

# Notice to the Shareholders of Ruffer SICAV



## Ruffer Emerging Markets Fund

Dear Shareholder,

We are writing to you as a shareholder of the 'Ruffer SICAV – Ruffer Emerging Markets Fund', a sub-fund of Ruffer SICAV, a public limited company (*société anonyme*) qualifying as an investment company with variable share capital (*société d'investissement à capital variable*) and structured as an umbrella fund, incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg Trade and Companies' Register ('R.C.S. Luxembourg') under number B 161.817 (the 'Company'), in order to inform you that the board of directors of the Company has decided to proceed with a cross-border merger whereby all the assets and liabilities of the sub-fund 'Ruffer SICAV – Ruffer Emerging Markets Fund' (the 'Merging Sub-Fund') will be merged into the 'LF Ruffer Investment Funds – LF Ruffer Pacific & Emerging Markets Fund', a sub-fund of 'LF Ruffer Investment Funds', an English open-ended investment company incorporated with limited liability and structured as an umbrella fund, existing under the laws of England and Wales, having its registered office at 6th Floor, 65 Gresham Street, London, EC2V 7NQ, United Kingdom under registered number IC49 (respectively the 'Receiving Sub-Fund' and the 'UK Company') (the 'Merger').

The sub-funds will be referred thereafter as the 'Sub-Funds'.

The Merger will be carried out in accordance with Article 34 of the articles of incorporation of the Company (the 'Articles') and section 'General Information', section 'Mergers' of the last visa-stamped prospectus of the Company dated September 2018 (the 'Prospectus').

The Merger will be effective on 16 January 2019

(the 'Effective Date') and, in accordance with the Articles and the Prospectus of the Company and the instrument of incorporation and current prospectus of the UK Company dated 9 August 2018 (the 'UK Company Prospectus'), the Merger will not require the prior approval of shareholders of the Merging Sub-Fund or the Receiving Sub-Fund.

Both Sub-Funds aim to achieve positive returns through an actively managed portfolio of equities and equity related securities with a geographical focus on emerging markets, however the Receiving Sub-Fund also invests a proportion of its assets in developed companies in the Asia Pacific region. Ruffer LLP will bear any costs of implementing the Merger, save for any tax liabilities incurred by shareholders of the Merging Sub-Fund in connection with the Merger.

Details of the Merger are given through Appendices A to E enclosed at the end of this notice –

Appendix A	Details of the Merger
Appendix B	Extract from the UK Prospectus
Appendix C	KIIDs of the Merging Sub-Fund 'Ruffer SICAV – Ruffer Emerging Markets Fund'
Appendix D	KIIDs of the Receiving Sub-Fund 'LF Ruffer Investment Funds – LF Ruffer Pacific & Emerging Markets Fund'
Appendix E	HMRC Clearances

You do not need to take any action in relation to this letter, but you are encouraged to read it.

This letter and its appendices explain the background of the Merger and aim to provide you with sufficient information to help you make an informed assessment on the impact of the Merger on your investment. If you have any questions about the Merger, please contact your financial advisor. Alternatively, our teams are available to help you by calling +352 46 7171 7666 or emailing [pfs.lux@pictet.com](mailto:pfs.lux@pictet.com).

## Background and rationale for the Merger

The portfolios of the Merging Sub-Fund and the Receiving Sub-Fund are both managed by the same portfolio manager and have similar investment objectives and policies and increasingly hold many of the same assets. It is proposed that the smaller fund in terms of assets (the Merging Sub-Fund) is merged into the larger fund (the Receiving Sub-Fund) to allow investors to take advantage of the larger sub-fund size, greater economies of scale and relatively lower overheads spread across a larger investor base, which should result in lower costs and a reduction in the overall expense ratio for investors. A larger asset base will also reduce the impact of inflows and outflows of cash on the Sub-Funds, which can be disruptive to their management.

Please note that the Merger will lead to the cancellation of the shares in the Merging Sub-Fund and closure of the Merging Sub-Fund.

The Merger will be effective on 16 January 2019.

For your information, we enclose copies of the Key Investor Information Documents for the Receiving Sub-Fund, Class C Income (GBP) Shares (ISIN: GB00B7GWO644), Class C Accumulation (GBP) Shares (ISIN: GB00B8BZHC05) and Class O Accumulation (GBP) Shares (ISIN: GB0034035328). It is important that you read them as it will provide you with useful information regarding the Receiving Sub-Fund.

## Option to redeem or convert prior to Merger

If you consider that the Receiving Sub-Fund will not suit your investment requirements, you may convert your shares into shares of another sub-fund within the Company or request the redemption of your shares. You will not be charged for any such conversion or redemption.

## If you choose to convert or redeem

Any instruction to convert or redeem must be received before 11 January 2019 at 4pm CET. You can convert or redeem your investment by contacting either your usual financial advisor, or alternatively, our teams are available to help you by calling +352 46 7171 7666 or emailing [pfcs.lux@pictet.com](mailto:pfcs.lux@pictet.com).

## If you take no action

Pursuant to and as a consequence of the Merger, the assets and liabilities of the Merging Sub-Fund will transfer to the Receiving Sub-Fund in exchange for the allotment and issue to shareholders of new shares in the Receiving Sub-Fund, as further detailed below. If you do not take any action prior to the Effective Date, you will receive, on the Effective Date new shares in the Receiving Sub-Fund of a number equivalent to the number of shares you held in the Merging Sub-Fund on the Effective Date multiplied by the exchange ratio applicable to the relevant share class in the Merging Sub-Fund (as described in Section 4.5 of Appendix A). The shares previously held by the shareholders of the Merging Sub-Fund shall be cancelled.

## More information

If you have any questions in relation to the above, please contact the Company at the address above.

We note that we are unable to provide advice. If you have any doubts in relation to the tax or other implications of the Merger or a pre-Merger redemption or conversion of your shares, or the actions you should take, you should consult your own independent professional adviser immediately.

Yours faithfully,

Luxembourg, 30 November 2018

The Board of Directors of Ruffer SICAV

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

## Appendix A Details of the Merger

We recommend that you read the current versions of the Prospectus and the UK Prospectus (the Prospectus and the UK Prospectus being referred together as the 'Prospectuses') as well as the Key Investor Information Documents (the 'KIID') of the Receiving Sub-Fund (enclosed as Appendix D) before considering your investment options and prior to the Merger taking place. The Prospectuses contain important investor information regarding the Company, the UK Company, the Merging Sub-Fund and the Receiving Sub-Fund.

For your convenience, in Appendix B, we have included an extract of the UK Prospectus in relation to the Receiving Sub-Fund.

### 1 Summary of the Merger

- i The merger will be effective on 16 January 2019.
- ii We believe that the Merger is in the interests of the shareholders of the Merging Sub-Fund and the Receiving Sub-Fund. The background and rationale for the Merger is set out in Section 3 of this Appendix.
- iii You are not required to vote on the Merger.
- iv The Merger will lead to the cancellation of the shares in the Merging Sub-Fund and closure of the Merging Sub-Fund.
- v The Merger will result in the assets and liabilities of the Merging Sub-Fund transferring to the Receiving Sub-Fund and you holding shares in the Receiving Sub-Fund. Please refer to Section 4 of this Appendix for a detailed comparison between the Merging Sub-Fund and the Receiving Sub-Fund.
- vi Please refer to Section 5 of this Appendix for a description of your options in relation to the Merger, including, in particular, your right to redeem or convert your shares in the Merging Sub-Fund before the Merger without any charge to be applied.
- vii Dealing in the Merging Sub-Fund will continue as usual until 11 January 2019. Any subscriptions, redemptions, conversions and/or transfers into or out of the Merging Sub-Fund after this date will not be processed. On the Effective Date, all investors in the Merging Sub-Fund

will receive new shares of the corresponding class in the Receiving Sub-Fund.

- viii The procedural aspects of the Merger are set out in detail in Section 6 of this Appendix.
- ix Please be aware that the Merger may create tax consequences for you. You should consult your tax adviser about the consequences of the Merger on your individual tax position.
- x Please refer to Appendix B of this letter for a detailed description of the Receiving Sub-Fund which has been taken from the UK Prospectus. You are encouraged to read this information before considering your investment options prior to the Merger taking place.

### 2 Timetable for the Merger

The Merger will take place according to the following timetable –

Documentation sent to shareholders	3 December 2018
Dealings closed in the Merging Sub-Fund at close of business	11 January 2019
Valuation of the Merging Sub-Fund and Receiving Sub-Fund and calculation of the exchange ratio	16 January 2019
Effective Date of the Merger	16 January 2019
Dealings continue as usual in the Receiving Sub-Fund	23 January 2019

### 3 Background and rationale for the Merger

The portfolios of the Merging Sub-Fund and the Receiving Sub-Fund are both managed by the same portfolio manager and have similar investment objectives and policies and increasingly hold many of the same assets. It is proposed that the smaller fund in terms of assets (the Merging Sub-Fund) is merged into the larger fund (the Receiving Sub-Fund) to allow investors to take advantage of the larger sub-fund size, greater economies of scale and relatively lower overheads spread across a larger investor base, which should result in lower costs for investors and a reduction in the overall expense ratio. A larger asset base will also reduce the impact of inflows and outflows of cash on the Sub-Funds, which can be disruptive to their management.

