



## WAY Fund Managers Limited

**Our Ref:** VH/FACET-B/311219

**Date:** 8<sup>th</sup> January 2020

Dear Investor,

**EF FACET Balanced Discretionary Portfolio (a sub-fund of the EF FACET Discretionary Portfolios) (the "Fund")**

**This letter is for information only and it does not require you to take any action.**

We wrote to you on the 14<sup>th</sup> October 2019, to inform you that WAY Fund Managers Limited ("WFM") had taken the decision, with the agreement of the Fund's Depositary (Northern Trust Global Services SE UK Branch ("NTGS")), to suspend dealing in the shares of the Fund on a temporary basis. We also explained the reasons behind the decision to suspend. The suspension was effective from Thursday, 10<sup>th</sup> October 2019. We also wrote to you on the 6<sup>th</sup> November 2019 and on the 4<sup>th</sup> December 2019 to confirm that the Fund was to enter into a second and third period of suspension (of up to 28 days) respectively.

The purposes of this letter are: 1. To provide you with an update on progress to achieving the liquidity targets; and 2. To inform you that the period of suspension is to be extended for a further period of up to 28 days.

As outlined in our letter of 6<sup>th</sup> November 2019, our target for the Fund's aggregate exposure to less liquid and illiquid assets, in order for it to be released from suspension, remains at less than 20% of the Fund's net asset value. This figure of less than 20% is to be maintained at all times following the Fund's release from suspension. Further asset sales have taken place and, as at 30<sup>th</sup> December 2019, this aggregate exposure was at 27.45% (as illustrated in the table below).

The table below provides a comparison of the Fund's position as at 10<sup>th</sup> October 2019, 5<sup>th</sup> November 2019, 3<sup>rd</sup> December 2019 and 30<sup>th</sup> December 2019:

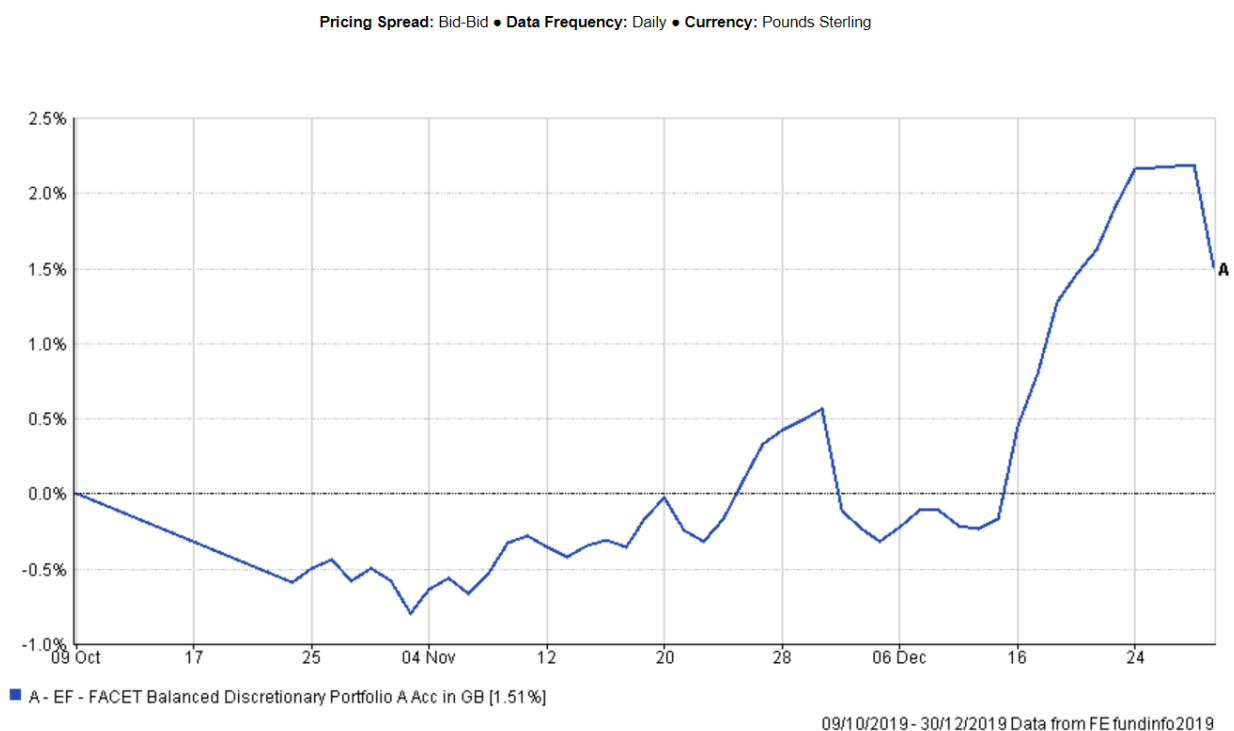
Asset category	Position as at 10 <sup>th</sup> October 2019	Position as at 5 <sup>th</sup> November 2019	Position as at 3 <sup>rd</sup> December 2019	Position at 30 <sup>th</sup> December 2019	Change since 10 <sup>th</sup> October 2019
Liquid assets (can be sold for settlement within 4 business days)	61.46%	70.56%	70.63%	72.55%	+11.09%
Less-liquid assets (can only be fully sold over an extended period of time)	24.70%	15.55%	15.57%	14.52%	-10.18%
Illiquid assets (assets that cannot be sold, unless another party agrees to buy the asset or it is wound-up/liquidated)	13.84%	13.89%	13.80%	12.93%	-0.91%



