

## KEY FEATURES OF THE EFA STOCKS AND SHARES ISA LINKED TO THE EFA ELEVATION EQUITY PORTFOLIO

### INTRODUCTION

This document describes the key features of the EFA Stocks and Shares Individual Savings Account (EFA Stocks and Shares ISA). It should be read in conjunction with the relevant Simplified Prospectus relating to the EFA Elevation Equity Portfolio Funds ("the Funds").

### AIMS

The aim of the EFA Stocks and Shares ISA is to provide tax-free returns on your investment in the EFA Elevation Equity Portfolio Funds.

### YOUR INVESTMENT

Your investment is in the EFA Stocks and Shares ISA. You can invest in the following manner subject to the minimum amounts specified:

Product	Minimum Investment
ISA	£5,000
ISA Monthly Savings Plan	£100pm

*At its absolute discretion, Elite Fund Administration ('Elite' or 'EFA') may vary the minimum investment levels.*

### RISK FACTORS

- You should note that the price of shares, and the income from them, can go down as well as up as a result of changes in the value of the underlying securities and currency movements. You may not get back the amount originally invested. Past performance is not necessarily a guide to future investment returns.
- If you receive advice from an authorised financial adviser on a face-to-face basis (a 'non-distance contract') you may, subject to the agreement you have with the financial adviser, qualify for cancellation rights which enable you to cancel your investment within 14 days of receipt by you of the Cancellation Notice. If you exercise your right to cancel and the value of your investment has fallen, the refund will be reduced by an amount equal to that fall in value. Please note that applications resulting from non face-to-face communication ('distance contracts') will not benefit from a right to cancel.
- You should note that tax legislation may change from time to time. The information contained within this document is based on Elite's understanding of current law and Inland Revenue practice.
- Performance of the Fund may be adversely affected by the relative strength of individual world currencies, or if sterling strengthens against other currencies. Also, emphasis on markets considered by the Investment Adviser to represent particular value may introduce additional risks compared with an international portfolio balanced in line with stockmarket capitalisation.
- As, at the time of printing, the Cautious Managed and International Equity Funds were new, the figures shown in the Effect of Charges Tables for these Funds are based on a specimen portfolio of investments, as supplied by the Investment Advisers.

### DESCRIPTION OF YOUR INVESTMENT

#### *What is a Stocks and Shares ISA?*

A Stocks and Shares ISA (Individual Savings Account) is a Government authorised scheme offering tax concessions to

individual investors, where the investments held within the ISA are free from Capital Gains Tax.

#### *What is the EFA Stocks and Shares ISA invested in?*

Elite offers a Stocks and Shares ISA which is invested in the Fund. The maximum total investment into a Maxi ISA is currently £10,200 per tax year.

#### *Can you take out a Stocks and Shares ISA?*

You can take out a Stocks and Shares ISA if you are 18 years of age or over and resident and ordinarily resident in the United Kingdom for tax purposes, or, if not so resident, either performs duties, which, by virtue of Section 28 of the Income Tax (Earnings & Pensions) Act 2003 (Crown Employees Serving Overseas), are treated as being performed in the United Kingdom, or married to, or in a civil partnership with, a person who performs such duties.

If you are in any doubt as to your residency status, you should contact your local tax office.

#### *How do you invest?*

Investment into the EFA Stocks and Shares ISA can be made by sending us the appropriate completed application form and your cheque, payable to 'WAY Fund Managers Limited', to the Elite address shown at the back of this booklet.

The minimum lump sum investment into the EFA ISA is £5,000. You can also make regular monthly contributions to your ISA, subject to a minimum of £100 per month. This also requires you to complete the EFA Stocks and Shares ISA application form and return it to us with the completed Direct Debit Mandate.

