



The Munro Fund

Fact Sheet 1: August 2007

- Investment Objective** To provide a core, long term, UK equity market investment vehicle at low cost and low maintenance that will outperform a relevant tracker fund.
- Why choose this Fund?** This fund combines the best attributes of a tracker fund and an active fund, but with less risk. Because it holds most of the companies that make up the FTSE 350 Index it has a lower risk relative to more concentrated funds. This also helps to capture most of the returns. Because the portfolio is calculated using a defined systematic investment process it removes individual bias from stock selection. It also means the process will be the same in ten years time irrespective of who is managing it. Monthly rebalancing ensures the fund always incorporates the latest forecasts.
- Who runs this Fund?** The Munro Fund is run by Fundamental Tracker Investment Management Limited and uses Smith & Williamson Fund Administration as its Authorised Corporate Director.
- Key Information** The fund is a UK authorised Open Ended Investment Company (OEIC) with single pricing on a forward basis.
- Investment Advisor** Fundamental Tracker Investment Management Limited
Suite J, Exchange House, 50 Drymen Road, Bearsden, Glasgow G61 2RH. Tel: 0141 931 7645
Email: robert.davies@fundamentaltracker.com
www.fundamentaltracker.com
- Authorised Corporate Director** Smith & Williamson Fund Administration
25 Moorgate, London EC2R 6AY. Tel: 020 7131 4223
www.smith.williamson.co.uk
- Fund Manager's Comment** Interim results started in July with large dividend increases from banks and miners. Substantial share buyback programmes were also prominent features. Analysts have since revised upwards dividend forecasts for 2008 for the leading banks such as Lloyds, up 1.2p, HBOS, up 1.2p, HSBC, up a halfpenny and BSkyB up 3.7p. On the negative side forecasts for Anglo American were trimmed by 0.3p, BT by a halfpenny and Cadbury Schweppes by 2p. In terms of rebalancing these changes, plus all the other smaller changes, had the effect of increasing the allocations to BP by 0.2%, HSBC by 0.17%, HBOS by 0.13% and Lloyds by 0.12%. The weighting of BSkyB rose by 0.09%. Those gains were partly compensated by declines in BT by 0.11%, Anglo American by 0.08% and Cadbury Schweppes by 0.05%.
- Custodian** Bank of New York.
- Pricing** Daily at 12.00.
- Share Classes** Each class has Accumulation and Income shares.

| | Retail | Institutional | Direct |
|-------------------------------|--------------------|---------------|---------|
| Seedol Codes: | Accumulation | B1Z8MD2 | B1Z8LD5 |
| | Income | B1Z8LY6 | B1Z8MB0 |
| Bloomberg Ticker: | Accumulation | | |
| | Income | | |
| Annual Management Charge | 1.5% | 1.25% | 0.75% |
| Initial Charge | 5.0% | <5.0% | 0.0% |
| Minimum Initial Investment | £1,000 | £100,000 | £250 |
| Minimum Subsequent Investment | £1,000 | £1,000 | £100 |
| Charges | Taken from capital | | |
| Accounting Period | January 31st | | |

Distribution Allocation Dates

Finals May 31st, Interims September 31st.

Prospectus

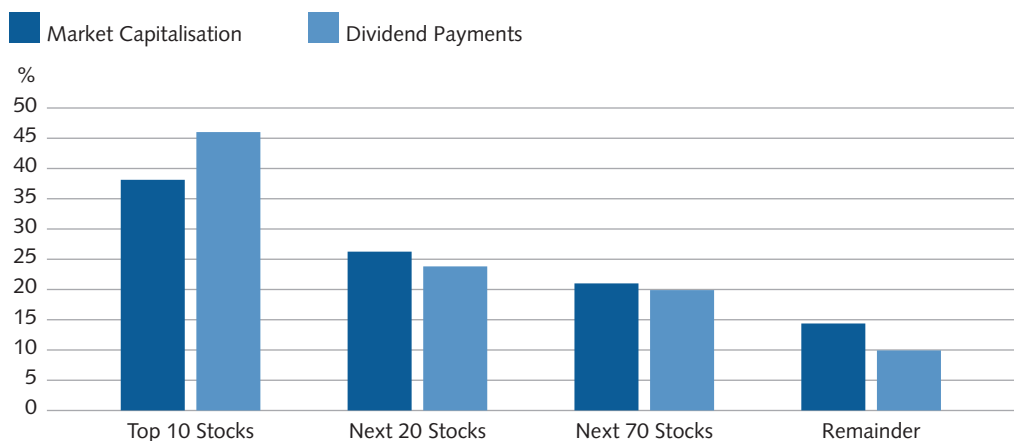
A simplified and a full Prospectus are available. They can be downloaded from the website at www.themunrofund.com.

Locum

The locum for the fund is Saracen Fund Managers Ltd, Burlington House, 183 Bath Street, Glasgow, G2 4HU.

Rebalancing Date

Tenth day of the month or the next business day after.

Fund relative to Index**Structure of FTSE 350 by Market Capitalisation and by Total Dividend Payout****Dividend Pie****Distribution of forecast total dividend payouts in FTSE 350 (£b)**

| | |
|-----------------|-------------|
| Top 10 Stocks | 31.40 |
| Next 20 Stocks | 16.30 |
| Next 70 Stocks | 13.73 |
| Next 208 Stocks | 6.89 |
| | <hr/> 68.32 |



Further information is available on our website www.themunrofund.com