

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document please consult a financial advisor.

31 January 2017

Dear Shareholder,

Proposed changes to the UK Alpha Fund

We are writing to inform you of and to seek your approval for some important proposed changes to the UK Alpha Fund (the 'Fund'), a sub-fund of Investec Funds Series i (the 'Company').

In summary, we are seeking to make the following changes to the Fund:

- The addition of an aim in the Fund's investment objective to provide an income return alongside the primary aim, which is to continue to provide long term capital growth;
- The removal of the reference to the Fund's investments being 'concentrated' in the Fund's investment objective;
- The removal of the reference to the Fund investing in derivatives in the Fund's investment objective; and
- The removal of wording referring to the Fund not being dominated by a specific investment style in the Fund's investment policy.

The purpose of this circular is to set out the details of the proposed changes and to seek your approval. We encourage you to read each of the enclosed Appendices as they contain important information.

They include, amongst other things, an explanation as to why we are seeking your approval, what we believe the benefits to shareholders will be and the actions required from you.

The risk profile of the Fund will not change as a result of these proposals.

It is important to note that we believe the proposal is in the interest of our shareholders and we would like to make the change on 7 April 2017.

Extraordinary General Meeting ('EGM')

The changes to the investment objective and policy of the Fund require the approval of shareholders by the passing of a resolution at an EGM. We have therefore arranged for an EGM to be held at 9:00 am on 15 March 2017 at our offices, Woolgate Exchange, 25 Basinghall Street, London EC2V 5HA.

The procedure for the EGM is set out in Appendix 3 and the formal notice we are required to give you is in Appendix 4.



Action to be taken

We encourage you to vote in favour of the proposal to change the investment objective and policy of the Fund.

It is important that you exercise your right to vote as soon as possible and in any event before 9:00am on 13 March 2017. In order for the change to take effect we require at least 75% of the votes, at the EGM, to be in favour of the change.

You are not required to attend the EGM to exercise your vote. Whether you invest directly in the Fund or through the Investec ISA, Appendix 2 includes important information on how you can make sure your vote is counted.

Further information

If you are in any doubt about the content of this letter or have any specific questions, please contact a financial adviser in the first instance. Additionally, our Investor Services team can be contacted on +44(0)20 7597 1900 or by sending an email to enquiries@investecmail.com.

For further information on our funds, you can visit our website www.investecassetmanagement.com.

We thank you for your continued investment with us.

Yours faithfully,

David Aird
Managing Director
Investec Fund Managers Limited

Telephone calls may be recorded for training and quality assurance purposes.

Proposed changes to the UK Alpha Fund

January 2017

Appendix 1: Important details about the proposal

Changes to the investment objective and policy of the Fund

The table below compares the current investment objective and policy of the Fund, as described in the Fund's Prospectus, and the proposed new version (deletions are crossed through and additions are underlined):

CURRENT INVESTMENT OBJECTIVE AND POLICY

The Fund aims to achieve long term capital growth primarily through investment in a concentrated portfolio of equities issued by UK companies and in derivatives the underlying assets of which are equities issued by UK companies. The Fund will be managed actively with a long term investment horizon. The Fund will not be dominated by a specific investment style and will focus on stocks believed to offer above average opportunities for total returns.

The Fund may also invest, at the ACD's discretion, in other transferable securities, cash and near cash (which includes money market instruments and deposits) and other exchange traded and over the counter derivatives and forward transactions for investment purposes. Using these investment powers for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes.

Use may be made of stock lending and borrowing and other investment techniques permitted in the COLL Sourcebook.

Furthermore up to 10% in value of the property of this Fund may be invested in units or shares in other collective investment schemes.

PROPOSED INVESTMENT OBJECTIVE AND POLICY

The Fund aims to achieve long-term capital growth and provide income primarily through investment in a ~~concentrated~~ portfolio of equities issued by UK companies ~~and in derivatives the underlying assets of which are equities issued by UK companies~~. The Fund will be managed actively with a long term investment horizon. ~~The Fund will not be dominated by a specific investment style~~ and will focus on stocks believed to offer above average opportunities for total returns.

The Fund may also invest, at the ACD's discretion, in other transferable securities, cash and near cash (which includes money market instruments and deposits) and other exchange traded and over the counter derivatives and forward transactions for investment purposes. Using these investment powers for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes.

