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6 January 2020

Important: Proposed Merger of Artemis US Equity Fund into Artemis US Select Fund

Dear Shareholder,

I am writing to you as a shareholder in Artemis US Equity Fund (the “**Current Fund**”) to inform you of the proposed Merger of the Current Fund with Artemis US Select Fund (the “**Receiving Fund**”), how this will affect you, and the action you may choose to take.

What is changing?

If it is approved by shareholders, we propose to transfer the assets of the Current Fund into the Receiving Fund by a process called a Scheme of Arrangement (the “**Merger**”). New shares in the Receiving Fund will then be issued to you in exchange for your existing shares in the Current Fund. Details can be found in Part C of the Circular, on page 8.

Following this, the Current Fund will be closed.

Why is Artemis making these changes?

We have undertaken an assessment on the ongoing viability of the Current Fund. Having considered a number of options, we have concluded that a merger of the Current Fund with the Receiving Fund is in the best interests of investors. You can read more details in Part B of the Circular.

When will the changes take place?

In order for the Merger to proceed, at least 75% of votes cast at an Extraordinary General Meeting of shareholders (“**EGM**”) on 6 February 2020 at 10.00am (UK time) must be in favour of the transfer. The Notice convening the EGM and a copy of the Voting Form can be found in Attachment 1 and Attachment 2 of the Circular.

Investors can vote for or against this proposal, either in person at the EGM or by sending us a completed copy of the Voting Form, to be received by us by 10.00am (UK time) on 4 February 2020.

If the Merger is approved at the EGM, the Merger will take place on 14 February 2020 (the “**Effective Date**”).

The results of the EGM will be published on our website www.artemisfunds.com by 5.00pm (UK time) on 7 February 2020.

How will you be impacted by these changes?

If it is approved, the Merger will bind all investors in the Current Fund on 14 February 2020 whether or not they voted in favour of it, or voted at all. If the Merger is not approved, the Current Fund will continue in its existing form and Artemis will review its options in relation to the Current Fund.

The Current Fund closely resembles the Receiving Fund and has a number of features that are similar, and so it is felt to be a suitable alternative fund for investors in the Current Fund who wish to maintain their exposure to a long only US equity strategy.

A comparison of the features of the Current Fund and Receiving Fund is set out in Part C, including their objectives and policies and operating costs.

What options are available to you?

Our priority is to minimise any disruption to you and provide ongoing certainty and continuity. We believe that approving the proposed Merger would be in your best interests.

Your options are described further on page 4 of the Circular under the heading “your options”.

If the Merger is approved and you wish to redeem your existing shares in the Current Fund (“Existing Shares”) or switch your holding before the Merger takes place, we must receive your instructions before 12.00 noon (UK time) on 14 February 2020. If you send a request after this time, we will treat this as applying to your new shares in the Receiving Fund issued under the Merger and it will be processed on the next dealing day in the Receiving Fund. If you wish to redeem or switch your Existing Shares prior to the Merger, please contact us using the details below.

Please note that a redemption or switch will be treated as a disposal of your Existing Shares for tax purposes and you may be liable to capital gains tax on any gains arising from the redemption or switch of your Existing Shares.

What are the tax implications of the proposed change?


The tax implications of the proposed Merger are described in Part B of the Circular.

If you are in any doubt about your potential liability to tax, you should consult a professional adviser. Please note that Artemis will not be responsible for or pay any investor’s personal tax liability arising from the Mergers.

Further information

If you are uncertain about the contents of this letter or the Circular, we recommend that you consult a professional adviser. If you have any questions about the proposed Merger or would like further information, please contact our Client Services team on 0800 092 2051 (outside the UK +44 1268 445 401) between 8:00am and 6:00pm (Monday to Friday) or by e-mail at investorsupport@artemisfunds.com.

Yours faithfully,



Jasper Berens
Director
Artemis Fund Managers Limited



Artemis US Equity Fund *Merger proposal information pack*

6 January 2020

This information pack is important and requires your immediate attention.

