

Part 2A of Form ADV: Firm Brochure

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Name of registered investment advisor:

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This brochure provides information about the qualifications and business practices of Valu-Trac Investment Management Limited. If you have any questions about the contents of this brochure, please contact us at +44 (0) 1343 880217. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration with the SEC does not imply a certain level of skill or training.

Additional information about Valu-Trac Investment Management Limited is also available on the SEC’s website at www.adviserinfo.sec.gov.

MATERIAL CHANGES SUMMARY

This brochure is required to be updated at least annually, or sooner when material changes to our business take place. For your convenience we have identified and discussed below all material changes that have taken place since our last annual update of this brochure on August 12, 2019.

- The total amount of Assets Under Management in Item One (D) has been updated.

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ADVISORY BUSINESS (Item number 4)

VALU-TRAC INVESTMENT MANAGEMENT LIMITED (“VIML”) has been operating as an investment advisory firm since 1989. Its sole principal owner is Valu-Trac Limited, a company domiciled in Bermuda. Before the creation of this company investment activities were operated through Valu-Trac Research.

Valu-Trac Research was established in 1985 by R. Peter W. Millar, who previously was the Senior Investment Manager of the Equity and Bond Departments at the Abu Dhabi Investment Authority (1977-1984). The origins of Valu-Trac’s Intrinsic Value approach go back to the 1970’s.

Valu-Trac started as an investment advisory business specializing in Global Asset Allocation. Valu-Trac still provides Investment Research and Investment Counselling, both top-down for Strategy and bottom-up for Stocks.

VIML became authorised as an investment manager in 1989, originally as a result of requests from research clients. Valu-Trac currently manages traditional (long only) investments for institutional and private investors. Some of its funds are available to the public.

Valu-Trac is located in the North of Scotland and has an office in London and representation in the USA.

Assets Under Management

VIML provides investment advice to clients on a discretionary basis. As of July 31, 2020, VIML’s total assets under management are as follows:

Discretionary Clients	\$ 1,293,539,890
Non-Discretionary Clients	\$ -
Total	\$ 1,293,539,890

FEES AND COMPENSATION (Item number 5)

VIML charges an annual fee, which is a percentage of client's assets under management with a minimum fixed fee for certain clients. Currently, our fee range is from 0.4% – 1.5% of the assets under management however, fees charged by VIML may be negotiated and vary among clients for similar services.

Generally VIML enters into an Investment Advisory Service Agreement with each advisory client calling for the payment of fees payable monthly in arrears based upon the net asset value of the account on the last day of the month expressed as a percentage of value. VIML's fees do not include custodial fees or securities transaction fees, if any, charged by client's custodian.

VIML produces an invoice on a monthly basis which is sent out to the client's independent qualified custodian. The custodian will then forward applicable fees to VIML, and will send the client a statement, at least quarterly, reflecting the deduction of all fees from client's accounts. The client is responsible for verifying the accuracy of the fee calculation, as the custodian will not.

When services commence on anything but the first day of a billing period, the fee for the opening period shall be prorated by the number of calendar days of service divided by total period days. The agreement may not be assigned by VIML without the consent of the client.

The agreement is terminable by either party upon written notice to the other party. The agreement may be rescinded by the client within two days of execution upon written notice to VIML.

PERFORMANCE BASED FEES AND SIDE BY SIDE MANAGEMENT (Item number 6)

At present VIML does not charge performance fees.

TYPES OF CLIENTS AND MINIMUM REQUIREMENTS (Item number 7)

VIML generally provides investment advice to institutions, high net worth individuals, pension and profit sharing plans, trusts, estates, corporations and/or business entities.

VIML does have certain minimum thresholds that have been established to allow VIML to provide the high level of personal services and attention which we believe our clients deserve. VIML imposes a minimum dollar asset value for opening a client account. The minimum initial asset value for accounts is \$1,000,000 in order to be considered a “full-service” client.

All minimum account size amounts may be lowered by VIML in its discretion.

METHOD OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS (Item number 8)

VIML’s method of investment strategy is systematic and proprietary.

The investment strategies used to implement investment advice given to clients include long term purchases, short term purchases, and margin transactions.

Equity Market Risk. The prices of equity securities held in your portfolio (or underlying funds) may decline in response to certain events taking place around the world, including those directly involving the companies whose securities you own; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. Equity securities may involve large price swings and potential for loss. Clients should have a long-term perspective and be able to tolerate potentially sharp declines in value.

Management Risk. There is no guarantee of your portfolio’s performance or that your portfolio will meet its objective. The market value of your investments may decline and you may suffer investment loss. VIML’s investment strategies may fail to produce the intended results. If VIML’s expectations for a particular asset class are not realized in the expected timeframe, your overall performance may suffer.

