Link Fund Solutions Limited
65 Gresham Street
London
EC2V 7NQ
Tel: +44 (0) 345 922 0044

www.linkfundsolutions.co.uk

27 August 2020

Dear Shareholder

Important changes to LF Majedie Tortoise Fund (the "Fund"), a sub-fund of the LF Majedie Asset Management Investment Fund Company (the "Company")

We, Link Fund Solutions Limited, as the authorised corporate director ("ACD") of the Company, are writing to notify you of important changes to the Fund. Details of the changes are set out below. Although these changes do not require shareholder approval and this document does not request or require that you take any action, **we recommend that you read this letter.**

Changes to Fund charges for Class C Shares

Reduction of Annual Management Charge

The Annual Management Charge (AMC) paid out of the Fund to the ACD for Class C Accumulation Shares is currently 1.5%. With effect on and from 20 August 2020, the AMC has been reduced to 1.0%.

Performance Fee

In addition to the AMC a performance fee may be payable in respect of the Class C Accumulation Shares.

Whether a performance fee payable is calculated based upon the performance of the Fund in comparison to a performance target, currently 5% per annum.

The Fund, as an absolute return fund, aims to exceed the risk-free rate of return and therefore produce a positive return in all market conditions over a three-year rolling period. The Fund was launched in 2012, but the strategy was originally launched (in the form of an Irish UCITS fund, which still exists) in August 2007. At that time, prior to the global financial crisis in 2008, interest rates, and consequently the risk-free rate, were significantly higher than currently. Specifically, the Bank of England Base Rate was 5%. A 5% hurdle rate was chosen in 2007, given the market conditions and expectations of returns and performance. When the Fund was launched in 2012, its performance fee hurdle was intentionally identical to that of the Irish UCITS fund and, although the Bank of England Base Rate was then 0.50% per annum, it was expected that interest rates would soon normalise, which has not happened. Currently the Bank of England Base Rate is 0.10%.

Since the launch of the strategy, markets have seen the global financial crisis and a rebasing of the risk-free rate to under 1%, or even negative in some markets over a sustained period. As such the 5% hurdle no longer aligns with this rate of return and the portfolio construction.

The ACD therefore considers the 5% hurdle rate no longer to be suitable and is changing it to the Sterling Overnight Index Average ("SONIA"), which it considers to be better aligned to market conditions. SONIA is administered by the Bank of England as the risk-free rate for sterling markets {https://www.bankofengland.co.uk/markets/sonia-benchmark}.

With effect on and from 1 November 2020 the performance target will change to SONIA with a floor of 0%. The change in performance target will not affect the current high water mark shortfall. So no performance fee will be payable until previous losses are recouped.

Effect of changes to the AMC and Performance Fee

In most scenarios the new charging structure will result in a lower cost to investors, and therefore result in better investment returns. However should:

(a) the price of Class C Shares appreciate over time by more than the high water mark shortfall, AND

(b) SONIA (currently c 0.1 %) remain below c3% per annum,

the increase in performance fee under the new charging structure would exceed the benefit of the AMC reduction. i.e. the total cost to investors would be higher.

If the high water mark shortfall is not clawed back, OR SONIA is higher than c3%, the total cost to investors will always be lower under the new charging structure.

Clarification of investment objective and policy

In response to Financial Conduct Authority ("FCA") guidance, with effect on and from 1 November 2020 (the "Effective Date"), various amendments are being made to the wording of the investment objective and policy of the Fund. This letter constitutes the advance notice of the changes, to which you are entitled under the FCA rules.

The full text of the current and revised investment objective and policy of the Fund are attached as appendix one to this letter. The changes and the reasons for making them can be summarised as follows:

(a) Whilst the wording has changed the investment objective of the Fund remains for the same. However we have simplified the way it is described to make it easier to understand;

(b) whilst the asset classes that the Fund may invest in directly and indirectly (i.e. via other investment vehicles, such as other funds) remain the same, in the revised version of the investment policy we have provided further detail regarding those asset classes and changed the way we describe some of them. Where appropriate we have also clarified which assets may only be held indirectly and have provided more detail on the method used to gain exposure to the asset class; and

(c) we have now included for the Company, after the Investment Policy a section headed "Investment Strategy", which provides information on how Majedie Asset Management Limited, the investment manager ("Investment Manager") of the Company, selects the investments of the Fund and makes adjustments to the portfolio.