## 4 Key information regarding the Sub-Funds

Services Providers	Merging Sub-Fund	Receiving Sub-Fund
Investment Manager	Ruffer LLP	Ruffer LLP
Sub-Investment Manager	Ruffer (Asia) Limited	Ruffer (Asia) Limited
Central administration/ fund accounting	FundPartner Solutions (Europe) S.A.	The Bank of New York Mellon (International) Limited
Registrar and Transfer Agent	FundPartner Solutions (Europe) S.A.	Link Fund Administrators Limited
Depository	Pictet & Cie (Europe) S.A.	The Bank of New York Mellon (International) Limited
Auditors	Ernst & Young S.A.	Ernst & Young LLP
Management Company/ Authorised Corporate Director	FundPartner Solutions (Europe) S.A.	Link Fund Solutions Limited

### 4.1 Comparison of the investment policies of the Sub-Funds

Both Sub-Funds aim to achieve positive returns through an actively managed portfolio of equities and equity related securities with a geographical focus on emerging markets, however the Receiving Sub-Fund also aims to invest a proportion of its assets in developed companies in the Asia Pacific region. Details of the investment objective and investment strategy and policy of the Merging Sub-Fund and Receiving Sub-Fund are set out below. Defined terms used shall have the meaning given to them in the relevant Prospectus.

#### The Merging Sub-Fund ‘Ruffer SICAV – Ruffer Emerging Markets Fund’

The investment objective of the Sub-Fund is to achieve positive returns from an actively managed portfolio mainly of equities and Equity Related Securities (as defined below) of

- i companies listed on stock exchanges and/or traded on Regulated Markets and/or dealt in Other Regulated Markets in countries whose equities or Equity Related Securities are included in the MSCI Emerging Markets Index (‘Emerging Market Countries’) and
- ii companies which conduct the main part of their economic activity in such Emerging Market Countries
- iii with (i) and (ii) together being ‘Emerging Market Companies’.

‘Equity Related Securities’ shall include but not be limited to American Depositary Receipts and Global Depositary Receipts. The investment in Equity Related Securities enables the Sub-Fund to gain exposure to equity securities instead of investing in securities directly in circumstances where, due to local restrictions or quota limitations, it is not possible to hold these directly or where it is otherwise advantageous to the Sub-Fund to do so.

#### The Receiving Sub-Fund ‘LF Ruffer Investment Funds – LF Ruffer Pacific & Emerging Markets Fund’

The investment objective of LF Ruffer Pacific & Emerging Markets Fund is to achieve consistent positive returns (net of fees) over a five year rolling period. There is no guarantee that the objective will be met or that a positive return will be delivered over any time period and capital is at risk.

The Sub-fund will aim to achieve the investment objective by investing in an actively managed portfolio comprising of at least 70% in equities and equity related securities of companies listed, quoted or traded in the Asia Pacific region or Emerging Market countries.

The Sub-fund will retain an Asia Pacific bias. Under normal circumstances, non-Asian emerging markets will account for not less than 10% and not more than 35% of the Sub-fund’s investments.

The Sub-fund may also invest in the shares of other companies and fixed income securities (regardless of geography) and cash. In order to implement the investment policy the Sub-fund may gain exposure through American depositary receipts, global depositary receipts and other equity related securities. The Sub-fund may also invest in collective

In order to achieve its objective, the Sub-Fund will mainly invest

- directly in equities and Equity Related Securities of Emerging Market Companies and/or
- in undertakings for collective investment (UCIs) including other Sub-Funds (within the below limit of 10% in UCIs) and/or
- in any Transferable Securities (such as structured products) linked (or offering an exposure) to the performance of the above-mentioned securities.

The choice of investments will neither be limited by economic sector nor in terms of currencies in which investments will be denominated. Depending on financial market conditions, a particular focus can be placed in a single country (or some countries) and/or in a single currency and/or in a single economic sector.

On an ancillary basis, the Sub-Fund may have an exposure to the following asset classes: cash, debt securities of any type (including government and corporate debt), money market instruments, and any other equities and Equity Related Securities. Investors should note that there can be no assurance that the investment objective will be achieved.

Notwithstanding the foregoing and in order to avoid any misunderstanding, investments in asset backed securities and mortgage backed securities will be limited to 10% of the Sub-Fund's net assets.

Notwithstanding the above, the Board of Directors has decided that no more than 10% of the net assets of the Sub-Fund may in aggregate be invested in UCIs (UCITS and other UCIs).

Structured products can be instruments, such as but not limited to notes, certificates or any other Transferable Securities whose returns are correlated with changes in, among others, a financial index selected in accordance with article 9 of the grand-ducal regulation dated 8th February 2008 (the 'Grand-Ducal Regulation') (including eligible financial indices on volatility, commodities, precious metals, etc), currencies, exchange rates, Transferable Securities or a basket of Transferable Securities or a UCI, at all times in compliance with the Grand-Ducal Regulation.

In compliance with the Grand-Ducal Regulation, the Sub-Fund may also invest in structured

investment schemes, money market instruments and other transferable securities, such as structured products.

The Sub-fund may invest in derivatives and currency forward transactions for both investment and efficient portfolio management purposes.

The minimum investment amounts referenced above will not apply under extraordinary market conditions, in which circumstances the Sub-fund may invest in asset classes other than those in which it normally invests in order to mitigate its exposure to market risk. Examples of extraordinary market conditions include economic, political unrest or instability, world events leading to market instability, closure of a relevant market(s), or any events which give rise to high downside risk. During such periods, the Sub-fund may temporarily invest up to 100% of its total assets in cash, deposits, treasury bills, government bonds or short-term money market instruments, or have substantial holdings in cash and cash equivalents.

products without embedded derivatives, correlated with changes in commodities (including precious metals) with cash settlement.

For hedging and for any investment purposes, within the limits set out in the investment restrictions in the main body of the Prospectus, the Sub-Fund may use all types of financial derivative instruments traded on a regulated market and/or over the counter (OTC), provided they are contracted with leading financial institutions specialised in these types of transactions. In particular, the Sub-Fund may take exposure through any financial derivative instrument such as, but not limited to, warrants, futures, options, swaps (including but not limited to total return swaps, contracts for difference and credit default swaps) and forwards on any underlying in line with the Law of 2010 relating to undertakings for collective investment as well as the investment policy of the Sub-Fund, including but not limited to currencies (including non-deliverable forwards), interest rates, Transferable Securities, baskets of Transferable Securities, eligible financial indices and UCIs.

At this time, the Sub-Fund has not entered into (i) repurchase or reverse repurchase agreements, (ii) securities lending and (iii) total return swaps.

Should the Sub-Fund decide to use any of these techniques, this Prospectus shall be updated in accordance with Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.

The Sub-Fund uses the absolute value-at-risk approach for risk management purposes. The expected level of leverage of the Sub-Fund is 250%. This figure is computed as the sum of the notionals of the financial derivative instruments, whereby a large part of these financial derivative instruments are used for hedging purposes. Depending on market conditions, higher leverage levels may be used to increase the hedging component of the Sub-Fund and/or generate a higher market exposure.

If the Investment Manager considers this to be in the best interest of the Shareholders, the Sub-Fund may also hold up to 100% of its net assets in cash deposits, money market funds (within the above-mentioned 10% limit relating to UCIs) and Money Market Instruments.

#### 4.2 Comparison of the asset allocations for the two Sub-Funds

The table below shows a comparison of the asset allocations between the Merging Sub-Fund and the Receiving Sub-Fund as at 31 August 2018.

Asset type	The Merging Sub-Fund 'Ruffer SICAV – Ruffer Emerging Markets Fund'	The Receiving Sub-Fund 'LF Ruffer Investment Funds – LF Ruffer Pacific & Emerging Markets Fund'
Equity %	97	92
Cash %	3	8
	100	100

#### 4.3 Comparison of the investment performance track records for the two Sub-Funds

Please refer to the performance tables found within the relevant KIIDs of the Merging and Receiving Sub-Funds.

#### 4.4 The investment manager of the two Sub-Funds

Ruffer LLP and Ruffer (Asia) Limited have been respectively appointed as investment manager and sub-investment manager for both the Merging Sub-Fund and the Receiving Sub-Fund.