Municipal Securities Risk. Municipal securities rely on the creditworthiness or revenue production of their issuers or auxiliary credit enhancement features. Municipal securities may be related in such a way that political, economic or business developments affecting one obligation would affect the others. Tax authorities are paying increased attention as to whether interest on municipal obligations is tax exempt, and we cannot assure you that a tax authority will not successfully challenge the exemption of a bond held in your portfolio. The ongoing issues facing the national economy are negatively impacting the economic performance of many issuers of municipal securities, and may increase the likelihood that issuers of securities in which you may invest may be unable to meet their obligations.

Investment Company Securities Risk. With respect to investments in other investment companies (including ETFs, mutual funds, and money market funds), you will indirectly bear any fees and expenses charged by the underlying funds in addition to VIML’s direct fees and expenses. Therefore, you could incur higher expenses, many of which may be duplicative. In addition, you may be affected by losses of the underlying funds and the level of risk arising from the investment practices of the underlying funds (such as the use of leverage by the funds). An ETF’s shares may trade at a market price above or below their net asset value, and an active trading market for an ETF’s shares may not develop or be maintained.

Government Securities Risk. Not all U.S. government securities are backed by the full faith and credit of the U.S. government. It is possible that the U.S. government would not provide financial support to certain of its agencies or instrumentalities if it is not required to do so by law. If a U.S. government agency or instrumentality in which you (or an underlying fund) invest defaults and the U.S. government does not stand behind the obligation, the value or yield of your portfolio could fall.

Debt Securities Risk. When you invest in fixed income securities or in underlying funds that own fixed income securities, the value of your investment and the return of such underlying funds will fluctuate with changes in interest

rates. Inflation-indexed bonds decline in value when real interest rates rise. Long-term bonds are generally more sensitive to interest rate changes than short-term bonds. Issuers of fixed-income securities may default on interest and principal payments. Generally, securities with lower debt ratings have greater credit risk. The issuer of a debt security may fail to pay interest or principal when due.

Asset allocation and diversification may help to reduce risk but does not protect you from overall market decline. Mutual funds are subject to internal fees and expenses which are charged against the assets of the mutual fund. These internal charges are an inherent expense of client's account and do not usually occur when purchasing individual securities.

DISCIPLINARY INFORMATION (Item number 9)

In its history, neither VIML, nor any of its investment advisory representatives, has been the subject of any kind of legal or disciplinary event. This includes criminal or civil actions, administrative proceedings, or self-regulatory organisation proceedings.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS (Item number 10)

In previous years the Chairman of VIML, R Peter W Millar also traded as Valu-Trac Research under a self employed proprietary basis. R Peter W Millar spent less than 5% of his time on this other activity. Up to 5th November 2019 this was an integral related party to VIML. From 5th November 2019 VIML did not have any affiliations with other entities.

CODE OF ETHICS, INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

(Item number 11)

Related persons of VIML may buy and sell securities they also recommend to clients. Client transactions must be executed before a transaction in the same security by a related person of VIML. Further, such related persons will not compete with VIML's clients in connection with such securities transactions. VIML adopts and follows policies and procedures regarding securities transactions of its related persons commensurate with its activities and duties to clients. VIML has adopted policies and procedures based on the principle that VIML and its employees owe a fiduciary duty to clients.

VIML has established, maintains and enforces a written Code of Ethics pursuant to Rule 204A-1 under the standards of conduct required of all associated persons to protect the best interest of our clients. The Code of Ethics requires advisory personnel to avoid activities or interests that might interfere with making decisions in the best interests of VIML's clients. In addition, it requires its advisory personnel or supervised persons to submit periodic reports of securities transactions to VIML's Chief Compliance Officer ("CCO") for review and to pre-clear transactions in certain securities. In addition, each person subject to these requirements is required to report all violations of which such person becomes aware to the CCO. VIML has also adopted an insider trading policy that prohibits its employees from trading on material, non-public information. VIML will provide a copy of its Code of Ethics and/or insider trading policy, free of charge, upon the written or oral request of any current or prospective client.

BROKERAGE PRACTICES (Item number 12)

A. Selecting a Broker-Dealer/Custodian (Item number 12A)

VIML may recommend that clients use Stifel, Winterflood, Numis, Royal Bank of Canada, Societe Generale, Berkerley Futures and Instinet as their broker-dealer/custodian. However the selection of a custodian or brokerage firm is at the client's option.

At least annually, VIML conducts a review of its recommended broker-dealer(s)/custodian(s). VIML's review includes, but is not limited to: Protection of Client's Interest, Full Range of Quality of Service, Overall Fees and Account Costs, and Execution Capability and Quality. As part of this periodic review, VIML considers the service and cost of other providers to determine whether any change should be made. The client should be aware that lower commissions or better execution may be able to be achieved elsewhere.