Whilst there has been some progress in increasing the Fund's liquidity, further progress is still considered necessary. Therefore, the Fund will remain suspended for a further period of up to 28 days, unless WFM and NTGS agree that the period should be shortened or cancelled (See "What happens now"). We have agreed the extension of suspension with NTGS and have informed the Financial Conduct Authority ("the FCA") accordingly.

Shareholders will not be able to buy or sell shares in the Fund during the period of suspension.

WFM continues to calculate and publish daily prices for the Fund during the period of suspension and can confirm that, between the 10<sup>th</sup> October 2019 (the date that the suspension commenced) and the 30<sup>th</sup> December 2019, the price of the Fund's A Class Accumulation Shares has risen by 1.51%. Please see the chart below which shows how the Fund's price has moved since its suspension:



### What happens now?

- Each period of suspension is reviewed at least every 28 days, although the suspension can be lifted at any time if the reasons for the suspension no longer apply;
- At the end of each 28 day period, the suspension can be extended for a further 28 day period, subject to the agreement of NTGS;
- WFM will continue to work with FACET Investment Management Limited with a view to reducing the Fund's aggregate illiquid and less-liquid holdings to below 20% of the Fund's net asset value;
- WFM will continue to write to all affected shareholders on at least a four-weekly basis, in line with the periods of suspension, with the purpose of providing updates as to status and progress;
- Any decision to release the Fund from suspension will be confirmed in writing to all shareholders.



- If there was an indication that the Fund can no longer reasonably expect to meet its liquidity targets, there is a possibility that we will make a decision on the future viability of the Fund prior to the end of the current suspension period. This would also be confirmed in writing to all shareholders.

Please also note:

- The documentation relating to the Fund, which includes a copy of this letter (and our previous letters relating to the suspension) and indicative daily prices of the Fund's share classes, 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 wish to complain about the decision to suspend the Fund, or if you have any queries or questions regarding the suspension, 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);
- If you require investment advice, we recommend that you contact your usual financial adviser, as WFM cannot provide you with investment advice.

We offer our sincere apologies to all shareholders for having to continue with this course of action.

Yours faithfully,

**V N Hoare**  
**CEO**

cc. [Agent Name]