#### 4.5 Comparison of the rights of investors in the Receiving Sub-Fund and Merging Sub-Fund

Holders of the Class C Shares of the Merging Sub-Fund will be issued with new shares of the corresponding Class C (GBP) shares of the Receiving Sub-Fund.

Holders of the Class O Shares of the Merging Sub-Fund will be issued with new shares of the corresponding Class O (GBP) shares of the Receiving Sub-Fund.

On the Effective Date, the shareholders of the Merging Sub-Fund will be issued, in exchange for their shares in the Merging Sub-Fund, a number of new shares in the Receiving Sub-Fund equivalent to the number of shares held in the Merging Sub-Fund on the Effective Date multiplied by the exchange ratio applicable to the relevant class of shares in the Merging Sub-Fund (calculated as described below).

Shareholders of the Merging Sub-Fund shall receive shares of the equivalent class in the Receiving Sub-Fund.

The share exchange ratio in respect of each class of shares of the Merging Sub-Fund expressed in Sterling will be determined by dividing the net asset value per share calculated as of the Effective Date by the net asset value per share of the corresponding share class of the Receiving Sub-Fund expressed in Sterling as at the same date.

To the extent that the application of the share exchange ratio does not lead to the issuance of full new shares in the Receiving Sub-Fund, the shareholders of the Merging Sub-Fund will, so far as possible, receive fractions of shares up to three decimal points in the Receiving Sub-Fund, or, in circumstances where the relevant fractions would be too small (because the Merging Sub-Fund issues fractions of shares to four decimal points whereas the Receiving Sub-Fund only issues them to three decimal points), a cash payment in lieu of such fraction of shares.

Shareholders of the Merging Sub-Fund will acquire rights as shareholders of the Receiving Sub-Fund as from the Effective Date.

#### 4.6 Comparison of the specific risk factors for the two Sub-Funds

The specific risk factors identified for the Merging Sub-Fund and Receiving Sub-Fund are set out below.

The Merging Sub-Fund 'Ruffer SICAV – Ruffer Emerging Markets Fund'	The Receiving Sub-Fund 'LF Ruffer Investment Funds – LF Ruffer Pacific & Emerging Markets Fund'
	Effect of initial or redemption charge Dilution Charges applied to capital Suspension of dealings in Shares Liabilities of the Company and the Sub-Funds Counterparty and settlement Alternative investments Investment trusts Depositary receipts
Equity securities Cyber Security Market risk	
Structured products	Structured products
Debt securities Investment in fixed income securities Convertible securities	Credit and fixed interest securities
Currency and concentration risks	Currency exchange rates Higher volatility and concentrated portfolios
Interest rates	Inflation and interest rates
Derivative instruments Transactions in options, futures and swaps Securities lending, repurchase or reverse repurchase transactions Counterparty Risk in over-the-counter markets	Derivatives Leverage Counterparty risk in OTC markets
Companies of small or medium capitalisation	Smaller companies
Warrants Structured Products	Warrants
Investments in underlying funds	Investments in regulated collective investment schemes
Emerging markets	Emerging markets
Tax FATCA	Tax
Liquidity	Liquidity
Custody	Custody
SRRI: 5	SRRI: 5

#### 4.7 Comparison of the Receiving Sub-Fund and Merging Sub-Fund's distribution frequencies, fees and ongoing charges.

The tables below show the distribution frequencies, fees and ongoing charges of the relevant share classes of the Merging Sub-Fund and the Receiving Sub-Fund.

##### The Merging Sub-Fund 'Ruffer SICAV – Ruffer Emerging Markets Fund'

Share class	Currency	Distribution frequency	Initial fee	Management fee	Management company fee	Ongoing charges	Regulatory fee
C	GBP	Annual	Up to 5%	Up to 1.2%	Up to 0.05%	1.36%	0.01%
O	GBP	Annual	Up to 5%	Up to 1.5%	Up to 0.05%	1.71%	0.05%

##### The Receiving Sub-Fund 'LF Ruffer Investment Funds – LF Ruffer Pacific & Emerging Markets Fund'

Share class	Currency	Distribution frequency	Initial fee	Management fee	Management company fee	Ongoing charges	Regulatory fee
C	GBP	15 Nov (final) 15 May (interim)	5%	1.2%	Included within the AMC	1.28%	na
O	GBP	15 Nov (final) 15 May (interim)	5%	1.5%	Included within the AMC	1.58%	na

No Initial Charge will be applied to the allocation of shares in the Receiving Sub-Fund as a result of the Merger.

#### 4.8 Performance fees

There are no performance fees currently applied in respect of the Merging Sub-Fund or the Receiving Sub-Fund.

#### 4.9 Dealing days

##### 4.9.1 The Merging Sub-Fund

In the Merging Sub-Fund, applications for subscriptions, redemptions and conversions for shares must be received in good order by the Registrar and Transfer Agent prior to 4:00 PM CET on the Business Day preceding the relevant Valuation Day.

The net asset value per share of each class ('NAV') of the Merging Sub-Fund is calculated weekly, every Tuesday (or, if any such Tuesday is not a Business Day, on the next following Business Day) on the basis of prices of the underlying assets as of close of business on the immediately preceding Monday; furthermore, the NAV is also calculated on the first Business Day of each month on the basis of prices of the underlying assets as of close of business on the last calendar day of each month. Every such Monday as well as the last calendar day of each month are to be referred to as the 'Valuation Day'.

As per the provisions of the last visa-stamped Prospectus, a Business Day is defined as any day on which banks are open for business in Luxembourg.

##### 4.9.2 The Receiving Sub-Fund

In the Receiving Sub-Fund, applications for buying, redeeming and conversions and switching of shares are effected at the next Valuation Point following receipt of instructions by the ACD.

The net asset value per share of the Receiving Sub-Fund is currently calculated at 10:00 AM (London time) (this being the Valuation Point) on each Dealing Day.

As per the provisions of the current UK Prospectus, a Dealing Day means every Wednesday where this day is a Business Day and the last Business Day of each month. In the event that a Wednesday is not a Business Day, such other day as may be agreed between the ACD and the Depositary. A Business Day is defined as a day on which the London Stock Exchange is open. If there is a holiday elsewhere or other reason which impedes the calculation of the fair market value of the Receiving Sub-Fund's portfolio of securities or a significant portion thereof, the ACD may decide that any Business Day shall not be construed as such.

#### 4.10 Impact of the Merger on the portfolio of the Merging Sub-Fund

No rebalancing of the portfolio of the Merging Sub-Fund will be undertaken before the Effective Date of the Merger although the geographic weightings of the two portfolios are slightly different. Following the merger, existing shareholders in the

Merging Sub-Fund will be issued with shares in the Receiving Sub-Fund which has a relatively lower proportion of assets invested in Latin American securities and a relatively higher proportion of holdings in Asian and other emerging market countries as well as developed and frontier markets in Asia as compared to the portfolio of the Merging Sub-Fund.

#### 4.11 Impact of the Merger on the portfolio of the Receiving Sub-Fund

The Receiving Sub-Fund will take on the positions held within the Merging Sub-Fund as at the Effective Date of the Merger which may result in a shift in the geographic weighting of the portfolio with an increase in holdings in Latin American securities. The holdings will be in line with the investment objective and policy of the Receiving Sub-Fund.

#### 4.12 Costs of the Merger

The costs and expenses of the Merger (including any tax costs payable by the Merging Sub-Fund and/or the Receiving Sub-Fund) will be borne by Ruffer LLP.

#### 4.13 Accrued Income

Any income accrued up to the Effective Date of the Merger will be distributed to holders of distribution shares, although such distribution may take place after the Effective Date. Whereas income accrued in any capitalisation shares will be accumulated as capital in the net asset value of the shares at the Effective Date of the Merger.

#### 4.14 Cash payment in lieu of a fraction of shares

In case cash payment is distributed to shareholders of the Merging Sub-Fund, such payment will be carried out in Sterling. Unless otherwise instructed by the shareholder, the payment will be made on the bank account specified in the register of shareholders of the Merging Sub-Fund. Payment will be processed within 10 Business Days following the Effective Date.

### 5 Option to redeem or convert prior to Merger

If you consider that the Merger will not suit your investment requirements, you may request a conversion of your shares in the Merging Sub-Fund for another sub-fund of the Company or request a redemption of your shares of the Merging Sub-Fund. You will not be charged for any such conversion or redemption.

#### If you choose to convert or redeem

Any instruction to convert or redeem must be received before 4pm CET on 11 January 2019. You can request a conversion or redemption of your shares by contacting either your usual financial advisor, or alternatively, our teams are available to help you by calling +352 46 7171 7666 or emailing [pfcs.lux@pictet.com](mailto:pfcs.lux@pictet.com).