The changes described above are intended to provide more clarity to investors, enabling them to more easily understand the Fund's investment objective and how the Fund aims to achieve that objective.

Regulatory position

The changes set out in this section have been discussed and agreed with The Bank of New York Mellon (International) Limited, the depositary of the Company. As the changes will:

(a) not materially prejudice shareholders as there is no change to the current investment strategy of any Sub-Fund nor to the investment style or the approach to managing any Sub-Fund, which will continue on the same basis;

(b) not change the risk profile of any Sub-Fund; or

(c) not change the purpose of any Sub-Fund.

and, the proposed changes are:

(a) consistent with how each Sub-Fund has been managed for a considerable length of time; and

(b) consistent with the basis on which each Sub-Fund was sold,

The FCA has confirmed that the changes will not affect the ongoing authorisation of the Scheme and are a change requiring the ACD to give shareholders advance notice.

Other changes to the Fund

Benchmark

With effect from 7th August 2019 new rules required us to explain why the Fund uses particular benchmarks and where applicable how these benchmarks can be used to assess the performance of the Fund.

The Fund uses the following type of benchmarks:

A ‘target’ - an index or similar factor that is part of a target a fund manager has set for a fund’s performance to match or exceed.

A ‘comparator benchmark’ – is an index or similar factor against which a fund manager invites investors to compare a fund’s performance.

Benchmarks that have been selected as benchmarks for the Fund are listed in appendix two.

Change of address: register and complaints

With effect from 1 January 2020 Link Fund Administrators Limited (the Registrar) moved to Central Square, 29 Wellington Street, Leeds LS1 4DL. The register of shareholders may be inspected at this address during normal business hours by any shareholder or any shareholder's duly authorised agent.

Furthermore, with immediate effect any complaints made in writing should be sent to PO Box 389, Unit 1, Roundhouse Road, Darlington DL1 9UF.

Value Assessment

Please note that the following has been added to section 7.17 of the prospectus:

In accordance with current Financial Conduct Authority rules, we are required to carry out an annual assessment on whether the Company provides value to investors. The assessment of value looks at a number of criteria relating to investment performance, costs and quality of service and will determine whether each Fund offers value to investors compared with the market or whether corrective action is required.

A report detailing the findings of the value assessment will be published on the ACD's website at www.linkfundsolutions.co.uk.

Risk warning: Local, Regional and Global Events

Please note a new risk warning has been added to section 7.4 (x) of the prospectus:

Local, regional and global events, such as natural or environmental disasters, including earthquakes, fires, floods, hurricanes, tsunamis, and other severe weather-related phenomena; widespread disease, including pandemics and epidemics; and war, acts of terrorism, political and social unrest, have been and can be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of the Funds' investments. Given the increasing interdependence among global economies and markets, adverse conditions in one country, market, or region are increasingly likely to adversely affect markets, issuers, and/or foreign exchange rates in other countries. These disruptions could prevent the Funds from executing advantageous investment decisions in a timely manner and could negatively impact the Funds' ability to achieve its investment objective. Any such event(s) could have a significant adverse impact on the value and risk profile of the Funds.

Fair Value Pricing

Please note wording has been added to section 3.1 (e) of the prospectus to provide details of Fair Value Pricing arrangements:

Fair Value Pricing

Where the ACD has reasonable grounds to believe that:

(i) no reliable price exists for a security (including a unit/share in a collective investment scheme) at a Valuation Point; or

(ii) the most recent price available does not reflect the ACD's best estimate of the value of the security (including a unit/share in a collective investment scheme) at the Valuation Point;

it can value an investment at a price which, in its opinion, reflects a fair and reasonable price for that investment (the fair value price).