Investment can also be made by transferring your existing ISA, held with another ISA manager, to the EFA Stocks and Shares ISA. You will need to obtain a "Stocks and Shares ISA Transfer Authority" form from your Financial Adviser or Elite. Once completed this should be returned to your Financial Adviser who will forward it to Elite. Elite will then arrange for your existing ISA investments to be sold and the proceeds invested into the EFA Stocks and Shares ISA in accordance with your instructions.

In accordance with ISA Regulations, all shares held within the EFA ISA are held in the joint names of WAY Fund Managers Limited and the investor.

#### *What documentation do you receive once you have invested?*

We will send you an acknowledgement confirming your investment on the next business day after the valuation point at which you invest. You should keep these documents in a safe place. We do not issue share certificates.

ISA clients will receive statements every six months, in May and November, reflecting transactions on accounts up to and including 30th April and 31st October.

If you choose to invest monthly into a EFA Stocks and Shares ISA by Direct Debit, each year, shortly before the end of the tax year, you will receive a letter from Elite reminding you of the restrictions of investing into another ISA whilst you are investing in the EFA Stocks and Shares ISA (see "The 'One-ISA-a-year' Rule " in the "EFA Stocks and Shares ISA Terms and Conditions").

#### *What is your tax position?*

Within the EFA Stocks and Shares ISA, you are not liable for any capital gains tax. There is no requirement for you to show details of

your ISA on your Tax Return. Your tax position will depend on your individual circumstances.

#### HOW WILL CHARGES AND EXPENSES AFFECT YOUR INVESTMENT?

The following tables show you the effect our charges have on your investment. Elite and every other ACD is required by the FSA to show the effect of their charges on a similar basis.

The figures are based on a theoretical investment of £7,000. From the £7,000 we have deducted the relevant charges.

The underlying investments within the Funds are assumed to grow at 7% a year. This is the growth rate required by the FSA and all ACD's assume the same growth rates. This growth rate is not guaranteed. It is purely used for the purposes of demonstrating the effect of charges and expenses on an investment of £7,000.

We also allow for the annual management charge and other expenses, such as depositary fees and auditors' fees.

You could get back more or less than this. Past performance is not taken into account. Information about the past performance of the Funds is available from your financial adviser, or from Elite. Also, do not forget that inflation would reduce what you could buy in the future with the amount shown.

For the Fund there is a single price for buying and selling shares. The initial charge is deducted from the investment amount before shares are purchased. The initial once-only charge levied on the issue of shares in the Fund is 5%.

The initial charge is levied by Elite to cover its expenses in dealing with each share purchase. These expenses include commission to introducing intermediaries, marketing costs, the costs of issuing contract notes and other communications to investors and their intermediaries, as well as the cost of setting up investors' details on the shareholder records.

In certain circumstances a dilution levy may also be applied when an investor buys or sells shares in the Fund. This is intended to protect existing shareholders from the dilution effects of trading at a single mid-market price. This levy will only be applied in exceptional circumstances and is either added to the purchase cost or deducted from the sale proceeds as appropriate.

If you choose to invest in income shares in the Funds, you should refer to the table labeled as "Income Shares". This shows the estimated net income to be paid to shareholders and it forms part of the total growth rate of 7% a year mentioned above. The table relating to Accumulation Shares does not have a column in respect of income, as all income is reinvested into the Funds. The Horizon Strategy only issues Accumulation Shares.

#### Direct Charges

The annual management charge levied against shares of the Fund is 1.5% a year. This charge covers the fees paid to Elite and to the Investment Adviser and any renewal commission paid to your financial adviser. Other charges, levied directly against the Funds include depositary, audit, registration, Stamp Duty Reserve Tax and FSA fees. These are estimated at 0.52% per annum in respect of the Balanced Growth Fund and 0.33% in respect of both the Cautious Managed and International Equity Funds.

