

Mitteilung an alle Anteilseigner der Liontrust Fonds:

Anbei finden Sie die Information der Fondsgesellschaft, folgende Fonds sind betroffen:

GB0030679053	Liontrust Global Equity A GBP Acc
GB00B28R3304	Liontrust Global Equity A GBP Inc
GB00B60T5L45	Liontrust Global Equity C EUR Acc

Details können Sie der beigefügten Anlage entnehmen.

BANQUE DE LUXEMBOURG
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L-2449 LUXEMBOURG
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Dear Sir/madam

In our letter to you last month, we highlighted the fact that we will be making changes to the Liontrust Global Equity fund(s) you are invested in, including to costs and charges. We are now writing to you to explain in detail some of these developments and the reasons for them, as well as some other changes, which we believe are in the best interests of all investors. **For all the Global Equity funds, the Ongoing Charges Figure ("OCF") will decrease or remain the same once the changes have been implemented, which is explained in detail later in the letter.**

The changes outlined in this letter cover the following:

- 1) Clarification of objectives and benchmarks for certain funds.
- 2) Change to fund costs and charges.
- 3) Change to the income distribution frequency of certain share classes.
- 4) Change to the expense deduction methodology for certain funds/share classes.
- 5) Review of share classes.

You do not have to take any action as a result of this letter and the changes outlined do not affect the authorisation of our funds.

1) Clarification of objectives and benchmarks

In 2019, Neptune Investment Management Limited reviewed how it communicated the way the funds were managed and on 7 August made a number of improvements and clarifications. Following the acquisition of Neptune by Liontrust on 1 October 2019, we are making further clarifications regarding fund benchmarks, some of which impact the fund objectives. Please go to Appendix 3 in this letter for a table of up-to-date benchmarks. Where there is an Income target benchmark, the fund objective has been updated to include this.

If a fund is not included in Appendix 3, this is because there have been no changes made to the benchmarks used or to the fund objective.

2) Change to fund costs and charges

We are making two changes to the costs and charges for the Liontrust Global Equity funds that we believe are in the interests of investors.

First, the cost of external investment research used by the Global Equity team as part of its investment process is currently paid for by each of the Global Equity funds. Going forward, Liontrust will pay these costs, and this will be effective from 1 May 2020.

Second, we are making changes to how we structure fund costs and charges by moving to a fixed Administration Fees model. In line with work in this area by the UK regulator (FCA) as part of its Asset Management Market Study, these changes have been driven by our desire to provide certainty over costs and charges, and to enable you to further benefit from economies of scale as the funds grow in size. We operate a fixed Administration Fee model across all our other Liontrust funds.

The move to Fixed Administration Fees will bring certainty about the OCF you will pay regardless of fluctuations in the underlying costs and charges of the fund(s) you are invested in and will bring the Global Equity funds into line with what is considered to be best practice in the fund management industry and other Liontrust funds. **For all the Global Equity funds, the OCF will decrease or remain the same.**

Before we explain the changes we are implementing, we will outline the background to our decision.

Funds are subject to costs and charges on an ongoing basis. The two most talked about are the annual management charge ("AMC") and the OCF.

The AMC covers the annual charge for managing the fund's assets (i.e. for the selection and management of the investments held by the fund) and is levied as a percentage of the size of the fund. The OCF covers both the AMC and the other costs and charges of operating a fund ("**Operating Expenses**"), which include but are not limited to:

- keeping a record of your investment;
- paying income to you;
- sending annual and interim reports;
- certain costs relating to establishing and maintaining the register of shareholders;
- legal fees;
- regulatory fees;
- depositary oversight; and
- auditors' fees.

Please see the Fees and Expenses section of the prospectus for a complete list of Operating Expenses.

Currently, the Operating Expenses are paid directly out of a fund's assets (typically to other service providers) and are levied as a percentage of the fund size, which means they fluctuate over time as the size of each fund increases or decreases.

We want to introduce a greater level of predictability about the costs and charges. **Therefore, from 1 May 2020, we will move from variable to fixed Administration Fees for the Global Equity range of funds.** This move will provide you with greater certainty about the level of costs you will experience going forward and will bring the Global Equity range into line with the other Liontrust funds.

The Operating Expenses will be paid directly by Liontrust and we will be reimbursed by each fund at a flat rate per year ("**Administration Fee**") out of their respective net asset values.

Going forward, the OCF will be made up of the AMC plus the fixed Administration Fees. In some periods, the Operating Expenses paid by Liontrust may be more than the Administration Fees collected by Liontrust from a fund. If this is the case, Liontrust will pay the difference from its own resources. Conversely, in some periods, the Administration Fees may be higher than the Operating Expenses, in which case Liontrust will retain the difference.