#### If you take no action

On the Effective Date of the Merger, you will be issued with a number of new shares in the Receiving Sub-Fund of the corresponding class to your existing shares in the Merging Sub-Fund calculated on the basis of the number of the shares held in the Merging Sub-Fund multiplied by the exchange ratio applicable to the relevant class of shares in the Merging Sub-Fund. In certain circumstances you may also receive a cash payment in respect of fractions of shares, as described in Section 4.6 above, and under the conditions described in Section 4.14 above.

### 6 Procedural aspects of the Merger

#### 6.1 Effective Date of the Merger

The Effective Date of the Merger will be on 16 January 2019.

#### 6.2 No investor vote required

Please note that under the terms of the Articles and of the Prospectus, you are not required to vote in order to approve the Merger.

#### 6.3 Merger report

Ernst & Young S.A. will prepare an auditor's report in respect of the Merger. The Merger report will include a review of the following items:

- i the criteria adopted for valuation of the assets and/or liabilities for the purposes of calculating the Merger ratio
- ii if applicable, any cash payment to be distributed to investors
- iii the calculation method for determining the Merger exchange ratio and
- iv the Merger exchange ratio.

A copy of the Merger report shall be available on request and free of charge to shareholders by calling +352 46 7171 7666 or emailing [pfcs.lux@pictet.com](mailto:pfcs.lux@pictet.com).

## 6.4 Dealing in the Merging Sub-Fund

Dealing in the Merging Sub-Fund will continue as usual until 4pm CET on 11 January 2019. Any subscriptions, redemptions, conversions and/or transfers into or out of the Merging Sub-Fund will not be processed after 11 January 2019. This will allow our administrators to implement the procedures needed for the Merger in an orderly and timely manner.

Dealing in the Receiving Sub-Fund will not be suspended as a result of the Merger.

The shareholders of the Merging Sub-Fund will be able to deal their new holdings in the Receiving Sub-Fund at the next Valuation Point following the Merger, which will be on 23 January 2019.

Please refer to Section 2 above for a detailed timetable of the Merger procedure.

## 6.5 Confirmation of the Merger

Each shareholder in the Merging Sub-Fund will receive a notification confirming (i) that the Merger has been carried out and (ii) the number and class of shares in the Receiving Sub-Fund that they hold after the Merger is completed.

This confirmation is expected to be sent to shareholders no later than 25 January 2019.

## 6.6 ISINs

Please note that the ISIN codes of your shares in the Merging Sub-Fund will change as a result of this Merger. Details of these codes are given below.

### ‘Ruffer SICAV – Ruffer Emerging Markets Fund’

Share class	Currency	ISIN
C Cap	GBP	LU0788035680
C Dis	GBP	LU0788035763
O Cap	GBP	LU0788206083

### Sub-Fund ‘LF Ruffer Investment Funds – LF Ruffer Pacific & Emerging Markets Fund’

Share class	Currency	ISIN
C Acc	GBP	GB00B8BZHC05
C Inc	GBP	GB00B7GWO644
O Acc	GBP	GB0034035328

## 6.7 Documents available

The following documents will be at the disposal of the shareholders free of charge at the registered office of the Company on or about 3 December 2018 and may be requested free of charge –

- 1 the common terms of merger
- 2 a copy of the statement related to the merger issued by the depository of the Company, in compliance with article 70 of the 2010 Law, confirming that it has verified the compliance of the particulars set out in article 69, paragraph 1, points a), f) and g) with the requirements of the 2010 Law and the Articles,
- 3 the last visa-stamped prospectus of the Company dated September 2018 and the prospectus of the Receiving Sub-Fund
- 4 the latest KIIDs for the Class C Shares and the Class O Shares of the Receiving Sub-Fund (attached hereto as appendices C) and
- 5 a copy of the UK tax clearances received from UK HM Revenue & Customs, described at appendix E.

In this respect, and for any additional information, please contact the registered office of the Company. A copy of the report prepared by Ernst & Young S.A. to validate the conditions foreseen in Article 71 (1), items (a) and (c) of the 2010 Law shall be available at the registered office of the Company after the effective date of the Merger.

## 6.8 Taxation

The following is a summary of the expected UK tax consequences of the Merger for shareholders.

Based on our understanding of the UK tax legislation, and subject to the receipt of HMRC clearance (described at appendix E), the Merger will not involve a disposal of the relevant shares in the Merging Sub-Fund for the purposes of UK tax on capital gains, whatever the size of the shareholding. New shares in the Receiving Sub-Fund issued to shareholders as a result of the Merger will have the same acquisition cost and acquisition date for the purposes of UK capital gains tax and corporation tax on chargeable gains as such shareholders' relevant shares in the Merging Sub-Fund.

To the extent that it is necessary to make a cash payment to a shareholder in the Merging Sub-Fund

in lieu of a fraction of new shares in the Receiving Sub-Fund (because the relevant fraction is too small, as to which see Section 4.6 above), such cash payment may be treated as a capital distribution that constitutes a part disposal of their shares in the Merging Sub-Fund. However, if such cash payment is viewed as small when compared to the value of the relevant shareholding, such shareholder should not be treated as having made a part disposal and an amount equal to the cash payment should be deducted from allowable costs in calculating any capital gain or loss on a future disposal by such shareholder of the new shares in the Receiving Sub-Fund.

Shareholders who choose to redeem their shares in the Merging Sub-Fund, or to switch or convert their shares in the Merging Sub-Fund into shares of another sub-fund of the Company, in each case before 11 January 2019 (the last day of dealing for the Merging Sub-Fund before the Effective Date), rather than participating in the Merger, should be treated as disposing of their shares in the Merging Sub-Fund for the purposes of UK capital gains tax and corporation tax on chargeable gains upon such redemption or exchange.

References above to the taxation of capital gains or chargeable gains are made on the basis that for UK resident shareholders that hold shares in the Merging Sub-Fund that have had 'reporting fund status' throughout their period of ownership, gains made on the disposal of such shares will be treated as capital gains rather than offshore income gains for UK tax purposes.

Any allocation of income made in respect of shares in the Merging Sub-Fund in connection with the Merger will be taxable in the normal way.

For the purpose of income equalisation, the value of New Shares may contain an element of income, which represents the value of accrued income at the time of purchase for the relevant accounting period. On the first income allocation date following the issue of New Shares (if applicable), Shareholders may receive a capital sum representing that part of the value of New Shares, which represents the value of such accrued income.

It is not expected that the Merging Sub-Fund or the Receiving Sub-Fund will be liable to pay any UK stamp duty reserve tax or stamp duty or material equivalent overseas taxes or duties in connection with the Merger. If any transfer taxes or duties, registration fees or any other taxes (including overseas taxes) are incurred by the Merging Sub-Fund or the Receiving Sub-Fund, these shall be borne by Ruffer LLP.

The above is a summary of our understanding of the current UK legislation and HMRC practice relevant to UK resident investors only. It may be subject to change. The tax consequences of the Scheme may vary depending on the law and regulation of your country of residence, citizenship or domicile. If you are in any doubt about your potential liability to tax as a result of the implementation of the Merger you should consult your professional adviser.

## 7 Important information about the Receiving Sub-Fund

Please refer to Appendix B of this letter for an extract from the UK Prospectus which sets out important information regarding the Receiving Sub-Fund. This information has been taken from the UK Prospectus and not from a Key Investor Information Document.

## Appendix B Extract from the UK Prospectus

Name	LF Ruffer Pacific & Emerging Markets Fund		
Product Reference Number	638311		
Type of Sub-Fund	UCITS scheme		
Investment Objective and Policy	<p>The investment objective of LF Ruffer Pacific &amp; Emerging Markets Fund is to achieve consistent positive returns (net of fees) over a five year rolling period. There is no guarantee that the objective will be met or that a positive return will be delivered over any time period and capital is at risk.</p> <p>The Sub-fund will aim to achieve the investment objective by investing in an actively managed portfolio comprising of at least 70% in equities and equity related securities of companies listed, quoted or traded in the Asia Pacific region or Emerging Market countries.</p> <p>The Sub-fund will retain an Asia Pacific bias. Under normal circumstances, non-Asian emerging markets will account for not less than 10% and not more than 35% of the Sub-fund's investments.</p> <p>The Sub-fund may also invest in the shares of other companies and fixed income securities (regardless of geography) and cash. In order to implement the investment policy the sub-fund may gain exposure through American depositary receipts, global depositary receipts and other equity related securities. The Sub-fund may also invest in collective investment schemes, money market instruments and other transferable securities, such as structured products.</p> <p>The Sub-fund may invest in derivatives and currency forward transactions for both investment and efficient portfolio management purposes.</p> <p>The minimum investment amounts referenced above will not apply under extraordinary market conditions, in which circumstances the Sub-fund may invest in asset classes other than those in which it normally invests in order to mitigate its exposure to market risk. Examples of extraordinary market conditions include economic, political unrest or instability, world events leading to market instability, closure of a relevant market(s), or any events which give rise to high downside risk. During such periods, the Sub-fund may temporarily invest up to 100% of its total assets in cash, deposits, treasury bills, government bonds or short-term money market instruments, or have substantial holdings in cash and cash equivalents.</p>		
Final Accounting Date	15 September		
Interim Accounting Date	15 March		
Income Distribution Dates	15 November (final) 15 May (interim)		
Share Classes and type of Shares	Class O (Accumulation)	Class I (Accumulation)	Class C (Accumulation and Income)
Initial Charge	5%		
Redemption Charge	Nil		

**Switching Charge**

The Company is permitted to impose a charge where a Shareholder Switches or Converts his Shares.