#### Indirect Charges

Some of the fund's assets may be invested in a carefully chosen and managed selection of collective investment schemes, which are subject to their own initial and annual charges, and investment trusts. The Investment Adviser, Vestra Wealth LLP, seeks to minimise these charges by obtaining the best possible discounts on

the initial charges and reductions in the annual management charges. The underlying funds also have other expenses, such as depositary, trustee, audit, registration and FSA fees.

**It is important to remember that underlying funds are purchased for the portfolios only where Vestra Wealth LLP, as Investment Adviser, is comfortable that the quality of fund management (and thereby potential future relative capital and income performance) more than justifies, and compensates for, any initial and annual charges levied on those funds.**

Annual charges accruing to underlying funds held by the Funds are estimated to be as follows:

Cautious Managed Fund	0.63%
Balanced Growth Fund	0.15%
International Equity Fund	0.89%

In practice the charges against individual underlying funds can be higher or lower than this. The FSA requires that we provide an illustration of the impact of ALL charges and expenses, including those suffered by underlying investment funds held within the Funds and this is shown below. The estimated charges and expenses accruing to the underlying funds are suffered by those funds and fully taken into account within the pricing procedures of those funds. These costs are borne by those funds and therefore only indirectly by shareholders in the Funds. However, taking these costs into account, the effect of all costs and expenses, whether direct or indirect, are:

**EFA Elevation Cautious Managed Fund**  
**Annual direct and indirect charges and expenses 2.46%**  
**Buying/selling spread 5%**

Income Shares				
At the end of year	Lump Sum Investment	Effect of Deductions to date	Income	What you might get back at 7% pa
1	£7,000	£530	£110	£6,849
3		£981	£340	£7,230
5		£1,518	£583	£7,632
10		£3,331	£1,250	£8,737

The last line in the Table shows that over 10 years, the effect of total direct charges and expenses could amount to £3,221. Putting it another way, if the growth rate were to be 7.0%, which is in no way guaranteed, this would have the effect of reducing it to 4.0% a year.

**EFA Elevation Balanced Growth Fund**  
**Annual direct and indirect charges and expenses 2.17%**  
**Buying/selling spread 5%**

Accumulation Shares				
At the end of year	Lump Sum Investment	Effect of Deductions to date		What you might get back at 7% pa
1	£7,000	£510		£6,980
3		£923		£7,652
5		£1,430		£8,388
10		£3,216		£10,554

The last line in the Table shows that over 10 years, the effect of total direct charges and expenses could amount to £3,216. Putting it another way, if the growth rate were to be 7.0%, which is in no way guaranteed, this would have the effect of reducing it to 4.1% a year.

**EFA Elevation International Equity Fund**  
**Annual direct and indirect charges and expenses 2.72%**  
**Buying/selling spread 5%**

Income Shares				
At the end of year	Lump Sum Investment	Effect of Deductions to date	Income	What you might get back at 7% pa
1	£7,000	£548	£0	£6,942
3		£1,049	£0	£7,526
5		£1,658	£0	£8,160
10		£3,782	£0	£9,988

The last line in the Table shows that over 10 years, the effect of total direct charges and expenses could amount to £3,782. Putting it another way, if the growth rate were to be 7.0%, which is in no way guaranteed, this would have the effect of reducing it to 3.6% a year.

**Please remember that the figures in the tables are not guaranteed and only give an indication of investment returns using an assumed growth rate. The price of shares can go down as well as up and you could get back more or less than the amount shown above.**

The total of the various charges listed above represents the 'price' to investors of the significant benefits associated with the Trust. These benefits include access to well-researched and actively managed portfolios each comprising a well-considered selection of funds managed by investment specialists. The economies of scale and low marginal costs involved in the maintenance of the Trust should be compared with the considerable costs of maintaining an individual portfolio of investment funds within a portfolio management service.

**HOW MUCH WILL ANY ADVICE COST?**

Your adviser will give you details about the cost. The amount will depend on the size of the investment and the length of the investment term. It will be paid out of the charges. Details of the cost of advice will also be included in the Contract Note or letter of acknowledgement sent to you after you invest.