Please see Appendix 2, Table 1 in this letter for details of the fixed Administration Fees by fund alongside the current OCF for comparison.

For all relevant funds, the OCF will decrease or remain the same. In calculating the fixed Administration Fees, we have endeavoured to be as equitable as possible in the methodology we have used and have reviewed the historic pattern of costs incurred by each fund. Liontrust will be assuming the risk should the fund decrease in size or the Operating Expenses increase.

At the same time as moving to fixed Administration Fees, we will also ensure you can benefit from economies of scale. As the funds in which you are invested grow in assets, the fixed Administration Fees will be reduced. A discount will be applied to the Administration Fees up to a maximum of 0.06% on a fund with more than £5 billion in assets, and subject to the terms described in the "Note on the volume discount" in Appendix 2. The tiered deductions are shown in Appendix 2, Table 2. If a fund subsequently decreases in size, the relevant tiered deductions will be removed.

The level of fixed Administration Fees will be reviewed annually, and we will provide you with notice of any changes.

Investors should note that there are some other expenses which are not included in the OCF, please see Appendix 1 for a list of these "Other Expenses".

3) Change to the distribution frequency of Global Equity accumulation classes

We are making changes to the way some of the Global Equity funds apply income distribution across different share classes so that we align the distribution accumulation across all funds within the Global Equity fund range.

Currently, some accumulating share classes roll up their income at a different frequency to the frequency in which their corresponding income share classes distribute income. Where this is the case, we will be aligning the accumulation classes so that the accumulation distribution aggregation happens at the same time as the income class distribution. The impacted funds are:

- Liontrust Income Fund
- Liontrust Global Equity Fund
- Liontrust European Opportunities Fund
- Liontrust UK Opportunities Fund
- Liontrust UK Mid Cap Fund
- Liontrust US Income Fund
- Liontrust Global Dividend Fund

This change is subject to FCA approval and is due to take effect on 15 June 2020. We will write to you again in the event that FCA approval is not received and that this proposed change does not proceed as planned.

4) Change to the expense deduction methodology for Global Equity non-income funds

We are making changes to the expense deduction methodology that is currently in place for three of the Global Equity funds:

- Liontrust European Opportunities Fund
- Liontrust Global Equity Fund
- Liontrust UK Mid Cap Fund

Currently, these funds' income share classes pay fees from their capital account. To align the expense deduction methodology across all Liontrust funds going forward, these income share classes will have all expenses charged to their income account and consequently no charges applied to the capital account.

This change is subject to FCA approval and is due to take effect on 1 May 2020. We will write to you again in the event that FCA approval is not received and that this proposed change does not proceed as planned.

5) Review of share classes

Following our letter dated 20th January 2020, in which we informed you that we would be conducting a review of the share classes available within the Liontrust Global Equity funds, we have now completed this review. The review has confirmed that, unfortunately, we will no longer be able to support non-Sterling share classes, meaning that the Euro and US Dollar share classes will need to close in the coming months. We will also be closing Sterling share classes that are deemed to be very small in size.

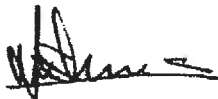
Investors in the affected share classes have been sent a separate letter that includes full details of this review and the associated closure process.

Next steps

You do not have to take any action as a result of this letter and the changes outlined do not affect the authorisation of our funds.

If you have any questions regarding these changes, please consult your financial adviser or contact us at info@liontrust.co.uk.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'John Ions', with a horizontal line extending to the right.

John Ions,
Chief Executive,
Liontrust

Appendix 1

Other Expenses:

- a. brokers' commission, fiscal charges and other disbursements which are:
 - i. necessary to be incurred in effecting transactions for the Funds, and
 - ii. normally shown in contract notes, confirmation notes and difference accounts as appropriate;
- b. interest on borrowing permitted under the Funds and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;
- c. taxation and duties payable in respect of the property of the Funds or the issue of units;
- d. liabilities on unitisation, amalgamation or reconstruction arising in certain circumstances specified by the COLL Sourcebook; and
- e. VAT or any similar tax is payable in respect of the above

