



Investec OEIC Bond Funds Conversion

Investec wrote to shareholders on 31 July 2016 informing them that the UK government announced that no tax will be deducted from any interest distributions made by bond funds from 6 April 2017. As a result of this government change, all of the shares in our OEIC bond funds are now priced without the deduction of income tax.

Shareholders already invested in a 'gross' share class in an Investec bond fund will see no change to the way interest distributions are taxed or how the share class is priced. Due to this change in tax law, existing 'net' share classes (i.e. share classes where tax has been deducted) in our OEIC bond funds will also pay interest distributions gross of tax, which means there will be duplicate gross distributing share classes in some of the OEIC Investec bond funds.

In order to reduce costs and to avoid having two share classes in a fund which are essentially the same, we will combine these two share classes together. We will do this by moving shareholders from the current share class (the 'Current Shares') into the other existing gross interest paying share class in the same fund (the 'New Shares').

The OEIC funds and share classes affected are listed in the below table.

How will the conversion work?

- Current Shares will automatically be converted into the New Shares in the same fund at 12.00pm on Friday 7 April 2017.
- Dealing in the Current Shares will cease from 12:00pm on Friday 7 April 2017. Any dealing instructions received for the Current Shares after this time will be treated as instructions to deal in the New Shares.
- The first VP in the New Shares after the conversion will be 12:00pm Monday 10 April 2017.
- From 12:00pm Friday 7 April 2017, the Current Shares will be closed.
- Confirmation of the number and price of the New Shares issued to you as part of the conversion will be confirmed on 10 April 2017 in your DistributorOnline Reports.
- Group 1 / Group 2 status within the Current Shares at 12:00pm Friday 7 April 2017 will be carried across to the New Shares.

Donor Fund Name (<i>Current Shares</i>)	ISIN	Host Fund Name (<i>New Shares</i>)	ISIN
Emerging Markets Blended Debt Fund, A, Acc, GBP, Gross	GB00B7YB4D81	Emerging Markets Blended Debt Fund, A, Acc, GBP	GB00B8GBN582
Emerging Markets Blended Debt Fund, I Acc, GBP, Gross	GB00B8HGVH09	Emerging Markets Blended Debt Fund, I, Acc, GBP	GB00BJFLDK12
Emerging Markets Local Currency Debt Fund, A, Acc, GBP, Gross	GB00B1XDJP05	Emerging Markets Local Currency Debt Fund, A, Acc, GBP	GB00B1XDJM73
Emerging Markets Local Currency Debt Fund, A, Inc-2, GBP, Gross	GB00B1XDJR29	Emerging Markets Local Currency Debt Fund, A, Inc-2, GBP	GB00B1XDJQ12
Emerging Markets Local Currency Debt Fund, I, Acc, GBP, Gross	GB00B1XFKV93	Emerging Markets Local Currency Debt Fund, I, Acc, GBP	GB00B3TB1H89
Emerging Markets Local Currency Debt Fund, I, Inc-2, GBP, Gross	GB00BSJC SM01	Emerging Markets Local Currency Debt Fund, I, Inc-2, GBP	GB00B58SJV49
Target Return Fund, I, Acc, GBP, Gross	GB00BWBSCP59	Target Return Fund, I, Acc, GBP	GB00B0FNM414
Target Return Fund, I, Inc, GBP, Gross	GB00BXNSW940	Target Return Fund, I, Inc, GBP	GB00B71DHL68

Should you have any queries on this communication please contact the [IFDS Distributor Client Services Team](#).