If a redemption charge is payable in respect of the Original Shares, this may become payable instead of, or as well as, the then prevailing initial charge for the New Shares. The charge on Switching and Conversions is payable by the Shareholder to the ACD

The ACD's current policy is to allow Switches free of any initial charge. The charge will be no more than the excess of the initial charge applicable to New Shares over the initial charge applicable to the Original Shares as specified in Appendix I.

There is currently no charge for Conversion of Shares in one Class of a Sub-fund for Shares in another Class of the same Sub-fund.

<b>Annual Management Charge</b>	1.5%	1.0%	1.2%
<b>Allocation of Charges</b>	<b>Income</b>	<b>Capital</b>	
AMC	100%		
Administration	100%		
Ongoing Operating Costs	100%		
Dealing and Registration	100%		
Depository	100%		
Custody	100%		
Portfolio transactions (broker's commission)		100%	
<b>Investment Minima*</b>			
<b>Class</b>	<b>Class O</b>	<b>Class I</b>	<b>Class C</b>
Lump Sum	£1,000	£100,000,000	£1,000
Holding	£1,000	£100,000,000	£1,000
Top up	Not applicable		
Regular Saving Plan	£100	Not applicable	£100
Redemption	Not applicable provided minimum holding maintained		

\*The ACD may waive the minimum levels at its discretion

Appendix C    KIIDs of the Receiving Sub-Fund ‘LF Ruffer Investment Funds –  
LF Ruffer Pacific & Emerging Markets Fund’

# Key Investor Information

This document provides you with the key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## LF Ruffer Pacific & Emerging Markets Fund, C Accumulation, a fund within LF Ruffer Investment Funds (ISIN: GB00B8BZHC05)

The fund is managed by Link Fund Solutions Limited, part of the Asset Services Division of Link Administration Holdings Limited.

### Objectives and investment policy

#### Objective

The fund aims to achieve consistent positive returns over a five year rolling period. There is no guarantee that the objective will be met or that a positive return will be delivered over any time period and capital is at risk.

#### Investment Policy

The fund will invest in an actively managed portfolio comprising of at least 70% in equities and equity related securities of companies listed, quoted or traded in the Asia Pacific region or emerging market countries. The fund will retain an Asia Pacific bias; non-Asian emerging markets will account for not less than 10% and not more than 35% of the sub-fund's investments.

#### Essential features of the Fund

- The fund has the discretion to invest in the investments as described above with no need to adhere to a particular benchmark.
- You can buy and sell shares in the fund on each Wednesday if that is a business day and the last business day of each month.
- Income from the fund will be added to the value of your investment.
- Derivatives are used for investment purposes and to manage the risk profile of the fund.
- Recommendation: This fund may not be appropriate for investors who plan to withdraw their money within 5 years.

### Risk and reward profile



- This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.
- The fund has been classed as 5 because its volatility has been measured as above average.
- This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.
- The risk and reward profile shown is not guaranteed to remain the same and may shift over time.
- Currency Risk: As the fund invests in overseas securities movements in exchange rates may, when not hedged, cause the value of your investment to increase or decrease.
- Liquidity Risk: Smaller companies' securities are often traded less frequently than those of larger companies which means they may be more difficult to buy and sell. Their prices may also be subject to short term swings.
- Counterparty Risk: As the fund may enter into derivative agreements there is a risk that other parties may fail to meet their obligations. This may lead to delays in receiving amounts due to the fund, receiving less than is due or receiving nothing.
- Financial Techniques Impact: The fund invests in derivatives. A relatively small movement in the value of the derivative's underlying investment may have a much larger impact, positive or negative, on the value of the fund than if the fund were to hold the underlying investment itself. Derivatives are used to reduce risk by hedging against movements in the value of investments held by the fund.
- Operational Risk: Emerging markets tend to be more susceptible to large short term swings than more established markets. There is also a greater risk of being unable to buy or sell securities or that other parties may default and not meet their obligations, causing loss to the fund.
- For full details of the fund's risks, please see the prospectus which may be obtained from the address in 'Practical Information' below.

## Charges for this Fund

The charges you pay are used to pay the costs of running the fund. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry Charge	5.00%
This is the maximum that might be taken out of your money before it is invested.	
Exit Charge	None
Charges taken from the fund over the year	
Ongoing Charges	1.28%
Charges taken from the fund under certain specific conditions	
Performance Fee	None

The entry charge shown is a maximum figure. In some cases investors may pay less. You can find out the actual charges from your financial advisor or distributor.

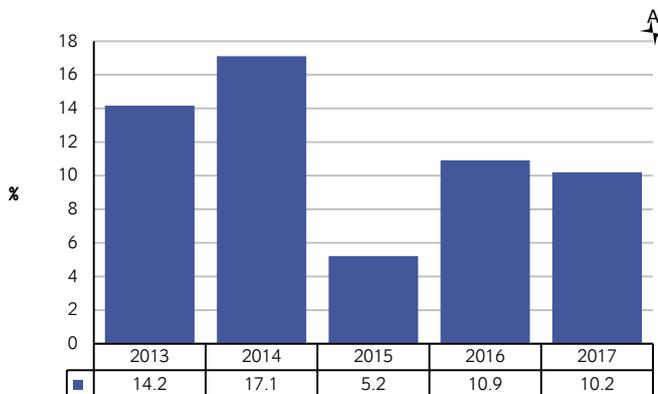
The ongoing charges figure is based on expenses as at 15 September 2017. This figure may vary from year to year. The ongoing charges are taken from the income of the fund. They exclude portfolio transaction costs, except in the case of an entry/exit charge paid by the fund when buying or selling units in another collective investment undertaking.

You may also be charged a dilution levy on entry to or exit from the fund.

For more information about charges, please see the prospectus Sections 3.5 & 7, which may be obtained free of charge from the address in 'Practical Information' below.

## Past performance

■ LF Ruffer Pacific & Emerging Markets Fund



A: : In July 2018, the fund changed its investment objective and policy. The performance before this date was achieved under circumstances that no longer apply.

- Past performance is not a guide to future performance.
- The past performance in the chart shown opposite is net of tax and charges but excludes the entry charge that may be paid on the purchase of an investment. This share class was launched in September 2012.
- The fund was launched in December 2003 and was previously known as LF Ruffer Pacific Fund.
- Performance is calculated in Pounds Sterling.

## Practical information

LF Ruffer Investment Funds	This key investor information document describes a fund within the LF Ruffer Investment Funds company. The prospectus and periodic reports are prepared for the entire company.
Documents	Copies of the fund's prospectus and the latest annual and semi annual reports for the fund and LF Ruffer Investment Funds may be obtained from <a href="http://www.linkfundsolutions.co.uk">www.linkfundsolutions.co.uk</a> or by writing to Link Fund Solutions Limited, PO Box 389, Darlington, DL1 9UF. These documents are available in English and are free of charge. Details of Link Fund Solutions' Remuneration Code are available on the website <a href="http://www.linkfundsolutions.co.uk">www.linkfundsolutions.co.uk</a> . This sets out a description of how remuneration and benefits are calculated and the identities of persons responsible for awarding the remuneration and benefits. A paper copy is available free of charge on request.
Prices of shares and further information	The latest published prices of shares in the fund and other information, including how to buy and sell shares are available from <a href="http://www.linkfundsolutions.co.uk">www.linkfundsolutions.co.uk</a> , by calling 0345 601 9610 during normal business hours or by writing to Link Fund Solutions Limited, PO Box 389, Darlington, DL1 9UF.
Right to switch	Subject to any restrictions on the eligibility of investors for a share class, a shareholder in one fund may be able to switch all or some of his shares in one fund for shares in another fund in the company. See the prospectus for full details.
Fund Segregation	LF Ruffer Investment Funds is an umbrella fund with segregated liability between funds. This means that the holdings of this fund are maintained separately under UK law from the holdings of other funds of LF Ruffer Investment Funds and your investment in this fund will not be affected by any claims against another fund of LF Ruffer Investment Funds.
Depository	The Bank of New York Mellon (International) Limited
Tax	UK tax legislation may have an impact on your personal tax position.
Liability	Link Fund Solutions Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for LF Ruffer Investment Funds.