**OTHER INFORMATION**

*Can you transfer your EFA Stocks and Shares ISA to another manager?*

Investors can transfer their EFA Stocks and Shares ISA to another manager, subject to the ISA Regulations.

**What is Stamp Duty Reserve Tax (SDRT)?**

SDRT is a tax charge levied by the Inland Revenue, which is payable by the ACD, and for which the Trustee may become liable. The tax is charged when shares are sold back to the ACD, or when there is a non-exempt transfer of an investment between parties. SDRT is charged at the rate of 0.5% on investments which are subject to SDRT i.e. if the underlying investments within the fund are not chargeable themselves to SDRT, it is likely that no SDRT charge will be levied on the ACD to the fund.

The regulations permit the charging of SDRT liability to the fund concerned. They also contain a provision, which allows the ACD of a fund to charge the SDRT directly to individual shareholders, by way of entry or exit fees, making an additional charge when buying shares, or deducting a charge from the proceeds of redemption. In most cases, any SDRT liability will be borne by the fund concerned. However, where the aggregate shares being redeemed constitute more than 2% of the value of the fund, the ACD reserves the right to levy the charge against the selling shareholder.

Where shares are being transferred between parties, the ACD will request advance payment of any estimated SDRT liability from the transferee before the transfer is completed.

**How do you sell your investment?**

If you use the services of a financial adviser, we recommend you contact them to arrange the sale of your shares. Otherwise, you may sell your shares by telephone or in writing to Elite. You may sell all your shares or sell shares to a minimum value of £1,000, provided the prevailing value of your remaining investment in that fund does not fall below the current minimum investment levels. The minimum remaining investment restriction does not apply where shares are being sold from a monthly savings plan to which contributions are continuing. Elite will send you a Contract Note confirming each transaction on the next business day after the valuation point at which shares are sold.

Elite will make settlement of your sale of shares in the Fund on the fourth business day following receipt of valid written instructions to sell.

**What happens if you die while your investment is in force?**

In the event of Elite being notified of your death, the investment will continue until written instructions for the disposal or transfer are received from the Executors. ISA tax concessions on capital gains cease from the date of death.

**Who do you contact if you have a complaint?**

If you have a query or if you wish to complain about any aspect of the service you have received, please contact Elite. Information about compensation arrangements is also available from the same source. If you have a query about the information contained in this booklet, please contact your financial adviser or Elite.

WAY Fund Managers Limited is covered by the Financial Services Compensation Scheme. You are entitled to compensation from a scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered up to a maximum limit of £50,000. Further information about compensation arrangements is available from the Financial Services Compensation Scheme.

**ISA investors should also read the EFA Stocks and Shares ISA Terms and Conditions on the following page.**

*Information in this document is correct as at 6 April 2010. WAY Fund Managers Limited will update this information on a regular basis, typically annually, or less if a significant change occurs within that period.*

This document and any resulting contract notes etc. relating to the investment will be issued in the English language only.

**Perspective Financial Management Limited,  
The Old Library, 24 Walker Avenue, Wolverton Mill,  
Milton Keynes, MK12 5TW**

Telephone 01908 579665 Facsimile 01908 579664

Registered Office: As above

Registered in England & Wales No. 3120930

Authorised and regulated by the Financial Services Authority

**Elite Fund Administration,  
Cedar House, 3 Cedar Park, Cobham Road,  
Wimborne, Dorset BH21 7SB**

Telephone: 01202 855856 Facsimile: 01202 855850

Registered office: As above

Registered in England & Wales No. 4011838

Elite Fund Administration is a trading name of WAY Fund Managers Limited which is authorised and regulated by the Financial Services Authority. A member of IMA

# EFA ELEVATION STOCKS AND SHARES ISA TERMS AND CONDITIONS

## GLOSSARY OF DEFINITIONS

**Accumulation Shares** means shares under which all of the available income attributable is reinvested into the fund for the benefit of holders of accumulation shares.