If, after reading this document, you wish to exercise your rights under it, you are requested to complete and return the enclosed instruction form in the reply-paid envelope provided no later than 10.00am (UK time) on 4 February 2020.

You should consult a professional adviser if you require any assistance in assessing the options set out in this information pack.

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Part A

Notification to Investors

① In this section capitalised terms have the meanings set out in the Glossary

Merger of the Current Fund with the Receiving Fund

You are a shareholder in the Artemis US Equity Fund (the **Current Fund**). I am writing to inform you of a proposed Merger of the Current Fund with the Artemis US Select Fund (the **Receiving Fund**), how this will affect you and the action you may need to take.

We have undertaken an assessment on the ongoing viability of the Current Fund. Having considered a number of options, we have concluded that a merger of the Current Fund with the Receiving Fund is in the best interests of investors. If the Merger is approved by shareholder vote, your Current Shares of the Current Fund will be exchanged for New Shares of the Receiving Fund on the Effective Date.

Current Fund		Receiving Fund	
Current Shares	ISIN	New Shares	ISIN
Class I Acc GBP	GB00BMMV4S07	Class I Acc GBP	GB00BMMV5105

The enclosed pack sets out the full terms of the proposed Merger, details of the procedure by which the Merger will be carried out, the action you should take if you want to participate in the Merger, and the implications for you as an investor of doing so.

We invite you to vote on the proposed Merger at the Investor Meeting. Your vote is important. For the Merger to take place, at least three quarters (by value) of the votes cast must approve it. A summary of the Merger and its consequences are set out in Part B. Part B also includes information about your options, the Investor Meeting, and how you can vote on the Merger.

If you are uncertain as to how to respond to this document, you should consult a professional adviser. If you have any queries concerning the proposed Merger, please contact our Client Services team on 0800 092 2051 (outside the UK +44 1268 445 401) between 8:00am and 6:00pm (Monday to Friday) or by e-mail at investorsupport@artemisfunds.com.

Yours faithfully,



Jasper Berens
Director
Artemis Fund Managers Limited

Part B

Details of the proposal

① In this section capitalised terms have the meanings set out in the Glossary

Why we are proposing the Merger

The Current Fund has assets of £56.2m, as of 30 November 2019. As a result of the relatively low level of assets in the Current Fund the Authorised Corporate Director, Artemis Fund Managers Limited, has considered the ongoing viability of the Current Fund and undertaken an assessment on various options for its future, taking into account the best interests of Investors.

The Merger is being proposed so that Investors can remain invested in their chosen asset class of US equities, benefit from lower costs offered by a larger fund, and to avoid having their shares paid out if the Current Fund were to be closed - which could be treated as a 'disposal' of shares for tax purposes and may give rise to capital gains tax on any gains arising (please refer to the 'Taxation' section below).

The Receiving Fund has assets of £1,469.8m, as of 30 November 2019 and due to the larger size has a lower current administration fee. It therefore has a lower ongoing charge when compared to the Current Fund, of 0.87% vs. 0.90%, for Class I Acc GBP shares.

The Current Fund closely resembles the Receiving Fund and has a number of features that are similar. In particular, both funds have a long-only equity strategy, invest in US equities, and are managed by the same team of fund managers. The two funds also have significant overlap in their current portfolios of investments. The Receiving Fund is therefore regarded as an appropriate alternative fund for investors in the Current Fund who wish to maintain their exposure to a long-only US equity strategy. Notwithstanding the significant overlap in current portfolios of investments between the Current Fund and the Receiving Fund, the Current Fund may undertake some portfolio realignment prior to the Merger. The Current Fund currently has 67 holdings while the Receiving Fund has 61 holdings. Any costs associated with such portfolio realignment, if any, shall be borne by Artemis.

The Receiving Fund has additional key risks disclosed in the Receiving Fund's Prospectus namely Concentration risk and Smaller Companies risk. These are set out in the features table in Part C.

A more detailed comparison of the features of the Current Fund and Receiving Fund is set out in Part C, including their objectives and policies and operating costs.