This fund is authorised in the United Kingdom by the Financial Conduct Authority. Link Fund Solutions Limited is authorised in the United Kingdom and regulated by the Financial Conduct Authority.

This key investor information is accurate as at 06/07/2018.

# Key Investor Information

This document provides you with the key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## LF Ruffer Pacific & Emerging Markets Fund, C Income, a fund within LF Ruffer Investment Funds (ISIN: GB00B7GW0G44)

The fund is managed by Link Fund Solutions Limited, part of the Asset Services Division of Link Administration Holdings Limited.

### Objectives and investment policy

#### Objective

The fund aims to achieve consistent positive returns over a five year rolling period. There is no guarantee that the objective will be met or that a positive return will be delivered over any time period and capital is at risk.

#### Investment Policy

The fund will invest in an actively managed portfolio comprising of at least 70% in equities and equity related securities of companies listed, quoted or traded in the Asia Pacific region or emerging market countries. The fund will retain an Asia Pacific bias; non-Asian emerging markets will account for not less than 10% and not more than 35% of the sub-fund's investments.

#### Essential features of the Fund

- The fund has the discretion to invest in the investments as described above with no need to adhere to a particular benchmark.
- You can buy and sell shares in the fund on each Wednesday if that is a business day and the last business day of each month.
- The fund aims to distribute available income every six months.
- Derivatives are used for investment purposes and to manage the risk profile of the fund.
- Recommendation: This fund may not be appropriate for investors who plan to withdraw their money within 5 years.

### Risk and reward profile



- This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.
- The fund has been classed as 5 because its volatility has been measured as above average.
- This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.
- The risk and reward profile shown is not guaranteed to remain the same and may shift over time.
- Currency Risk: As the fund invests in overseas securities, movements in exchange rates may, when not hedged, cause the value of your investment to increase or decrease.
- Liquidity Risk: Smaller companies' securities are often traded less frequently than those of larger companies which means they may be more difficult to buy and sell. Their prices may also be subject to short term swings.
- Counterparty Risk: As the fund may enter into derivative agreements there is a risk that other parties may fail to meet their obligations. This may lead to delays in receiving amounts due to the fund, receiving less than is due or receiving nothing.
- Financial Techniques Impact: The fund invests in derivatives. A relatively small movement in the value of the derivative's underlying investment may have a much larger impact, positive or negative, on the value of the fund than if the fund were to hold the underlying investment itself. Derivatives are used to reduce risk by hedging against movements in the value of investments held by the fund.
- Operational Risk: Emerging markets tend to be more susceptible to large short term swings than more established markets. There is also a greater risk of being unable to buy or sell securities or that other parties may default and not meet their obligations, causing loss to the fund.
- For full details of the fund's risks, please see the prospectus which may be obtained from the address in 'Practical Information' below.

## Charges for this Fund

The charges you pay are used to pay the costs of running the fund. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry Charge	5.00%
This is the maximum that might be taken out of your money before it is invested.	
Exit Charge	None
Charges taken from the fund over the year	
Ongoing Charges	1.28%
Charges taken from the fund under certain specific conditions	
Performance Fee	None

The entry charge shown is a maximum figure. In some cases investors may pay less. You can find out the actual charges from your financial advisor or distributor.

The ongoing charges figure shown here is an estimate of the charges because the share class did not launch until February 2017. The ongoing charges are taken from the income of the fund. It excludes performance fees, portfolio transaction costs, except entry/exit charges paid by the fund when buying or selling units in other collective investment schemes.

You may also be charged a dilution levy on entry to or exit from the fund.

For more information about charges, please see the prospectus Sections 3.5 & 7, which may be obtained free of charge from the address in 'Practical Information' below.

## Past performance

- Because the share class has less than one calendar year's performance, there is insufficient data to provide a useful indication of past performance. This share class was launched in February 2017.
- The fund was launched in December 2003 and was previously known as LF Ruffer Pacific Fund.

## Practical information

LF Ruffer Investment Funds	This key investor information document describes a fund within the LF Ruffer Investment Funds company. The prospectus and periodic reports are prepared for the entire company.
Documents	Copies of the fund's prospectus and the latest annual and semi annual reports for the fund and LF Ruffer Investment Funds may be obtained from <a href="http://www.linkfundsolutions.co.uk">www.linkfundsolutions.co.uk</a> or by writing to Link Fund Solutions Limited, PO Box 389, Darlington, DL1 9UF. These documents are available in English and are free of charge. Details of Link Fund Solutions' Remuneration Code are available on the website <a href="http://www.linkfundsolutions.co.uk">www.linkfundsolutions.co.uk</a> . This sets out a description of how remuneration and benefits are calculated and the identities of persons responsible for awarding the remuneration and benefits. A paper copy is available free of charge on request.
Prices of shares and further information	The latest published prices of shares in the fund and other information, including how to buy and sell shares are available from <a href="http://www.linkfundsolutions.co.uk">www.linkfundsolutions.co.uk</a> , by calling 0345 601 9610 during normal business hours or by writing to Link Fund Solutions Limited, PO Box 389, Darlington, DL1 9UF.
Right to switch	Subject to any restrictions on the eligibility of investors for a share class, a shareholder in one fund may be able to switch all or some of his shares in one fund for shares in another fund in the company. See the prospectus for full details.
Fund Segregation	LF Ruffer Investment Funds is an umbrella fund with segregated liability between funds. This means that the holdings of this fund are maintained separately under UK law from the holdings of other funds of LF Ruffer Investment Funds and your investment in this fund will not be affected by any claims against another fund of LF Ruffer Investment Funds.
Depository	The Bank of New York Mellon (International) Limited
Tax	UK tax legislation may have an impact on your personal tax position.
Liability	Link Fund Solutions Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for LF Ruffer Investment Funds.

This fund is authorised in the United Kingdom by the Financial Conduct Authority. Link Fund Solutions Limited is authorised in the United Kingdom and regulated by the Financial Conduct Authority.

This key investor information is accurate as at 06/07/2018.

# Key Investor Information

This document provides you with the key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## LF Ruffer Pacific & Emerging Markets Fund, I Accumulation, a fund within LF Ruffer Investment Funds (ISIN: GB00B5TSVQ29)

The fund is managed by Link Fund Solutions Limited, part of the Asset Services Division of Link Administration Holdings Limited.

### Objectives and investment policy

#### Objective

The fund aims to achieve consistent positive returns over a five year rolling period. There is no guarantee that the objective will be met or that a positive return will be delivered over any time period and capital is at risk.

#### Investment Policy

The fund will invest in an actively managed portfolio comprising of at least 70% in equities and equity related securities of companies listed, quoted or traded in the Asia Pacific region or emerging market countries. The fund will retain an Asia Pacific bias; non-Asian emerging markets will account for not less than 10% and not more than 35% of the sub-fund's investments.

#### Essential features of the Fund

- The fund has the discretion to invest in the investments as described above with no need to adhere to a particular benchmark.
- You can buy and sell shares in the fund on each Wednesday if that is a business day and the last business day of each month.
- Income from the fund will be added to the value of your investment.
- Derivatives are used for investment purposes and to manage the risk profile of the fund.
- Recommendation: This fund may not be appropriate for investors who plan to withdraw their money within 5 years.

### Risk and reward profile



- This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.
- The fund has been classed as 5 because its volatility has been measured as above average.
- This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.
- The risk and reward profile shown is not guaranteed to remain the same and may shift over time.
- Currency Risk: As the fund invests in overseas securities movements in exchange rates may, when not hedged, cause the value of your investment to increase or decrease.
- Liquidity Risk: Smaller companies' securities are often traded less frequently than those of larger companies which means they may be more difficult to buy and sell. Their prices may also be subject to short term swings.
- Counterparty Risk: As the fund may enter into derivative agreements there is a risk that other parties may fail to meet their obligations. This may lead to delays in receiving amounts due to the fund, receiving less than is due or receiving nothing.
- Financial Techniques Impact: The fund invests in derivatives. A relatively small movement in the value of the derivative's underlying investment may have a much larger impact, positive or negative, on the value of the fund than if the fund were to hold the underlying investment itself. Derivatives are used to reduce risk by hedging against movements in the value of investments held by the fund.
- Operational Risk: Emerging markets tend to be more susceptible to large short term swings than more established markets. There is also a greater risk of being unable to buy or sell securities or that other parties may default and not meet their obligations, causing loss to the fund.
- For full details of the fund's risks, please see the prospectus which may be obtained from the address in 'Practical Information' below.