The circumstances which may give rise to a fair value price being used include:

(i) no recent trade in the security concerned; or

(ii) suspension of dealings in the security concerned; or

(iii) the occurrence of a significant event since the most recent closure of the market where the price of the security is taken.

In determining whether to use such a fair value price, the ACD will include in its consideration but need not be limited to:

(i) the type of authorised fund concerned;

(ii) the securities involved;

(iii) whether the underlying collective investment schemes may already have applied fair value pricing;

(iv) the basis and reliability of the alternative price used; and

(v) the ACD's policy on the valuation of Scheme Property as disclosed in this Prospectus.

Brexit

Please note risk warning wording in relation to Brexit has been removed from section 7.4 and the sub-fund details in appendix 4 of the prospectus:

Further Advice and Information

Should you have any queries concerning your holding on or before the Effective Date, please contact our Customer Services Department on 0345 922 0044 or e-mail investorservices@linkgroup.co.uk.

Yours faithfully

Karl Midl - Director

on behalf of **Link Fund Solutions Limited** in its capacity as authorised corporate director of LF Majedie Asset Management Investment Fund Company

APPENDIX ONE

Current and revised investment objective and policy of the Fund

Current investment objective and policy of the Fund

The Fund aims to achieve positive absolute returns in all market conditions over rolling three-year periods with less volatility than a conventional long-only equity fund. An absolute return over rolling three year periods or any other time period is not guaranteed and the Fund may experience periods of negative return. The capital of investors is at risk and there is no guarantee of a return of capital originally invested.

The Fund will primarily seek to achieve its objective by investment in a concentrated portfolio of long positions in equities and using derivatives to take synthetic short positions. The Fund will invest primarily in equity securities listed on eligible markets located in EEA Member States, Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland or the United States of America. However, it may invest in the equity securities of companies incorporated anywhere in the world.

The Fund will hold a maximum of 60 long positions, representing an overall net position of up to 100% of NAV (where **"net position"** means the position once synthetic short positions have been subtracted from long positions). The long positions will be achieved by direct purchases of securities. The maximum number of synthetic short positions is 60, which may represent up to 100% of the Fund's NAV, and each synthetic short position will not exceed 10% of the Fund's NAV. The synthetic short positions will ordinarily be achieved by the use of CFDs placed with approved counterparties, but other derivatives may also be used to achieve synthetic short positions. Where index derivatives are used for efficient portfolio management, those derivatives positions will not be counted towards the maximum of long positions nor the maximum of synthetic short positions.

The total exposure of the Fund will not exceed 200% of NAV and will be monitored on a daily basis to ensure that the total exposure does not exceed this stated maximum.

There is no policy to restrict investment to particular industry or economic sectors. There will be no borrowing for investment purposes.

No more than 10% of the Fund Property may be invested in other collective investment schemes.

The Fund may also hold and invest up to 100% of its NAV in near cash assets, which includes government and public securities. The situations in which near cash assets will be held may include: (i) where the Investment Manager considers that there are not sufficient suitable investment opportunities; (ii) to protect the value of the Fund and maintain liquidity at times in falling or volatile markets; (iii) to facilitate the Fund's ability to meet redemption requests; and (iv) where the Fund has received subscriptions that are awaiting investment. Subject to the ongoing need to provide adequate liquidity to meet the foreseeable level of redemptions at all times, there is no minimum level of liquidity that the Fund may hold at any one time.

Revised investment objective and policy of the Fund, with effect from the Effective Date

Investment Objective

To produce a return in excess of SONIA (Sterling Overnight Index Average) in all market conditions, over any three-year period after all costs and charges have been deducted and with less volatility than the MSCI World Net Total Return Index. There is no guarantee that a positive return will be achieved over any time period and capital is at risk.

Investment Policy

The Fund aims to achieve its objective by investment in a portfolio of long equity positions and by using derivatives to take synthetic short equity positions. At least 70% by value of the aggregate of these long and short positions will be in companies listed in EEA Member States, Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United Kingdom or the United States of America. It may also invest in the shares of companies throughout the world (including emerging markets).