Appendix 2

Fund	ISIN	Share Class	Administration Fees	OCF as at December 2019	Change in OCF due to Introduction of Administration Fees	OCF as at 1 May 2020
Liontrust Balanced Fund	GB0004821921 ✓	A Acc	0.04%	1.64%	0.00%	1.64%
	GB0033272781 ✓	A Inc		1.64%	0.00%	1.64%
	GB00885K7211	C Acc	0.10%	0.87%	-0.02%	0.85%
	GB00883H6G14	C Inc		0.87%	-0.02%	0.85%
	GB00BFZC7371	D Acc		0.78%	-0.03%	0.75%
Liontrust China Fund	GB00804H0Y06 ✓	A Acc	0.31%	2.06%	0.00%	2.06%
	GB0085Q38588	C Acc		1.06%	0.00%	1.06%
Liontrust Emerging Markets Fund	GB0088J6SV12	C Acc	0.15%	0.90%	0.00%	0.90%
Liontrust European Opportunities Fund	GB0032308594 ✓	A Acc	0.35%	2.10%	0.00%	2.10%
	GB00B058ZH01	A Inc		2.11%	-0.01%	2.10%
	GB0032310012	B Acc		1.61%	-0.01%	1.60%
	GB00B058ZP84	B Inc		1.61%	-0.01%	1.60%
	GB0088LF7310	C Acc		1.10%	0.00%	1.10%
	GB00B909GK18	C Inc		1.11%	-0.01%	1.10%
	GB00BFZC7488	D Acc		1.01%	-0.01%	1.00%
	GB00BFN4FS64	E Inc		0.90%	0.00%	0.90%
Liontrust Global Alpha Fund	GB0031190449	A Acc	0.08%	2.08%	0.00%	2.08%
	GB0031190555	C Acc	0.16%	0.93%	-0.02%	0.91%
Liontrust Global Equity Fund	GB0030679053	A Acc	0.14%	1.89%	0.00%	1.89%
	GB00B28R3304	A Inc		1.89%	0.00%	1.89%
	GB0030679160	B Acc	0.19%	1.44%	0.00%	1.44%
	GB00B8DLY478	C Acc		0.99%	-0.05%	0.94%
	GB00B28R3411	C Inc		0.99%	-0.05%	0.94%
Liontrust Global Dividend Fund	GB00B9225P64	C Acc	0.16%	1.20%	-0.29%	0.91%
	GB00B91RFZ23	C Inc		1.20%	-0.29%	0.91%
Liontrust Global Smaller Companies Fund	GB00B29MXF68	C Acc	0.40%	1.30%	-0.15%	1.15%
Liontrust Global Technology Fund	GB00BYXZ5N79	C Acc	0.14%	0.90%	-0.01%	0.89%
Liontrust Income Fund	GB0032315516	A Acc	0.13%	1.73%	0.00%	1.73%
	GB0032325093	A Inc		1.73%	0.00%	1.73%
	GB0032325101	B Inc		1.23%	0.00%	1.23%
	GB00B8JCR452	C Acc		0.88%	0.00%	0.88%
	GB00B8L7B355	C Inc		0.88%	0.00%	0.88%
Liontrust India Fund	GB00B116DV51	C Acc	0.40%	1.47%	-0.32%	1.15%
Liontrust Japan Opportunities Fund	GB0032076043	A Acc	0.15%	1.82%	-0.07%	1.75%
	GB0032076159	B Acc		1.32%	-0.07%	1.25%
	GB00B3Z0Y815	C Acc		0.96%	-0.06%	0.90%
	GB00BFZC7603	D Acc		0.86%	-0.06%	0.80%
Liontrust Japan Equity Fund	GB00BXDZFF23	C Acc	0.15%	0.90%	0.00%	0.90%
	GB00BXDZFG30	C Acc GBP H		0.96%	-0.06%	0.90%

Fund	ISIN	Share Class	Administration Fees	OCF as at December 2019	Change in OCF due to Introduction of	OCF as at 1 May 2020
Liontrust Latin America Fund	GB00B909HH53	C Acc	0.35%	1.10%	0.00%	1.10%
Liontrust Russia Fund	GB00B04H0T52	A Acc	0.23%	1.98%	0.00%	1.98%
	GB00B86WB793	C Acc		1.03%	0.00%	1.03%
Liontrust UK Mid Cap Fund	GB00B3D7FD61	A Acc	0.15%	1.76%	-0.01%	1.75%
	GB00B909H085	C Acc		0.90%	0.00%	0.90%
	GB00BWFGFL27	C Inc		0.90%	0.00%	0.90%
	GB00BFZC7595	D Acc		0.80%	0.00%	0.80%
Liontrust UK Opportunities Fund	GB00B1L6DW68	A Acc	0.29%	1.90%	-0.01%	1.89%
	GB00B8L76553	C Acc		1.06%	-0.02%	1.04%
	GB00BVCM05	D Acc		0.94%	0.00%	0.94%
Liontrust US Income Fund	GB00B909H978	C Acc	0.27%	1.02%	0.00%	1.02%
	GB00B909HB91	C Inc		1.02%	0.00%	1.02%
Liontrust US Opportunities Fund	GB0032310129	A Acc	0.19%	1.79%	0.00%	1.79%
	GB0032310236	B Acc		1.29%	0.00%	1.29%
	GB00B7K9LQ88	C Acc		0.94%	0.00%	0.94%
	GB00BFZC7264	D Acc		0.84%	0.00%	0.84%