B. Research and Other Soft Dollar Benefits (Item number 12B)

VIML does not recommend or select certain custodians, brokers or dealers based on the value of products, research or services received. If products, research or services are received, they are received as part of the execution process or custodial relationship.

VIML does not receive any Research or other Soft Dollar Benefits.

C. Directed Brokerage, Trade Aggregation (Item number 12C)

VIML has no relationships whereby we routinely recommend, request or require that a client direct us to execute transactions through a specified broker-dealer.

The custodian executing the client's order charges each client a commission to execute transactions in the customers account. The custodian, not VIML, determines the standard commission rate charged to VIML's clients and, while VIML recommends only those custodians whose commission rates VIML believes are competitive, transactions may not always be executed at the lowest available commission rate. VIML strives to execute securities for clients so that total account costs and qualitative execution are the most favorable under the circumstances. With respect to fixed income transactions executed by VIML's representatives through Winterflood, the advisory representative determines, based on a commission schedule adopted by Winterflood, the mark-up or mark-down assigned to bond transactions executed on behalf of clients of VIML. Such commissions are within the guidelines for bond commissions approved by Winterflood. VIML believes such commissions are competitive within the industry.

VIML may bundle separate trade orders of clients if trades in the same security are indicated for more than one account at the same time under similar circumstances. Bundling orders means aggregating, bunching, combining or grouping orders of various individual clients for purposes of executing the orders together as one order, and may be referenced in many varying ways. VIML receives no other benefit as a result of bundling trades. In bundling orders, the intent is to obtain either volume discounts, better price or greater efficiencies on behalf of clients. When bundling orders, the trades are allocated to client accounts in writing in advance of the order being placed. Once the order is executed, the trades are allocated to the clients according to the written allocation. VIML allocates costs associated with a bundled trade on a pro rata basis among all the client accounts involved in a bundled trade. No client account may be favored over any other client account. Client orders are never bundled with orders of any employee or associated person.

REVIEW OF ACCOUNTS (Item number 13)

A. Frequency and Triggering Factors (Item number 13A)

For investment advisory clients, our Fund Managers, have the primary responsibility for reviewing and monitoring client accounts. Typically, the clients are initially introduced to VIML by marketing techniques and thereafter our fund managers are allocated them accordingly. VIML reviews discretionary client accounts monthly, upon client request, or in a response to a change in the client's circumstances. The reviews include asset allocation and performance.

For financial planning, the Fund Managers determine the frequency and triggering factors for review, such as changes in tax laws, client circumstances or other defined changes in circumstances. The client and VIML jointly determine the nature and scope of reviews based on the client's needs and objectives.

In reviewing accounts, in most instances, VIML considers the client's expectations and guidelines, if any, the extent to which they are being met, the client's risk tolerance level, and whether any adjustments are needed.

B. Client Reports (Item number 13B)

Upon engagement, VIML prepares and delivers a written Investment Policy Statement and asset allocation plan for most clients. Thereafter, VIML provides written quarterly (at least) reports to all clients containing an Asset Allocation Statement, a Portfolio Performance Summary and a Quarterly Portfolio Evaluation. VIML offers clients an annual review meeting to discuss their portfolio, along with any additional recommendations, observations or commentary on significant events.

CLIENT REFERRALS AND OTHER COMPENSATION (Item number 14)

VIML directly compensates appointed representatives for client referrals by way of set commission levels.

VIML does not recommend third parties.

CUSTODY (Item number 15)

VIML does hold client money from time to time. This is carried out in line with the regulations set out by the Financial Conduct Authority in the UK. VIML does not hold other non-monetary client assets.

INVESTMENT DISCRETION (Item number 16)

VIML provides investment advice on a discretionary basis, but in some instances on a nondiscretionary basis. The client and VIML execute an Investment Advisory Agreement wherein the client grants to VIML a limited power of attorney to act on the Client's behalf for the limited purpose of buying, selling and trading securities and all actions necessary or incident to such activities.

Each client indicates in their Investment Guidelines any restrictions or limitations they desire to impose on VIML's investment management services.

VOTING CLIENT SECURITIES (Item number 17)

PROXY VOTING POLICY

Background

To the extent that a client has delegated to the Firm (Valu-Trac Investment Management Limited) the authority to vote proxies relating to equity securities, the Firm expects to fulfil its fiduciary obligation to the client by monitoring events concerning the issuer of the security and then voting the proxies in a manner that is consistent with the best interests of that client and that does not subordinate the client's interests to its own.

To that end, the Firm has created a Proxy Voting Committee consisting of Martin Henderson and James Dempster to consider any issues related to proxy matters.