Costs of the Merger

The direct costs associated with the Merger, including the legal and accounting costs, will be paid by Artemis and not the Current Fund or the Receiving Fund.

Your options

You have a right to vote on the proposal for the Merger as long as you are an Investor and still hold Current Shares on 30 January 2020. You can also exercise any of the options set out below.

Before making your choice, we recommend that you read the Key Investor Information Document (KIID) for the Receiving Fund which is included with this information pack.

We are not able to make recommendations as to which option you should choose. However, we believe that the Merger will be in your best interests if it is approved. You may wish to consider your options in consultation with a professional adviser

Details of the outcome of the Investor Meeting will be available on our website at www.artemisfunds.com within 48 hours of the end of the meeting.

If the Merger is approved by shareholder vote, your Current Shares will be exchanged for New Shares on the Effective Date. If the Merger is not approved by shareholder vote, you will continue to hold your original investment of Current Shares and Artemis will review its options in relation to the Current Fund.

If you do not wish to participate in the Merger, you are entitled to switch your Current Shares for units/shares in another Artemis UK-domiciled fund, free of any transfer charges, in the same way as you may do at the moment. If you want to exercise this option prior to the Merger, please contact us on 0800 092 2051 (outside the UK +44 1268 445 401). Please note that telephone and online instructions to switch must be received no later than 12:00 noon (UK time) on 14 February 2020.

You can sell your Current Shares. No redemption charge will be applied. In accordance with the terms of the Prospectus, Artemis has the discretion to make a dilution adjustment to the price of your Current Shares on redemption. If you decide to sell:

① Artemis ISA Investors

If you sell your Current Shares and have shares in funds other than the Current Fund in your Artemis ISA account, we will forward the proceeds of redemption to the bank account details you provide in your confirmation (subject to satisfactory identification checks). If you want to retain the ISA benefits then you will need to switch to another fund or transfer to another ISA Plan Manager.

If your ISA consists entirely of Current Shares, your ISA plan with us will close after the redemption.

Non-ISA Investors

A sale will be treated as a 'disposal' for UK tax purposes and you may be liable to capital gains tax on any gains arising from the redemption of your Current Shares.

To exercise this option, please contact our Client Services team on 0800 092 2051 (outside the UK +44 1268 445 401). Please note that telephone and online instructions to sell must be received no later than 12:00 noon (UK time) on 14 February 2020 to be sold in advance of the Merger.

Finally, if you are an ISA holder, you can transfer your Artemis ISA to another ISA Plan Manager. If you wish to do this, please do not redeem your investment but instead contact your chosen ISA Plan Manager to arrange for this transfer. If you want the transfer to take place before the Merger takes place, please contact your chosen ISA Plan Manager as soon as possible. You will need to transfer all investments made in the current tax year as it is not possible to transfer part only. This means if you hold another fund/trust within the Artemis range within your ISA, you will also need to transfer these investments.

Dealings in Current Shares

We will continue to process requests to buy, sell, switch or convert Current Shares in the normal way until 12.00 noon (UK time) on the Effective Date. If the Merger proceeds, and you send a request after this time, we will treat this as applying to your New Shares issued under the Merger and it will be

processed on the next dealing day in the Receiving Fund. The first dealing day in the Receiving Fund following the Merger is expected to be 17 February 2020.

You will receive confirmation of the Merger within 14 days of the Effective Date. You may deal in your New Shares before you receive the letter of notification confirming the allocation of New Shares to you.

Any regular savings or other standing instructions which you have given us in relation to your Current Shares will automatically apply to the New Shares issued to you under the Merger. If you do not want these instructions to be carried forward, please let us know. You can, of course, change these instructions at any time.

Treatment of income

The Current Fund’s investments generate income. As you hold ‘accumulation shares’, this income is reflected in the price of your shares.

To make it easier to organise the Merger, we will introduce an additional accounting date for the Current Fund ending at 12.00 noon (UK time) on the Effective Date. This will allow us to allocate any income that has built up between the start of the accounting period and the Effective Date. This income will then be reflected in the price of the New Shares you receive under the Merger.

