

Key Investor Information

This document provides you with 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.

Virgin Money Bond and Gilt Fund GBP

Income Units: (ISIN GB0009301291)

This Fund is managed by Virgin Money Unit Trust Managers Limited, Jubilee House, Gosforth, Newcastle upon Tyne NE3 4PL.

Objective and Investment Policy

The investment objective of the Fund is to provide a total return (predominantly income but also any capital growth) from bonds and gilts. The Fund aims to achieve this by tracking the performance of a composite index, comprising 50% the FTSE 5-15 Year Gilt Index and 50% the Bank of America Merrill Lynch 5-15 Year AAA-A Non-Gilt Index, measured annually, less charges.

The Fund invests 50% of its assets in bonds issued by the UK Government (known as “gilts”) and 50% in other bonds. These other bonds comprise:

- > corporate bonds;
- > bonds issued by government agencies; and
- > bonds issued by supranational organisations, such as the European Investment Bank.

All bonds are denominated in sterling.

The Fund pursues a low risk strategy by investing in medium term (5 to 15 years) gilts, whilst its other bonds are highly rated (AAA-A) by leading credit agencies. This means a lower risk of non-payment compared to lower rated bonds.

An Investment Advisor manages the Fund and seeks to match closely the composition of the composite index by only investing in the bonds and gilts that make up the two indices referenced in the investment objective.

This means that the Fund is “passively” managed, as it only invests in line with these indices.

Designed for investors who:

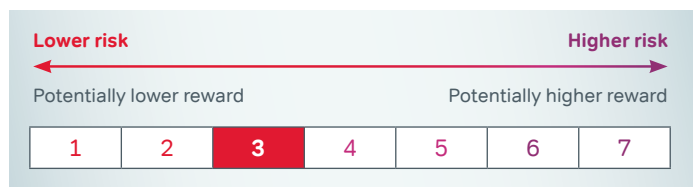
- > are looking for a regular income (which can be reinvested as required) from a portfolio of bonds;
- > prefer an investment with a “passive” approach, rather than active stock picking;
- > are prepared to accept a degree of risk in return for the potential of higher returns than more secure cash deposits.

Any income earned by the fund on its investments can be reinvested or you can choose to have it paid to you as an income.

You can buy and sell units on any business day.

Recommendation: this Fund may not be suitable for investors who plan to withdraw their money within five years.

Risk and Reward Profile



On the financial markets, rates of return are typically linked to risk. Over the longer term, investors who are prepared to accept greater risk can typically look forward to higher returns. The risk indicator above shows the Fund’s risk and reward profile. Risk level 1 signals a low risk of losing money but typically offers limited potential rewards. At risk level 7, the risk of losing money is much higher, but the potential rewards are typically much greater. Note that even investments in the lowest risk category are not entirely free of risk.

The risk indicator is based on the rate at which the value of the Fund has moved up and down in the past. Note that past figures may not be

a reliable indication for the future.

The risk category shown is not a target or guarantee and may move over time.

The Fund is in category 3 because it invests in bonds. These typically provide moderate rewards but carry a lower level of risk than other investments such as company shares.

Specific risks relevant to the Fund that may not be adequately captured by recent historic price movements are:

Interest rate risk: many bonds pay a fixed rate of income and when interest rates rise, or when markets expect rates to rise, the value of the bonds may fall as the fixed rate of income becomes less attractive.

Credit risk: the issuer of a bond may not be able to keep up interest payments or return the full value when the bond matures, which would mean the bonds become less valuable. This risk is most relevant to the corporate bonds held by the Fund.

Charges

There are charges associated with managing the fund.

The “Ongoing Charge” (shown to the right) is deducted directly from the unit price and paid to us, so it will reduce the return you receive.

There will also be transaction costs for the buying and selling of bonds. These costs vary over the course of the year in line with market conditions and how much trading the fund does. They are also accounted for in the unit price, so the return/change in value you see is after these have been deducted.

We do not charge an entry or exit charge when you buy or sell units in the fund.

For more information about charges including when we may apply a ‘Dilution Levy’ such as on large deals, and estimated costs, please refer to the Fees and Expenses section of the Fund’s Prospectus and also the annual report and accounts which will include detail on the exact charges made over the previous financial year. This is available from our website – virginmoney.com/myinvestments.

One-off charges taken before or after you invest

Entry Charge	0%
Exit Charge	0%

This is the maximum that might be taken out of your money before it is invested or before the proceeds of your investment are paid out.

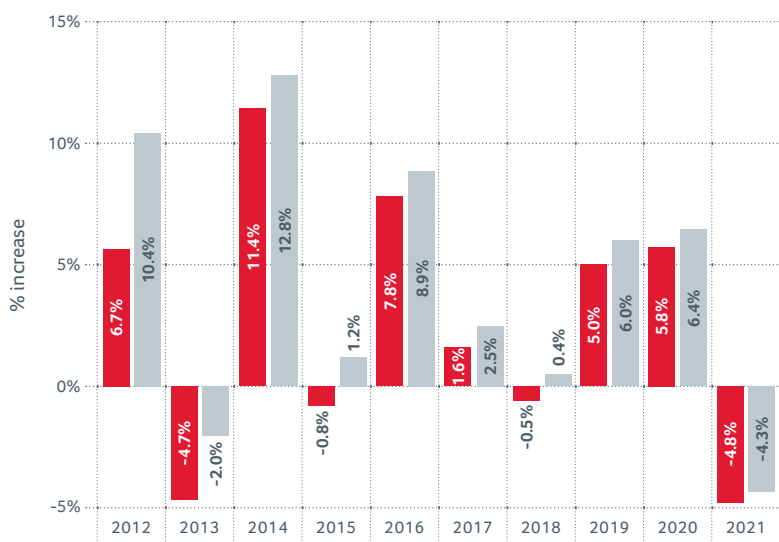
Charges taken from the fund over a year

Ongoing Charge	0.60%
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Charges taken from the fund under specific conditions

Performance Fee	0%
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Past Performance



Past performance is calculated in GBP and represents the percentage change in the unit price, with an assumption of income reinvested into additional units following each distribution.

Please note that past performance is not a reliable indicator of future results.

The Fund and this share class was launched in September 1995.

■ Virgin Money Bond and Gilt Fund
■ Benchmark†

†50% FTSE 5-15 Year Gilt Index, 50% Bank of America Merrill Lynch 5-15 Year AAA-A Non Gilt Index.

Source: Lipper, bid to bid with net income reinvested.

Practical Information

Trustee: Citibank UK Limited.

Further Information:

Visit virginmoney.com/myinvestments for more details about the Fund. This includes the Fund’s Prospectus, unit price and latest financial report and accounts. All fund documentation is in English and free of charge.

Tax Legislation:

The Fund is subject to UK tax law which may have an impact on your personal tax position. If you are at all unclear about your individual tax situation please speak to a Financial Adviser.

Remuneration:

Up-to-date details of the Manager’s UCITS V Remuneration Policy, including details of the Remuneration Committee, are available at virginmoney.com/remuneration. A paper copy of that information will be made available free of charge from the Manager upon request.

Liability Statement:

Virgin Money Unit Trust Managers 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 the Fund.