



## *WAY Fund Managers Limited*

**Our Ref:** FT//Specialist-TN

**Holder ID:**

**Designation:**

**Date:** 19 January 2021

Dear Investor,

### **Elite Specialist Portfolio (the “Fund”)**

It is with regret that I am writing to inform you that WAY Fund Managers Limited (“WFM”), the Fund’s Authorised Corporate Director (“ACD”), has taken the decision, with the agreement of the Fund’s Depositary (Northern Trust Global Services SE), to terminate the Fund. To this end, we have suspended dealing in the Fund as of 12 noon on 19 January 2021 in order to allow the termination process to commence.

### **Reasons behind the decision to terminate the Fund**

The Fund was launched in July 2009 and reached nearly £20m in size at its peak. However, for a while now the Fund has not attracted new investment and there have been continual monthly net redemptions. This situation has left the Fund at £6.6m in size as at 15 January 2021 and it no longer represents a viable proposition for either its shareholders, or the ACD. The Fund’s Sponsor, WM Capital Management Limited, does not believe that there is any prospect of the current situation improving.

### **What happens now?**

The ACD will sell down the majority of the Fund’s assets as soon as possible. Unfortunately, one asset will remain invested, as it is not possible to sell it at this present time (please see below under “EEA Life Settlements Fund”).

We expect the initial distribution of the capital proceeds of the termination to take place on or around 16 February 2021 (although this date may be subject to change). Any remaining monies will be distributed following receipt by the Fund, concluding with a final payment when its final audit has been completed.

The value of your holding in the Fund will be distributed in line with your choice of options (see ‘Your Options’ below). You will receive a contract note from us confirming the amount of each capital distribution or reinvestment, as appropriate.

### **Your Options**

**You have the following options available to you:**



- 1. A Cash Payment (the Default Option):** You can choose to have the full value of each capital distribution paid to you in cash. Where applicable, this will be paid directly to the bank account you provided when investing in the Fund. If no bank details were provided, a cheque in full settlement will be sent to your registered address. In respect of joint holdings, a cheque will be made payable to the first-named holder on the register.
- 2. A reinvestment into any of the other funds operated by WFM:** If you wish to reinvest the proceeds of the termination of the Fund 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](http://www.wayfunds.com), or you may call us on 01202 855856 if you are unable to access the website. 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 net asset value prices. In respect of reinvestments, WFM will **not** apply any of its normal initial charges.

**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](http://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 12 February 2021. Please note that should we not receive a response from you by the deadline given, the Default Option (a cash payment) will automatically be selected.**

### Timing

As referred to above, in accordance with your choice of options, WFM expects to be in a position to redeem or reinvest the proceeds from the closure of the Fund on or around 16 February 2021 (although this may be subject to change).

### Regular Savings Plans

If you have a regular savings plan in place with us and select to reinvest your holding into any of the other funds we offer, your savings plan will be automatically applied to the new fund you have chosen.

### Charges

Until the Fund is terminated, fees relating to its ongoing audit, accounting and those payable to the Financial Conduct Authority (“FCA”) will continue to be levied. Other fund expenses, such as those levied by the ACD, the Fund’s Depositary and the Fund’s Custodian (The Northern Trust Company, London Branch), have ceased from 19 January.

### EEA Life Settlement Fund (“EEA Life”)

The Fund has an investment in EEA Life, a Guernsey-domiciled collective investment scheme, which as at 15 January 2021, was equivalent to 3.97% of the Fund’s total portfolio. At purchase, and for a considerable period thereafter, dealing in EEA Life shares took place on a monthly basis. Unfortunately, dealing in the shares of EEA Life was suspended in late 2011. Following a restructuring of EEA Life, the Fund was allocated “Run-Off” shares. In simple terms, this means that, as sufficient cash becomes available within EEA Life, distributions of capital are made to its shareholders, including the Fund. These distributions will continue until the value attributed to EEA Life’s Run-Off shares is exhausted and, wherever possible, such receipts will lead to a distribution of a proportion of the Fund’s capital to its shareholders. The final termination of the Fund will not be possible until the EEA Life shares have been fully redeemed. Periodic distributions of capital pertaining to EEA Life shares are likely to take place over a short number of years until the value of the EEA Life investment is fully realised.



### The costs of termination

The costs associated with the termination of the Fund will be met by the Fund. The total cost is expected to be approximately £20,000 which is to pay for the Fund's regulatory requirement to produce an audited solvency statement and audited termination accounts.

**Please note that the closure of the Fund, unless held in an Individual Savings Account ("ISA") (whether the capital distributions 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. We advise any investors who may be unsure about their tax liabilities to speak to a qualified tax specialist about their investment in the Fund.**

Please also note:

- The documentation relating to the Fund can be viewed on our website, which is at [www.wayfunds.com](http://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 termination, you can either write to us (at the address shown in the footer below), or call us on 01202 855856, or e-mail us at [customerservice@wayfunds.com](mailto:customerservice@wayfunds.com).

Once again, we apologise to you, as an Investor, for 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**

cc.



## OPTION SELECTION FORM

To: WAY Fund Managers Limited

Unitholder Reference:

Intermediary (if any):

*Please select one of the options below.*

With reference to the termination of the **Elite Specialist Portfolio**, 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)

**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](http://www.wayfunds.com).**

Full Name of Holder	Holder Signature†	Date of Signature
1 <sup>st</sup> Named Holder		
2 <sup>nd</sup> Named Holder (if applicable)		
3 <sup>rd</sup> Named Holder (if applicable)		
4 <sup>th</sup> 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 to:**

WAY Fund Managers Limited – Elite Specialist Portfolio Termination, 3 Cedar Park, Cobham Road, Wimborne, Dorset, BH21 7SB **no later than 12 February 2021.**