Taxation

<p><i>UK Investors</i></p>	<p><i>This is a summary of our understanding of the current UK legislation and HM Revenue & Customs’ practice relevant to UK resident investors regarding the issue of New Shares in relation to the Merger proposal. It may be subject to change.</i></p> <p><i>We do not expect a difference in the tax treatment of the Current Shares and the New Shares.</i></p> <p><i>Based on our understanding of the tax legislation and confirmations from UK tax authorities, the Merger should not involve a ‘disposal’ of Current Shares for capital gains tax purposes, whatever the size of your investment. New Shares issued to you under the Merger, should have the same acquisition cost and acquisition date for capital gains tax purposes as your Current Shares.</i></p> <p><i>We do not expect UK stamp duty reserve tax or stamp duty or equivalent overseas taxes to be payable in respect of the transfer of the property of the Current Fund to the Receiving Fund under the Merger.</i></p> <p><i>Other than for ISA investors, any redemption or switch is likely to be treated as a ‘disposal’ of Current Shares for tax purposes and may give rise to capital gains tax on any gains arising from the redemption or switch of your Current Shares.</i></p> <p><i>If you are in any doubt about your potential liability to tax, you should consult a professional adviser.</i></p>
<p><i>Non-UK Investors</i></p>	<p>The tax consequences of the Merger may vary depending on the law and regulations of your country of residence, citizenship or domicile.</p> <p><i>If you are in any doubt about your potential liability to tax, you should consult a professional adviser.</i></p>

We would remind investors that Artemis is not responsible or liable for any personal tax which arises in relation to Investors’ dealings in Current Shares, including the Merger.

Other information available to you

The following documents are available for inspection at Artemis's offices during normal business hours until the date of the Merger:

1. the instrument of incorporation of the Current Fund;
2. the current prospectus of the Current Fund;
3. the key investor information relating to the Current Fund;
4. the latest report and accounts for the Current Fund;
5. the instrument of incorporation of the Receiving Fund;
6. the current prospectus of the Receiving Fund;
7. the key investor information relating to the Receiving Fund;
8. the confirmation letter from the Financial Conduct Authority to Artemis' external legal advisers, Eversheds Sutherland (International) LLP; and
9. the confirmation letter from HM Revenue and Customs to Artemis' legal advisers, Eversheds Sutherland (International) LLP.

Summary of the key milestones (UK time, unless stated otherwise)

6 January 2020	The date on which this Circular was posted to Investors
30 January 2020	The date at which a person must hold shares in order to be eligible to vote (i.e. to qualify as an 'Investor')
10.00am on 4 February 2020	The date by which we must receive your Voting Form
10.00am on 6 February 2020	Investor Meeting
5.00pm on 7 February 2020	Results of Investor Meeting made available on www.artemisfunds.com

Additionally, if the Merger is approved by Investors:

12.00 noon on 14 February 2020	The last point for dealing in the Current Shares and the end of the interim accounting period of the Current Fund
12:01pm on 14 February 2020	The point at which the Merger is effective
12.00 noon on 17 February 2020	The point at which dealing in the New Shares becomes available

The Auditor's report will be published as soon as practicable after the Effective Date and will be available to Investors free of charge on request.

Part C

Comparison of the Current Fund and the Receiving Fund

① In this section capitalised terms have the meanings set out in the Glossary

This table identifies aspects of the Receiving Fund that differ from the Current Fund and sets these out side-by-side.