**Buying Price** means the price at which shares are purchased by an Investor, being the single (mid-market) price, plus the initial charge and/or dilution levy.

**Company, the Company** means the Elevation Equity Portfolio.

**Depositary** means State Street Trustees Limited. The Depositary is authorised and regulated by the Financial Services Authority.

**FSA** means the Financial Services Authority.

**Income Shares** means shares under which all of the available income attributable is distributed to planholders.

**Investor** means any individual over 18 years of age and resident and ordinarily resident in the United Kingdom for tax purposes, or, if not so resident, either performs duties, which, by virtue of Section 28 of the Income Tax (Earnings & Pensions) Act 2003 (Crown Employees Serving Overseas), are treated as being performed in the United Kingdom, or is married to, or in a civil partnership with, a person who performs such duties.

**ISA Manager, Manager, Manager** means Elite Fund Administration ('Elite' or 'EFA') a trading name of WAY Fund Managers Limited, which is authorised and regulated by the Financial Services Authority.

**ISA Regulations, the Regulations** means the Individual Savings Account Regulations 1998, as amended from time to time.

**ISA Transfer**, means the transfer of a valid ISA from one or more managers to one or more other managers.

**Individual Savings Account (ISA)** means a Government authorised scheme offering tax concessions to investors.

**Selling Price** means the price at which shares are sold by an Investor, being the single (mid-market) price, less any dilution levy.

**Shares** means Income or Accumulation shares in the Elevation Equity Portfolio Sub-Funds.

**Tax Year** means the UK fiscal year, running from 6<sup>th</sup> April to 5<sup>th</sup> April.

**We, our, us** means Elite as the ISA manager offering the product to which these Terms and Conditions relate.

## Investments

Investments are subject to the ISA Regulations in force. Please note that, following your ISA investment, if your cheque fails to clear, or your Direct Debit contribution is returned to us unpaid, we may cancel that investment and any transactions made up to that date. By entering into this investment, you agree to indemnify us against any losses, costs and expenses incurred directly, or indirectly, as a result of investment and subsequent cancellation.

## Allocation of Shares

The ISA Manager maintains, for each subscriber, an account which shows the fund(s) and the number of shares therein, held for that subscriber. The account will be credited with additional shares in respect of any investments made at the Buying Price ruling on the first business day following the investment from the subscriber.

## Interest on Client Money

Elite does not hold Client Money.

## Terminating/Closing the ISA

We reserve the right to terminate your account, after giving notice to you in writing, where allowed for in the Regulations. This would be in relation to circumstances mentioned elsewhere in these Terms

and Conditions, or should we decide that it would be impractical to continue with it, or should you be in breach of these Terms and Conditions. We will tell you in writing of any failure on our part to comply with the Regulations which either has made, or will make, your account void.

## Notification of an ISA being Void

If at any time you notify us, or we become aware of any failure to satisfy the requirement of the Regulations, we will be required to notify you that your Plan has, or will, become Void.

## Registration

The shares allocated to each ISA account will be registered in the joint names of "WAY Fund Managers Limited" and the beneficial investor and are held by the ISA Manager. Your account remains in your beneficial ownership and may not be used as security for any loan and neither do we record any other person's interest in the account.

## Statements and Manager's Reports

A statement of account will be issued on a six-monthly basis, for the periods ending 30<sup>th</sup> April and 31<sup>st</sup> October. Such statements will be issued by the end of the month following. You will also receive copies of the Interim and Annual Report and Accounts of the Company when they are issued. Shareholder notices and/or information will be sent to you whenever issued to other shareholders and you will have the chance to attend, and vote at, any shareholder meetings called.

## Income

Income shares are available under the Cautious Managed and International Equity Funds held within the Elevation ISA.