Many proxy voting matters that are routinely presented year after year are non-controversial, such as the retention of a company's outside auditors. On the other hand, over time the major controversies in voting proxies have related to corporate governance matters (e.g. changes in the state of incorporation and provisions on mergers and other corporate restructurings), anti-takeover provisions (e.g. staggered board terms, "poison pills" and supermajority provisions), stock option plans and other management remuneration issues and social and corporate responsibility issues.

We carefully consider all aspects of the issues presented by a proxy matter, and depending upon the particular client requirements, we may vote differently for different clients on the same proxy issue. For example, one client may have specific policies on a particular proxy issue that may lead the Firm to cast a "no" vote, while the policies of another client on that same issue may lead the Firm to cast a "yes" vote.

We have established effective strategies for determining when and how any voting rights held in client portfolios are to be exercised, to the exclusive benefit of the portfolio and its underlying investors concerned. The strategy includes measures and procedures for:

- Monitoring relevant corporate actions;
- Ensuring that the exercise of voting rights is in accordance with the investment objectives and policy of the relevant portfolio; and
- Preventing or managing any conflicts of interest arising from the exercise of voting rights.

General Proxy Voting Policies Followed by the Firm

Absent special client circumstances or specific client policies or instructions, the Firm will vote as follows on the issues listed below:

- Vote for stock option plans and other incentive compensation plans that give both senior management and other employees an opportunity to share in the success of the issuer. However, consideration may be given to the amount of shareholder dilution, and any performance hurdles that must be met.
- Vote for programs that permit an issuer to repurchase its own stock.
- Vote for proposals that support board independence (e.g. declassification of directors, or requiring a majority of outside directors).
- Vote against management proposals to make takeovers more difficult (e.g. “poison pill” provisions, or supermajority votes).
- Vote for management proposals on the retention of outside auditors. Consideration may be given to the non-audit fees paid to the outside auditor.
- Vote for management endorsed director candidates, absent any special circumstances.
- With respect to the wide variety of social and corporate responsibility issues that are presented, the Firm’s general policy is to take a position in favor of policies that are designed to advance the economic value of the issuing company.

Except in rare instances, abstention is not an acceptable position and votes will be cast either for or against all issues presented. If unusual or controversial issues are presented that are not covered by the general proxy voting policies described above, or if circumstances exist which suggest that it may be appropriate to vote against a general proxy voting policy, the Proxy Voting Committee shall determine the manner of voting the proxy in question. However, many countries have “proxy blocking” regulations, which prohibit the sale of shares from the date that the vote is filed until the shareholder meeting. A Fund would be unable to sell its shares if a negative news event occurred during this time, thus harming its investors. The Firm reserves the right to decline to vote proxies for stocks affected by proxy blocking regulations.

Conflicts of Interest

In the management of segregated accounts, the Firm may purchase for one client’s portfolio securities that have been issued by another client. The Firm does not have a policy against such investments because such a prohibition would unnecessarily limit investment opportunities. In that case, however, a conflict of interest may exist between the interests of the client for whose account the security was purchased and the interests of the Firm. For example, the Firm may manage corporate cash for Company X whose management is soliciting proxies. The Firm has purchased X Company’s securities for the account of Y Company, another of the Firm’s client. Moreover, Y Company’s policies would suggest the Firm should vote against the position put forward by X Company’s management.

However, voting against X Company management may harm The Firm’s relationship with X Company’s management. Thus, the Firm may have an incentive to vote with the management of Alpha Company, and hence has a conflict of interest.

To ensure that proxy votes are voted in a client’s best interest and unaffected by any conflict of interest that may exist, the Firm will vote on a proxy question that presents a material conflict of interest between the interests of a client and the interests of the Firm as follows:

If one of the Firm’s general proxy voting policies described above applies to the proxy issue in question, the Firm will vote the proxy in accordance with that policy. This assumes, of course, that the policy in question furthers the interests of the client and not of the Firm.

However, if the general proxy voting policy does not further the interests of the client, the Firm will then seek specific instructions from the client.

FINANCIAL INFORMATION (Item number 18)

VIML does not believe there are any financial conditions that are reasonably likely to impair our ability to meet contractual commitments to clients.

MISCELLANEOUS

Anti-Money Laundering

We have in place an Anti-Money Laundering Policy, setting forth procedures to detect and potentially report suspicious activity. We obtain, verify, and record information that identifies each entity that opens an account.

Business Continuity Plan

VIML has adopted a business continuity plan (the “Plan”) that governs how its operations will be conducted in the case of an internal or external significant business disruption (“SBD”). VIML’s website (www.valu-trac.com) is updated with contact information. A copy of the Plan will be made available to any client upon written request.