## Charges for this Fund

The charges you pay are used to pay the costs of running the fund. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry Charge	5.00%
This is the maximum that might be taken out of your money before it is invested.	
Exit Charge	None
Charges taken from the fund over the year	
Ongoing Charges	1.08%
Charges taken from the fund under certain specific conditions	
Performance Fee	None

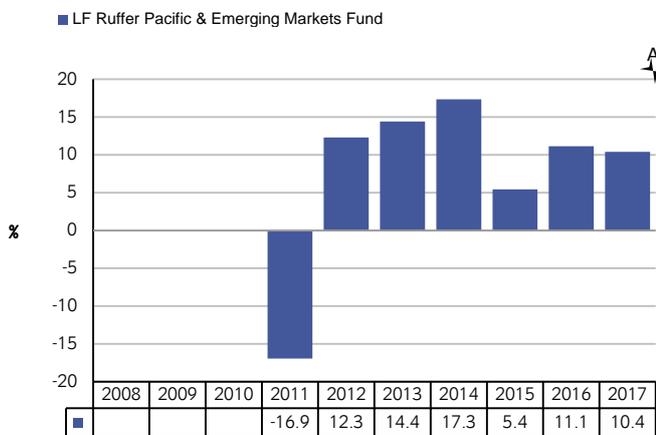
The entry charge shown is a maximum figure. In some cases investors may pay less. You can find out the actual charges from your financial advisor or distributor.

The ongoing charges figure is based on expenses as at 15 September 2017. This figure may vary from year to year. The ongoing charges are taken from the income of the fund. They exclude portfolio transaction costs, except in the case of an entry/exit charge paid by the fund when buying or selling units in another collective investment undertaking.

You may also be charged a dilution levy on entry to or exit from the fund.

For more information about charges, please see the prospectus Sections 3.5 & 7, which may be obtained free of charge from the address in 'Practical Information' below.

## Past performance



A: In July 2018, the fund changed its investment objective and policy. The performance before this date was achieved under circumstances that no longer apply.

- Past performance is not a guide to future performance.
- The past performance in the chart shown opposite is net of tax and charges but excludes the entry charge that may be paid on the purchase of an investment. This share class was launched in June 2010.
- The fund was launched in December 2003 and was previously known as LF Ruffer Pacific Fund.
- Performance is calculated in Pounds Sterling.

## Practical information

LF Ruffer Investment Funds	This key investor information document describes a fund within the LF Ruffer Investment Funds company. The prospectus and periodic reports are prepared for the entire company.
Documents	Copies of the fund's prospectus and the latest annual and semi annual reports for the fund and LF Ruffer Investment Funds may be obtained from <a href="http://www.linkfundsolutions.co.uk">www.linkfundsolutions.co.uk</a> or by writing to Link Fund Solutions Limited, PO Box 389, Darlington, DL1 9UF. These documents are available in English and are free of charge. Details of Link Fund Solutions' Remuneration Code are available on the website <a href="http://www.linkfundsolutions.co.uk">www.linkfundsolutions.co.uk</a> . This sets out a description of how remuneration and benefits are calculated and the identities of persons responsible for awarding the remuneration and benefits. A paper copy is available free of charge on request.
Prices of shares and further information	The latest published prices of shares in the fund and other information, including how to buy and sell shares are available from <a href="http://www.linkfundsolutions.co.uk">www.linkfundsolutions.co.uk</a> , by calling 0345 601 9610 during normal business hours or by writing to Link Fund Solutions Limited, PO Box 389, Darlington, DL1 9UF.
Right to switch	Subject to any restrictions on the eligibility of investors for a share class, a shareholder in one fund may be able to switch all or some of his shares in one fund for shares in another fund in the company. See the prospectus for full details.
Fund Segregation	LF Ruffer Investment Funds is an umbrella fund with segregated liability between funds. This means that the holdings of this fund are maintained separately under UK law from the holdings of other funds of LF Ruffer Investment Funds and your investment in this fund will not be affected by any claims against another fund of LF Ruffer Investment Funds.
Depository	The Bank of New York Mellon (International) Limited
Tax	UK tax legislation may have an impact on your personal tax position.
Liability	Link Fund Solutions Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for LF Ruffer Investment Funds.

This fund is authorised in the United Kingdom by the Financial Conduct Authority. Link Fund Solutions Limited is authorised in the United Kingdom and regulated by the Financial Conduct Authority.

This key investor information is accurate as at 06/07/2018.

# Key Investor Information

This document provides you with the key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## LF Ruffer Pacific & Emerging Markets Fund, O Accumulation, a fund within LF Ruffer Investment Funds (ISIN: GB0034035328)

The fund is managed by Link Fund Solutions Limited, part of the Asset Services Division of Link Administration Holdings Limited.

### Objectives and investment policy

#### Objective

The fund aims to achieve consistent positive returns over a five year rolling period. There is no guarantee that the objective will be met or that a positive return will be delivered over any time period and capital is at risk.

#### Investment Policy

The fund will invest in an actively managed portfolio comprising of at least 70% in equities and equity related securities of companies listed, quoted or traded in the Asia Pacific region or emerging market countries. The fund will retain an Asia Pacific bias; non-Asian emerging markets will account for not less than 10% and not more than 35% of the sub-fund's investments.

#### Essential features of the Fund

- The fund has the discretion to invest in the investments as described above with no need to adhere to a particular benchmark.
- You can buy and sell shares in the fund on each Wednesday if that is a business day and the last business day of each month.
- Income from the fund will be added to the value of your investment.
- Derivatives are used for investment purposes and to manage the risk profile of the fund.
- Recommendation: This fund may not be appropriate for investors who plan to withdraw their money within 5 years.

### Risk and reward profile



- This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.
- The fund has been classed as 5 because its volatility has been measured as above average.
- This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.
- The risk and reward profile shown is not guaranteed to remain the same and may shift over time.
- Currency Risk: As the fund invests in overseas securities movements in exchange rates may, when not hedged, cause the value of your investment to increase or decrease.
- Liquidity Risk: Smaller companies' securities are often traded less frequently than those of larger companies which means they may be more difficult to buy and sell. Their prices may also be subject to short term swings.
- Counterparty Risk: As the fund may enter into derivative agreements there is a risk that other parties may fail to meet their obligations. This may lead to delays in receiving amounts due to the fund, receiving less than is due or receiving nothing.
- Financial Techniques Impact: The fund invests in derivatives. A relatively small movement in the value of the derivative's underlying investment may have a much larger impact, positive or negative, on the value of the fund than if the fund were to hold the underlying investment itself. Derivatives are used to reduce risk by hedging against movements in the value of investments held by the fund.
- Operational Risk: Emerging markets tend to be more susceptible to large short term swings than more established markets. There is also a greater risk of being unable to buy or sell securities or that other parties may default and not meet their obligations, causing loss to the fund.
- For full details of the fund's risks, please see the prospectus which may be obtained from the address in 'Practical Information' below.

## Charges for this Fund

The charges you pay are used to pay the costs of running the fund. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry Charge	5.00%
This is the maximum that might be taken out of your money before it is invested.	
Exit Charge	None
Charges taken from the fund over the year	
Ongoing Charges	1.58%
Charges taken from the fund under certain specific conditions	
Performance Fee	None

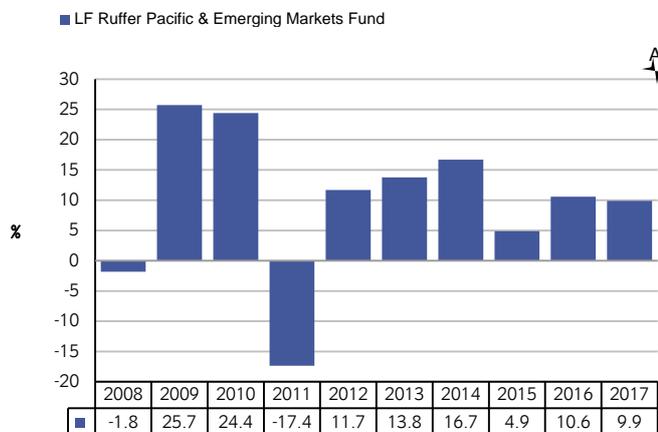
The entry charge shown is a maximum figure. In some cases investors may pay less. You can find out the actual charges from your financial advisor or distributor.

The ongoing charges figure is based on expenses as at 15 September 2017. This figure may vary from year to year. The ongoing charges are taken from the income of the fund. They exclude portfolio transaction costs, except in the case of an entry/exit charge paid by the fund when buying or selling units in another collective investment undertaking.

You may also be charged a dilution levy on entry to or exit from the fund.

For more information about charges, please see the prospectus Sections 3.5 & 7, which may be obtained free of charge from the address in 'Practical Information' below.

## Past performance



A : In July 2018, the fund changed its investment objective and policy. The performance before this date was achieved under circumstances that no longer apply.