Investment objective and investment policy

	The Current Fund	The Receiving Fund
Investment objective and policy	The objective of the Sub-Fund is to achieve long-term capital growth. The Sub-Fund invests principally in companies listed, quoted and/or traded in the United States of America and in companies which are headquartered or have a significant part of their activities in the USA which are quoted on a regulated market outside the USA.	The objective of the Sub-Fund is to achieve long-term capital growth. The Sub-Fund invests principally in companies listed, quoted and/or traded in the United States of America and in companies which are headquartered or have a significant part of their activities in the USA which are quoted on a regulated market outside the USA.
	The ACD actively manages the portfolio in order to achieve the objective.	The ACD actively manages the portfolio in order to achieve the objective.
	The Sub-Fund will primarily invest in medium and large companies.	To achieve the objective, the Sub-Fund will include investments in smaller companies and may seek to include special situations.
	The ACD will not be restricted in respect of choice of investments either by company size or industry.	The ACD will not be restricted in respect of choice of investments either by company size or industry.
		It is expected that the portfolio of the Sub-Fund will be invested in the shares of between 35 and 65 companies.
	The Sub-Fund may also invest in other transferable securities, fixed interest securities, units of collective investment schemes, money market instruments, warrants, cash and near cash. The Sub-Fund may also use	The Sub-Fund may also invest in other transferable securities, fixed interest securities, units of collective investment schemes, money market instruments, warrants, cash and near cash. The Sub-Fund may also use

	The Current Fund	The Receiving Fund
	derivatives and other techniques for efficient portfolio management	derivatives and other techniques for efficient portfolio management.

Other features

	The Current Fund	The Receiving Fund
Umbrella	Artemis Investment Funds ICVC	Artemis Investment Funds ICVC
Umbrella year end	29 February	29 February
Fund launch date	19/09/2014	19/09/2014
Fund size	£56.2m	£1,469.8m
Portfolio Manager	Cormac Weldon	Cormac Weldon
Available share classes	I Acc GBP	I Acc GBP (the New Shares) I Inc GBP I Acc GBP Hedged (NAV hedged)
Minimum initial investment / minimum holding	£250,000	£250,000
Minimum subsequent investment / minimum redemption	£500	£500
Ongoing charges figure (latest)	0.90%	0.87%
Administration fee	0.15% (base) / 0.075% (minimum) Current: 0.15%	0.15% (base) / 0.075% (minimum) Current: 0.12%
Annual Management Charge	0.75% (class I)	0.75% (class I)
Key risks disclosed in prospectus	General risk Currency risk	General risk Currency risk Concentration risk Smaller Companies risk
Synthetic Risk Reward Indicator		

	The Current Fund	The Receiving Fund
Asset allocation	Large cap: 80.9% Mid cap: 12.7% Small cap: 0% Cash: 6.4%	Large cap: 80.6% Mid cap: 16.6% Small cap: 0.2% Cash: 2.6%
Typical no. stocks	Around 60 to 80 stocks 67 holdings as at 30 November 2019	Around 35 to 65 stocks 61 holdings as at 30 November 2019
Fund Benchmark	S&P 500 Index TR	S&P 500 Index TR
IA sector	IA North America NR	IA North America NR
Fund reference currency	USD	USD
Fund valuation point	12:00 (UK time)	12:00 (UK time)
Distribution dates	29 February / 31 August	29 February / 31 August
Typical dilution range	+0.15% / -0.15%	+0.15% / -0.15%
Dealing cut-off	12:00 (UK time)	12:00 (UK time)

Source: Artemis prospectus, factsheet, website. As at 30 November 2019.

Part D

Merger Terms

In this section capitalised terms have the meanings set out in the Glossary and the Glossary is deemed to form part of the terms in this section.

The following section sets out the legal process for the Merger. It is known as the “common draft terms of merger”.

