your preference, please complete the attached form, and return it to us in the enclosed freepost envelope no later than 12pm (noon) on 2nd June 2021.



Providing your bank details

Investors **with** UK, Channel Islands and Isle of Man bank accounts

In order for us to make a direct cash payment to you, we will need you to provide your bank details to us. For those of you with UK bank accounts, this means the Sort Code of your bank and your account number and some identification. Please send us **ONE** of the following pieces of identification to verify your bank details:

- A scanned copy or photo image of a bank statement, cheque or internet generated bank statement, provided they contain all the required information and show no signs of tampering/forgery, via e-mail to customerservice@wayfunds.com; or
- An e-mail from your Independent Financial Adviser containing proof of your bank account details, either via a scanned copy or a photo of a recent bank statement/voided cheque via e-mail to customerservice@wayfunds.com; or
- An original or certified copy of a bank statement or a voided cheque in the post to: Elite Income Trust Winding-up, WAY Fund Managers Limited, Cedar House, 3 Cedar Park, Cobham Road, Wimborne, Dorset, BH21 7SB. A freepost envelope is enclosed with this letter.

Please also include a telephone number within any e-mail or postal correspondence, as a member of staff will call you back to validate your details.

If the investment is held in joint names, you may provide joint bank account details or, alternatively, we can pay to an individual bank account if both registered holders provide their consent by sending a jointly signed letter instructing us to do so.

All data will be held in line with the UK GDPR and The Data Protection Act 2018 (DPA).

Investors **without** UK, Channel Islands and Isle of Man bank accounts

Where your bank account is held outside of the UK, Channel Islands and Isle of Man, please contact us by e-mail at customerservice@wayfunds.com, or by telephone to +44 1202 855856 to discuss the best way to provide suitable verification of your bank details.

If you do not wish to provide your bank details, you may request that a cheque be issued by e-mailing us at customerservice@wayfunds.com. In the event that we do not hear from you, after a period of 30 days, a cheque will be issued in the registered holder's name(s) to the address we hold on our register.

Timing

As referred to above, in accordance with your choice of options, WFM expects to be in a position to redeem or reinvest the initial proceeds from the closure of the Trust by the 2nd June 2021 (although this may be subject to change). If there should be any residual capital in the Fund once the termination and final audit has been completed, this will be paid to you in the form of a second, final distribution payment later this year.

Charges

For investments placed into the Trust after the 1st March 2021, any net initial charge deducted by WFM from your investment will be refunded for those investors opting for a cash payment.

The costs of winding-up

The costs associated with the winding-up of the Trust and the winding up of the Company will be met by the Investment Adviser, LGT Vestra LLP. Please note that the audit fees accrued within the trust to the date of winding-up will be used to offset the cost of auditing the final accounts of the Trust.



Please note that the closure of the Trust, if held outside of an ISA account (whether the proceeds of winding-up are reinvested or redeemed) will constitute a disposal of your shares, which could give rise to a liability to capital gains tax for UK residents. Shareholders may wish to seek independent professional advice in relation to their own personal tax position.

Please also note:

- The documentation relating to the Trust can be viewed on our website, which is at www.wayfunds.com. The “Funds” tab provides a link to each fund in our range, in alphabetical order;
- If you have any queries or questions regarding the proposed winding-up, you can either write to us (at the address shown in the footer below), or call us on 01202 855856 (+44 1202 855856 from overseas), or e-mail us at customerservice@wayfunds.com.

We hope you understand the reasons for us having to take this course of action. Naturally it is our intention to conclude any actions required as quickly as possible and to ensure that all investors are treated fairly.

Yours faithfully,

V N Hoare
CEO, WAY Fund Managers Limited



OPTION SELECTION FORM

To: **WAY Fund Managers Limited**

Unitholder Reference:

Intermediary (if any):

Please select one of the options below.

With reference to the winding-up of the **Elite Income Trust**, please accept my/our* instructions to have the value of my/our* holding:

☐ Redeemed and paid to me/us* in cash, in accordance with the closure notice to Shareholders
[the default option]

OR

☐ Reinvest% of my/our* holding into the Fund**
(I/We agree that WFM can choose the share class equivalent to my existing holding in the Fund)

AND (if applicable)

☐ Reinvest% of my/our* holding into the Fund**
(I/We agree that WFM can choose the share class equivalent to my existing holding in the Fund)

WAY ISA HOLDERS ONLY

☐ Please transfer my WAY Stocks and Shares ISA to another ISA Manager. I will arrange for the transferee ISA Manager to contact WAY Fund Managers by the 2nd June 2021.

I/We* can confirm that, where I/we* have taken the option of reinvestment, I/we* have read and retained a copy of the latest Key Investor Information Document for the relevant fund(s) which are available at www.wayfunds.com.

Full Name of Holder	Holder Signature†	Date of Signature
1 st Named Holder
2 nd Named Holder (if applicable)
3 rd Named Holder (if applicable)
4 th Named Holder (if applicable)

*Delete as appropriate

**Subject to meeting the investment criteria for the chosen fund.

†All registered holders must sign.

To confirm your preference, please return this form in the enclosed freepost envelope no later than 12pm (noon) on the 2nd June 2021.