## The "One-ISA-a-year" Rule

In each tax year, ISA investors may subscribe to:

- one Cash ISA; and
- one stocks and shares ISA

ISA investors cannot subscribe to two (or more) cash ISAs, or two (or more) stocks and shares ISAs in the same tax year.

## Transferring an ISA

An ISA can be transferred between managers at any time. To transfer to the EFA Elevation ISA, an investor should contact their Financial Adviser, or EFA, for the appropriate information. To transfer their EFA Elevation ISA to another manager, an investor should contact their Financial Adviser, or the transferee ISA manager for details.

On the instructions of the investor and within the time stipulated by the investor, the minimum for which is four business days following receipt by the Manager of valid written instructions, an ISA or part of an ISA, shall be transferred to another ISA manager.

- Subscriptions to a Stocks and Shares ISA can be transferred to another Stocks and Shares ISA;
- Subscriptions to a Cash ISA can be transferred to another Cash ISA or to a Stocks and Shares ISA;
- Subscriptions to a Stocks and Shares ISA cannot be transferred to a Cash ISA

Subject to the fact that a partial transfer of the current tax year's subscriptions will not be permitted.

## Selling an ISA

On the instructions of the investor and within the time stipulated by the investor, the minimum for which is four business days following receipt by the Manager of valid written instructions, all or part of the investments held in the ISA and proceeds arising from those investments shall be transferred or paid to the investor.

## Disclosure of Information

Elite will disclose any information about your investments to your Financial Adviser, unless you advise Elite to the contrary. We will also disclose information, if required to do so under any applicable law or regulation, or if required by our Regulator or the Inland Revenue.

## Delegation and Assignment

As these Terms and Conditions are personal to you, you may not transfer or assign them to another party. Elite may appoint another manager to replace us as your Manager under this agreement and shall transfer all duties and obligations to that person (under normal circumstances prior notice will be given if reasonably practicable). Elite may also employ others to advise on or perform any of our obligations under these Terms and Conditions, subject to our satisfaction that such a party is competent to perform these functions and responsibilities.

## Change of Personal Details of the Investor

An investor is under obligation to inform Elite immediately of any change in their permanent address. If an ISA investor believes that, for any reason they do not, or they cease to qualify for ISA investment, e.g. on residential grounds as defined in the above 'Glossary of Definitions' under the sub-heading 'Investor', they must also notify Elite.

## Data Protection Act

The details you have provided will be held on computer by Elite Fund Administration, but will not be used for any purpose except to fulfil its obligations to shareholders.

## Prospectus

This contains detailed information about the Elevation Equity Portfolio and is available free of charge from us.

## Interim and annual Reports

Copies of the most recent Annual Reports, and any subsequent Interim Reports, for the authorised investment funds managed by Elite are available free of charge from us.

## Liability

Elite or any associate shall not be liable in respect of any acts or omissions of any person, firm or company through whom transactions are effected for your account. We, or any associate, will not be liable for any loss incurred by you except to the extent that any such loss is directly caused by our negligence, willful default or fraud or that of our employees. We will not be responsible for any loss or damage suffered as a result of circumstances beyond our reasonable control. No warranty is given to you as to the performance or profitability of shares held within your ISA. We will not accept any liability for any default, fraud, or negligence by any approved bank, which may hold cash in your account.

## Governing Law

This agreement is governed by and construed in accordance with English Law.

## Amendment of Terms and Conditions

The information in this document is correct to the best of our knowledge at the time of printing. Please note however that minimum investment levels, charges and other terms and conditions contained herein are subject to change. Where written notice is required this will be given to investors, in advance of any change.

## Complaints

We are authorised and regulated by the Financial Services Authority. If you wish to complain about any aspect of the service you receive from us in respect of your account, please contact us at Elite Fund Administration. You also have the right to complain directly to the Financial Ombudsman and, if required, we will provide you with details of how to do this.

Information in this document is correct as at 6 April 2010