- | | |
|--|--|
| <p>1. Definitions and interpretation</p> <p>1.1 References to paragraphs are to paragraphs of these Merger Terms.</p> <p>1.2 The Glossary is deemed to form part of these Merger Terms.</p> <p>1.3 If there is any conflict between these Merger Terms and the Current Fund's constitutional documents, then these Merger Terms will prevail.</p> <p>2. Approval of Investors</p> <p>2.1 The Merger will only take place if the Merger itself, and these Merger Terms, are approved by an extraordinary resolution of Investors.</p> <p>2.2 If the extraordinary resolution referred to at 2.1 is passed, the Merger will be binding on all Investors (whether or not they voted in favour of it, or voted at all) and the Merger Terms will be carried out as set out in the following paragraphs.</p> <p>3. Effective Date</p> <p>If approved by Investors, Artemis intends for the Merger to become effective on the Effective Date (14 February 2020), or on such later date as may be agreed between Artemis and the Depositary.</p> | <p>4. Type of 'UCITS merger'</p> <p>The Merger is a 'domestic UCITS Merger' within the meaning of Chapter 7.7 of the FCA's Collective Investment Schemes sourcebook.</p> <p>5. Last dealings in the Current Fund</p> <p>5.1 The last dealing in Current Shares will be at 12.00 noon on the Effective Date.</p> <p>5.2 Any dealing instructions received after 12.00 noon on the Effective Date will be held over until the next valuation point of the Receiving Fund (which will be 12.00 noon on 17 February 2020 and will be deemed to apply to the New Shares in the Receiving Fund.</p> <p>6. Income allocation and distribution arrangements</p> <p>6.1 The additional interim accounting period of the Current Fund will end at 12.00 noon on the Effective Date.</p> <p>6.2 All income (actual or estimated) that has accrued in the interim accounting period and is available for allocation in relation to accumulation shares, will be transferred to the capital account of the Current Fund, allocated to the accumulation shares, and reflected in the value of those shares (and used to calculate the number of the new shares in the Receiving Fund under the Merger).</p> |
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- 6.3 Any interest earned on income while held by JP Morgan as the Depositary of the Current Fund, will be treated as the property of the Current Fund but will not increase the number of New Shares to be issued in the Receiving Fund under the Merger.
- 7. Calculation of the Current Fund value and the Receiving Fund value**
- 7.1 Based on valuations made in accordance with the instrument of incorporation and prospectus of the Current Fund and the Receiving Fund:
- 7.1.1 the value of the property of the Current Fund will be calculated as at 12.00 noon on the Effective Date; and
- 7.1.2 the value of the property of the Receiving Fund will be calculated as at 12.00 noon on the Effective Date.
- 7.2 The value of the Current Fund and the value of the Receiving Fund will be used to calculate the number of New Shares to be issued to each Investor (under paragraphs 8 and 9 below).
- 8. Transfer of property from the Current Fund to the Receiving Fund and issue of New Shares**
- 8.1 Artemis will, in consultation with the Depositary, calculate an amount necessary to meet the actual and contingent liabilities of the Current Fund after the Merger (the **Retained Amount**). The Retained Amount is to be retained by JP Morgan as Depositary of the Current Fund for the purposes of discharging those liabilities.
- 8.2 The property of the Current Fund will become part of the property of the Receiving Fund in exchange and in full payment for the issue of New Shares. JP Morgan will cease to hold the property of the Current Fund (less the Retained Amount) as attributable to the Current Fund, and will hold the property as attributable to the Receiving Fund and JP Morgan will ensure that any necessary transfers or re-designations are carried out.
- 8.3 Artemis will arrange New Shares to be issued to Investors (who are registered as holding Current Shares on the Effective Date) free of any initial charge. The type of New Shares to be issued is detailed in the Part C.
- 8.4 All Current Shares will be deemed to be cancelled and will cease to be of any value as at 12:01 p.m. on the Effective Date.
- 8.5 Investors will be treated as exchanging their Current Shares for New Shares.
- 9. Basis for the issue of New Shares**
- 9.1 The price of New Shares to be issued under these Merger Terms will be the price based on the Receiving Fund value as at 12 noon on the Effective Date.
- 9.2 New Shares of the appropriate class and type (as noted in the “Merger Proposal Information Pack” dated 6 January 2020) will be issued to each Investor invested in the Current Fund in proportion to that Investor’s individual entitlement to the Current Fund value as at 12.00 noon on the Effective Date.
- 9.3 The formula used in calculating an Investor’s entitlement to New Shares is available on request.
- 9.4 The number of New Shares to be issued to each Investor will (if necessary) be rounded up to the nearest denomination of shares at the expense of Artemis (which will, within four business days of the Effective Date, accordingly pay into the Receiving Fund an amount equal to the value of the additional shares issued as a result of the rounding up).
- 10. Notification of the New Shares issued under these Merger Terms**
- 10.1 Certificates will not be issued in respect of New Shares.
- 10.2 Artemis intends to notify each Investor (or, in the case of joint holders, the first named holder on the register) of the number and class of New Shares