- Past performance is not a guide to future performance.
- The past performance in the chart shown opposite is net of tax and charges but excludes the entry charge that may be paid on the purchase of an investment.
- The fund was launched in December 2003 and was previously known as LF Ruffer Pacific Fund.
- Performance is calculated in Pounds Sterling.

## Practical information

LF Ruffer Investment Funds	This key investor information document describes a fund within the LF Ruffer Investment Funds company. The prospectus and periodic reports are prepared for the entire company.
Documents	Copies of the fund's prospectus and the latest annual and semi annual reports for the fund and LF Ruffer Investment Funds may be obtained from <a href="http://www.linkfundsolutions.co.uk">www.linkfundsolutions.co.uk</a> or by writing to Link Fund Solutions Limited, PO Box 389, Darlington, DL1 9UF. These documents are available in English and are free of charge. Details of Link Fund Solutions' Remuneration Code are available on the website <a href="http://www.linkfundsolutions.co.uk">www.linkfundsolutions.co.uk</a> . This sets out a description of how remuneration and benefits are calculated and the identities of persons responsible for awarding the remuneration and benefits. A paper copy is available free of charge on request.
Prices of shares and further information	The latest published prices of shares in the fund and other information, including how to buy and sell shares are available from <a href="http://www.linkfundsolutions.co.uk">www.linkfundsolutions.co.uk</a> , by calling 0345 601 9610 during normal business hours or by writing to Link Fund Solutions Limited, PO Box 389, Darlington, DL1 9UF.
Right to switch	Subject to any restrictions on the eligibility of investors for a share class, a shareholder in one fund may be able to switch all or some of his shares in one fund for shares in another fund in the company. See the prospectus for full details.
Fund Segregation	LF Ruffer Investment Funds is an umbrella fund with segregated liability between funds. This means that the holdings of this fund are maintained separately under UK law from the holdings of other funds of LF Ruffer Investment Funds and your investment in this fund will not be affected by any claims against another fund of LF Ruffer Investment Funds.
Depository	The Bank of New York Mellon (International) Limited
Tax	UK tax legislation may have an impact on your personal tax position.
Liability	Link Fund Solutions Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for LF Ruffer Investment Funds.

This fund is authorised in the United Kingdom by the Financial Conduct Authority. Link Fund Solutions Limited is authorised in the United Kingdom and regulated by the Financial Conduct Authority.

This key investor information is accurate as at 06/07/2018.

## Appendix E HMRC Clearances

For certain UK tax resident shareholders, for the proposed arrangements to be treated as a scheme of reconstruction for UK tax purposes under section 103H Taxation of Chargeable Gains Act 1992, with the consequence that such proposed arrangements should not result in a disposal for UK tax purposes, the proposed arrangements must be effected for bona fide commercial reasons and not have as their main purpose, or one of their main purposes, the avoidance of tax. There is a statutory procedure (under section 138, as applied by section 103K of the Taxation of Chargeable Gains Act 1992) for obtaining advance clearance from HMRC that this test is satisfied. The Company has made an application for such clearance and HMRC has notified the Company that the proposed arrangements satisfy this test.

The Company has also applied for clearance under section 748 Corporation Tax Act 2010 and section 701 Income Tax Act 2007 and HMRC has notified the Company that clearance has been granted.



HM Revenue  
& Customs

Simmons & Simmons  
By Email

BAI Clearance  
HMRC  
BX9 1JL

**Phone** 03000 589597

**Email** [reconstructions@hmrc.gsi.gov.uk](mailto:reconstructions@hmrc.gsi.gov.uk)

**Web** [www.gov.uk](http://www.gov.uk)

**Date** 30 October 2018  
**Our ref** T1600/8419/18/NR  
**Your ref** FMFS/073037-00045/NRS/DAJO

Dear Sir or Madam

**Ruffer SICAV - Ruffer Emerging Market Fund**

**LF Ruffer Investment Funds – LF Ruffer Pacific & Emerging Markets Fund**

Thank you for your letter of 1 October 2018.

Please note our current address.

You have applied for clearance from the Commissioners for HM Revenue and Customs ('the Board').

**Section 701 ITA 2007/Section 748 CTA 2010 – Transactions in Securities**

I am authorised to say that the Board are satisfied that neither a counteraction notice under Section 698 Income Tax Act 2007 nor a notice under Section 746 CTA 2010 should be served in respect of the transactions you have described.

**Sections 103K TCGA 1992 – Collective Investment Schemes: Exchanges, Mergers and Schemes of Reconstruction**

I am authorised to say that the Board are satisfied that the provisions of sections 103K(1) and 137(1) TCGA 1992 should not have effect in respect of those transactions included in your application where the conditions of section 103G, 103H or 103I TCGA 1992 will be met.

This clearance does not extend to any aspect of the transactions other than as mentioned above. In particular, it does not say whether or not sections 103G, 103H or 103I TCGA 1992 actually apply to any of the proposed transactions. It is concerned only with the conditions for the anti-avoidance rules in sections 103K (1) and 137(1) TCGA 1992 not to apply.

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Information is available in large print, audio and Braille formats.  
Text Relay service number – 18001



Director: Jon Sherman

Yours faithfully

A handwritten signature in black ink that reads "M Roberts". The letters are cursive and slightly slanted to the right.

**Martin Roberts**  
Clearance & Counteraction Team Leader



HM Revenue  
& Customs

Laura Allright  
Simmons & Simmons LLP  
City Point  
One Ropemaker Street  
London  
EC2Y 9SS

**Business, Assets & International**  
Stamp Taxes  
9th Floor, City Centre House  
30 Union Street  
Birmingham  
B2 4AR

**Phone** 03000 569 509

**Web** [www.gov.uk](http://www.gov.uk)

**Email** [neil.parkes@hmrc.gsi.gov.uk](mailto:neil.parkes@hmrc.gsi.gov.uk)

**Date** 4<sup>th</sup> October 2018  
**Our ref**  
**Your ref** Tax/073037-00045/HXI/LXXA

Dear Laura,

### **Stamp Duty and Stamp Duty Reserve Tax (SDRT)**

#### **Merger of Ruffer Emerging Markets Fund (the merging sub-fund), a sub-fund of Ruffer SICAV, into the LF Ruffer Pacific and Emerging Markets Fund (the receiving sub-fund), a sub-fund of LF Ruffer Investment Funds**

I write further to your letter dated 1<sup>st</sup> October 2018 regarding the above merger, whereby the whole of the assets (including UK securities) and liabilities of the merging sub-fund will transfer to the receiving sub-fund in exchange for the allotment and issue of new shares in the receiving sub-fund to shareholders of the merging sub-fund.

Your letter notes that the merger will take place pursuant to Chapter 8, Part 1 of the 17<sup>th</sup> December 2010 Luxembourg Law, and by virtue of the authorisation of the board of Directors per Article 34(1) of the Articles of Association, which confirms that approval of the shareholders is not required, and the prior approval of the Luxembourg regulator, the CSSF.

From the information provided in your letter and associated attachments I can confirm that the transfer of UK assets under the merger will:

- Not give rise to any liability to SDRT under s.87 Finance Act 1986; and
- There will also be no liability to stamp duty under Schedule 13 Finance Act 1999.

### **Nature of Clearance Response Provided by HMRC – Stamp Duty**

Stamp duty is a charge which is assessed on executed instruments which effect a transfer on sale of stocks, shares or marketable securities. The assessment of an instrument's liability to stamp duty can only be undertaken once an executed instrument is presented for assessment and stamping.

Because of this stamp duty is not covered by the Statutory or Non Statutory Clearance procedures (see: <https://www.gov.uk/guidance/stamp-duty-getting-an-opinion-about-a-payment-or-penalty> for further details), but I can offer HMRC's informal opinion based on the information provided by you, as detailed above.

### **Nature of Clearance Response Provided by HMRC - SDRT**

The advice I have supplied is based on the facts and context of the transactions that you provided in your letter relating to this clearance application. Consequently, we may review the tax or duty consequences of the transaction where it becomes apparent that the transactions were carried out in a materially different way, form or for a different purpose than that set out in your clearance application.

In the vast majority of cases a clearance we give will be correct in law and therefore binding on HMRC. However there are some circumstances which mean that we can no longer be bound by a clearance we have given. Please read the section 'When you can rely on information or advice provided by HMRC' in our guidance 'Non-statutory clearance service guidance' for full information on when you can rely on information or advice from us. This can be found at:

<https://www.gov.uk/non-statutory-clearance-service-guidance> , and;

<https://www.gov.uk/guidance/when-you-can-rely-on-information-or-advice-provided-by-hm-revenue-and-customs>

This clearance response applies to your client as the applicant, and to the specific transactions about which you asked for advice. There is no precedent value for the advice set out in this letter that could be applied for other transactions that your client might carry out.

If you have any further queries in respect of this matter, please contact me on the details above.

Yours sincerely,

**Neil Parkes**  
Technical Advisor