- The Fund will hold a maximum of 60 long positions, representing an overall net position of up to 100% of Net Asset Value (where “net position” means the position once synthetic short positions have been subtracted from long positions). The long positions will be achieved by direct purchases of securities.
- The maximum number of synthetic short positions is 60, which may represent up to 100% of the Fund’s Net Asset Value, and each synthetic short position will not exceed 10% of the Fund’s Net Asset Value. The synthetic short positions will ordinarily be achieved by the use of contracts for differences (CFDs) placed with approved counterparties, but other derivatives may also be used to achieve synthetic short positions. Where index derivatives are used for efficient portfolio management, those derivatives positions will not be counted towards the maximum of long positions nor the maximum of synthetic short positions.
- The Fund may also hold and invest up to 100% of its NAV in near cash assets, which include government and public securities.
- The total exposure (under the commitment approach) of the Fund will not exceed 200% of NAV and will be monitored on a daily basis to ensure that the total exposure does not exceed this stated maximum.

The Fund does not have any restrictions on the industry sectors or the economic sectors it can invest in.

The Fund may also hold and invest in cash, deposits, government and public securities and/or money market instruments where the Investment Manager considers that there are not sufficient suitable investment opportunities; to facilitate the Fund’s ability to meet redemption requests; and where the Fund has received subscriptions that are awaiting investment. The Fund may also hold and invest up to 100% of its NAV in cash, deposits, government and public securities and/or money market instruments to protect the value of the Fund and maintain liquidity at times in falling or volatile markets.

The Fund may invest in these asset classes directly or indirectly via other transferable securities and collective investment schemes. These may include other funds managed by the ACD, or Associates of the ACD or by the Investment Manager, or funds to which the Investment Manager, or its Associates, provides investment management services.

No more than 10% of the Fund Property may be invested in other collective investment schemes.

Investment Strategy

The fund is actively managed. The investment manager uses a combination of macro analysis of the credit, industrial and consumer cycles and micro analysis of individual company's operational performance and valuation to make investment decisions. The Investment Manager aims to invest in long equity positions in companies they believe to be undervalued, where operational performance is improving and which are in the low end of their historical price range. The Investment Manager aims to take short positions in companies they believe to be overvalued, where operational performance is deteriorating, and which are in the high end of their historical price range. This strategy is designed to limit overall portfolio downside while offering medium term (which the investment manager defines as 3 years) appreciation.

In terms of portfolio construction the gross and net exposure are arrived at by a combination of both macro views in terms of likely direction and volatility of equity markets together with micro views on the relative attractiveness of long and short positions given current market pricing. Positions are sized according to risk. Risk is defined as the range of potential outcomes. Higher risk shares with a wider range of potential outcomes have smaller weightings and lower risk shares have higher weightings. The Investment Manager assesses risk by looking at the volatility of revenues and the amount of fixed costs which together drive profit volatility. The Investment Manager then considers the company's balance sheet and the scope for the valuation of the shares to change in the future.

APPENDIX 2

Information regarding benchmarks

SONIA (Sterling Overnight Index Average) has been selected as the fund's target benchmark as the fund aims to achieve a return (the money made or lost on an investment) in excess of the risk free rate and SONIA represents the risk free rate for sterling markets. Please refer to the fund's investment objective for details regarding how achievement of the target return benchmark is measured, and over what time periods. The fund is not constrained by the benchmark. Further information on SONIA is available at https://www.bankofengland.co.uk/markets/sonia-benchmark.

The fund's volatility may be compared against that of the MSCI All Country World Net Total Return Index. The ACD believes that this is an appropriate comparator for volatility given the investment objective and policy of the fund. The ACD considers that the comparator benchmark will assist investors in evaluating the fund's volatility against global companies of all sizes. The fund is not constrained by comparator benchmark and can take positions that differ significantly from the comparator benchmark.

`