- in the Receiving Fund issued to that Investor within 14 days following the Effective Date. Notices will be provided by post and/or electronically.
- 10.3 Transfers or redemptions of New Shares in the Receiving Fund issued under these Merger Terms may be carried out from the next business day after the Effective Date.
- 11. Regular Savings and other instructions in respect of New Shares**
- Mandates and other instructions to Artemis that are in force on the Effective Date in respect of Current Shares will be deemed to be effective in respect of shares in the Receiving Fund following the Merger. Investors may change these mandates or instructions at any time.
- 12. Termination of the Current Fund**
- 12.1 Once these Merger Terms become effective, Artemis will make arrangements to terminate the Current Fund.
- 12.2 The Retained Amount (which will be made up of cash and other assets, if necessary) and any income arising on it, will be used by JP Morgan to pay any outstanding liabilities of the Current Fund in accordance with the directions and instructions of Artemis and the provisions of the instrument of incorporation and the Prospectus of the Current Fund and any applicable laws or regulations.
- 12.3 If, on the completion of the termination of the Current Fund, there are any surplus monies remaining in the Current Fund, they, together with any income that has arisen, will be transferred to the Receiving Fund. No further issue of shares in the Receiving Fund will be made as a result. JP Morgan will cease to hold the Retained Amount in its capacity as depositary of the Current Fund and will make any transfers and re-designations as Artemis may direct or instruct.
- 12.4 If the Retained Amount is insufficient to discharge all the liabilities of the Current Fund, JP Morgan will, if permitted by applicable laws and regulations, be entitled to pay the amount of the shortfall out of the scheme property of the Receiving Fund if directed to do so by Artemis.
- 12.5 On completion of the termination of the Current Fund, JP Morgan and Artemis will be discharged from all their obligations and liabilities in respect of the Current Fund, except those arising from a breach of duty before that time. Termination accounts in respect of the Current Fund will be drawn up and will be made available to Investors on request.
- 12.6 If, after the completion of the termination of the Current Fund, contingent assets arise that were not recognised (or were only partly recognised by Artemis and JP Morgan at the time of the Effective Date), those assets will be transferred to the Receiving Fund less any costs that Artemis or JP Morgan might incur in securing these assets for the Current Fund.
- 13. Costs, charges and expenses**
- 13.1 Up to the Effective Date, Artemis will continue to receive their usual fees and expenses out of the property of the Current Fund for being the manager of the Current Fund. JP Morgan will also be entitled to expenses properly incurred in connection with carrying out its responsibilities under these Merger Terms.
- 13.2 Artemis will bear the costs of preparing and implementing the Merger under these Merger Terms.
- 14. Artemis and JP Morgan to rely on register**
- 14.1 Artemis and JP Morgan are entitled to assume that all information contained in the register of Investors of the Current Fund on the Effective Date is correct, and will use that information to calculate the number of New Shares in the Receiving Fund to be issued and registered under these Merger Terms.

14.2 Artemis may act and rely on any certificate, opinion, evidence or information provided to it by its professional advisers or by the auditors of the Current Fund in connection with these Merger Terms and will not be liable or responsible for any resulting loss.

15. Impact on the Receiving Fund

The Merger will cause the net asset value and number of New Shares in the Receiving Fund to increase. Other than this, there is no expected impact on the Receiving Fund.

16. Depositary's report

JP Morgan in its capacity as depositary of both the Current Fund

and the Receiving Fund has confirmed the statements in paragraphs 3, 4, 8 and 9. A copy of the confirmation is available for inspection by Investors.

17. Alterations to these Merger Terms

These Merger Terms may be amended by Artemis with the consent of JP Morgan.

18. Governing law

These Merger Terms are governed by and will be construed in accordance with the laws of England and Wales.