Table 2

Net asset value	Discount to be applied to the Administration Fee (per annum):
Below £500 million	0.000%
£500 million to £1 billion	0.010%
£1 billion to £2 billion	0.020%
£2 billion to £3 billion	0.030%
£3 billion to £4 billion	0.040%
£4 billion to £5 billion	0.050%
Over £5 billion	0.060%

Note on the volume discount: The above discounts will not apply in circumstances that the Administration Fees after the applicable discount would be below 0.07%. For example, if the Administration Fees for a Fund before any volume discount is 0.12% then the lowest it can go with the application of a volume discount is 0.07%. If the Administration Fees for a Fund before any volume discount is 0.06% then the volume discounts will not apply as the Administration Fee is already below 0.07%.

Appendix 3

Fund	Old Comparator Benchmark	New Benchmark(s)	Updated Objective
Liontrust China Fund	MSCI China Index	MSCI China Index (comparator) IA China/Greater China Sector (comparator)	N/A
Liontrust Emerging Markets Fund	MSCI Emerging Markets Index	MSCI Emerging Markets Index (comparator) IA Global Emerging Markets Sector (comparator)	N/A
Liontrust European Opportunities Fund	MSCI Europe ex UK Index	MSCI Europe ex UK Index (comparator) IA Europe ex UK Sector (comparator)	N/A
Liontrust Global Alpha Fund	IA Flexible Investment Sector	MSCI AC World (comparator) IA Flexible Investment Sector (comparator)	N/A
Liontrust Global Equity Fund	MSCI ACWI Index	MSCI AC World (comparator) IA Global Sector (comparator)	N/A
Liontrust Global Smaller Companies Fund	MSCI World SMID Cap Index	MSCI World SMID Index (comparator) IA Global Sector (comparator)	N/A
Liontrust Global Technology Fund	MSCI World Information Technology Index	MSCI World/Information Technology Index (comparator) IA Technology and Telecommunications Sector (comparator)	N/A
Liontrust Income Fund	FTSE All-Share Index	FTSE All Share Index (comparator) IA UK Equity Income Sector (comparator) At least the yield of the FTSE All Share Index (Income Target)	The investment objective of Liontrust Income Fund is to generate income with the potential for long term (5 years or more) capital growth. <i>Income Target Benchmark</i> The Fund aims to deliver a net target yield of at least the net yield of the FTSE All Share Index each year.
Liontrust Japan Opportunities Fund	TOPIX Index	TOPIX Index (comparator) IA Japan Sector (comparator)	N/A
Liontrust Japan Equity Fund	TOPIX Index	TOPIX Index (comparator) IA Japan Sector (comparator)	N/A
Liontrust UK Mid Cap Fund	FTSE 250 ex IT Index	FTSE 250 ex IT (comparator) IA UK All Companies Sector (comparator)	N/A
Liontrust UK Opportunities Fund	FTSE All-Share Index	FTSE All Share Companies Index (comparator) IA UK All Companies Sector (comparator)	N/A

Fund	Old Comparator Benchmark	New Benchmark(s)	Updated Objective
Liontrust US Income Fund	S&P 500 Index	<p>S&P 500 Index (comparator) IA North America Sector (comparator)</p> <p>110% of the yield of the S&P 500 on a 3 year rolling basis (Income Target)</p>	<p>The investment objective of the Liontrust US Income Fund is to generate income with the potential for long term (5 years or more) capital growth.</p> <p><i>Income Target Benchmark</i> The Fund aims to deliver a net target yield of at least 110% of the net yield of the S&P 500 Index on a 3 year rolling basis.</p>
Liontrust US Opportunities Fund	S&P 500 Index	<p>S&P 500 Index (comparator) IA North America Sector (comparator)</p>	N/A
Liontrust Global Dividend Fund	MSCI ACWI Index (comparator)	<p>MSCI World (comparator) IA Global Equity Income Sector (comparator)</p> <p>At least the yield of the MSCI World (Income Target)</p>	<p>The Investment objective of the Liontrust Global Dividend Fund is to generate income with the potential for long term (5 years or more) capital growth.</p> <p><i>Income Target Benchmark</i> The Fund aims to deliver a net target yield of at least the net yield of the MSCI World Index each year.</p>