Part E

Glossary

“Artemis”	Artemis Fund Managers Limited as the authorised fund manager of the Current Fund and the Receiving Fund	“Meeting Notice”	the meeting notice labelled “Attachment 1” calling attention to the extraordinary general meeting of Investors on Thursday, 6 February 2020
“Company”	Artemis Investment Funds ICVC	“Merger”	the scheme of arrangement under which property of the Current Fund is transferred to the Receiving Fund in exchange for an issue of New Shares <i>we also refer to ‘Merged’ which has a corresponding meaning</i>
“Current Fund”	Artemis US Equity Fund, which is a sub-fund of the Company	“Merger Terms”	the technical and legal terms governing the Merger set out in Part D
“Current Shares”	shares in the Current Fund	“New Shares”	shares in the Receiving Fund issued under the Merger
“Effective Date”	14 February 2020	“Receiving Fund”	Artemis US Select Fund, which is a sub-fund of the Company
“JP Morgan”	As the context requires, either J.P. Morgan Europe Limited: (a) as depositary of the Current Fund; or (b) as depositary of the Receiving Fund.	“Voting Form”	the voting form included as Attachment 2
“Investor”	each person who holds Current Shares (as at 30 January 2020) and who, for the purposes of the Merger Terms only, remains a shareholder until the Effective Date		
“Investor Meeting”	the extraordinary general meeting of Investors described in the Meeting Notice		

Attachment 1

Notice of meeting of investors of Artemis US Equity Fund

① Please read the notes on the following page

Notice of an extraordinary general meeting of Artemis US Equity Fund

This document notifies you that Artemis Fund Managers Limited will hold an extraordinary general meeting of the shareholders of Artemis US Equity Fund, a sub-fund of Artemis Investment Funds ICVC at Cassini House, 57 St James's Street, London SW1A 1LD on Thursday 6 February 2020 at 10.00am (UK time). The purpose of the meeting is to consider the extraordinary resolution below and, if shareholders agree, to pass it.

Extraordinary resolution:

THAT, the scheme of arrangement (the 'Merger') between **Artemis US Equity Fund** and **Artemis US Select Fund**, the terms of which are set out in the 'merger proposal information pack' dated 6 January 2020, is hereby approved and that Artemis Fund Managers Limited (as authorised corporate director) is instructed, and J.P. Morgan Europe Limited (as depositary) is authorised, to implement the Merger in accordance with its terms.

Artemis Fund Managers Limited

as authorised corporate director of Artemis US Equity Fund

Issued on 6 January 2020

Notes:

1. A shareholder who is entitled to attend and vote at the Investor Meeting can appoint someone to attend the meeting as their representative and vote instead of them (a proxy). The proxy does not need to be shareholder.
2. A form of proxy (labelled '**Voting Form**') is attached and shareholders are requested to complete and return it in the reply paid envelope so that it arrives at Cassini House, 57 St James's Street, London, SW1A 1LD not less than 48 hours before the time appointed for the holding of the meeting. Forms of proxy will only be valid if properly and fully completed in accordance with the instructions on the form and accompanying notes.
3. In the case of joint shareholders, the vote of the senior who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of the other joint shareholders and for this purpose seniority will be determined by the order in which the names stand in the register of shareholders.
4. The minimum number of participants (quorum) for a meeting of shareholders is any two shareholders attending in person, or represented by proxy.
5. The Depositary has appointed Nick Barker, Trustee Manager, J.P. Morgan Europe Limited, or, failing him, a duly authorised representative of Artemis, to be chairperson for the Investor Meeting. In the event of (i) a tied vote at the Investor Meeting; or (ii) the Investor Meeting being duly convened with a quorum present but at which no investors vote, the chairperson will be entitled

to a casting vote. It is expected that any such casting vote would be exercised in favour of the resolution.

6. A shareholder entitled to more than one vote does not have to use any or all of their votes or cast all of their votes in the same way.
7. The majority required for the passing of the extraordinary resolution is 75 percent or more (weighted by investment value) of the total of votes cast (whether for or against the resolution).
8. At the meeting, the vote will be taken by poll. On a poll, each share's voting rights is determined by that share's price in relation to the total price of all shares.