Use may be made of stock lending and borrowing and other investment techniques permitted in the COLL Sourcebook.

Furthermore up to 10% in value of the property of this Fund may be invested in units or shares in other collective investment schemes.

Rationale for the changes and benefit to shareholders

The current investment objective states that the Fund aims to achieve long-term capital growth. Although income has always been a characteristic of the Fund, the primary objective is to achieve capital growth. The Fund increasingly focusses on investing in the shares of companies with high levels of free cash flow. These high levels of free cash flow have resulted in a higher level of income generated for investors in the Fund because companies with high levels of free cash are more likely to pay dividends.

We have found that existing and prospective investors in the Fund have appreciated receiving income from the Fund even if the primary reason for their investment was to achieve capital growth. As such, we propose to amend the Fund's investment objective to refer explicitly to the production of income as an aim of the Fund.

In addition, the investment objective currently makes reference to the Fund's portfolio being 'concentrated'. This means the Fund typically invests in fewer companies (between 30 to 70) than other funds that take a broader investment approach.

Consistent with the investment strategy, we believe that it would be beneficial to investors for the Fund to have the ability to hold a greater number of investments i.e. up to a maximum of 90 holdings rather than being restricted to a limited number of holdings in all market conditions. This flexibility would allow the Fund's Investment Manager to invest in additional securities without being forced to sell existing securities when the Investment Manager considers there are opportunities available. This would also provide investors with greater diversification in the event that the Investment Manager thinks it prudent to manage risk in more volatile markets. We, therefore, propose to remove the reference to concentrated portfolio in the Fund's investment objective.

We also propose that the reference to the Fund entering into derivatives in the investment objective be removed. This is because the Fund focuses on investing in the shares of UK companies and derivatives are not a key feature of its investment strategy. The Fund may still invest in derivatives as described in the investment policy.

Finally, we propose that the reference to the Fund not being dominated by a specific investment style in the Fund's investment policy be removed. Whilst the Fund focuses on investing in equities believed to offer above average opportunities for total returns, such equities are diversified across sector and market capitalisation (i.e. the market value of a company's outstanding shares), at times the Fund may have a specific bias towards investment in shares of companies with high levels of free cash flow.

Shareholders should note that the risk profile of the Fund will not increase as a result of these proposals. However, we believe that these changes to the investment objective and policy of the Fund are of benefit to shareholders. As such, we encourage shareholders to vote in favour of these changes.

Procedure

The changes to the investment objective and policy of the Fund require the approval of shareholders by the passing of an extraordinary resolution at an EGM. We have therefore arranged for an EGM to be held on 15 March 2017.

We encourage shareholders to vote in favour of the proposal.

The procedure for the EGM, including details of the various consents and a list of the documents relating to the proposal which are available for inspection, is detailed in Appendix 3.

The formal notice of the EGM and the extraordinary resolution to be considered are detailed in Appendix 4.

A summary of the key dates is as follows:

Qualification date for shareholders to vote	17 January 2017
Despatch of circular to qualifying shareholders	31 January 2017
Final date for receipt of Forms of Proxy	9:00 am 13 March 2017
Date of Extraordinary General Meeting	9:00 am 15 March 2017
Effective date of the change to the Investment Objective and Policy	9:00 am on 7 April 2017

PROPOSED CHANGES TO THE UK ALPHA FUND

If the proposal is approved at the EGM, the changes will become effective from 9:00am on 7 April 2017 and shareholders will be informed via a notice on our website, www.investecassetmanagement.com, shortly thereafter.

The change will be implemented across all share classes. The table below outlines each of these share classes:

SHARE CLASS NAME	ISIN
UK Alpha Fund, A, Acc, Net, GBP	GB0031075228
UK Alpha Fund, I, Acc, Net, GBP	GB00B7LM4J06
UK Alpha Fund, I, Inc, Net, GBP	GB0032558966
UK Alpha Fund, J, Acc, Net, GBP	GB00BJFLDM36
UK Alpha Fund, J, Inc, Net, GBP	GB00BJFLDL29
UK Alpha Fund, K, Inc, Net, GBP	GB00BYYV0405
UK Alpha Fund, R, Acc, Net, GBP	GB00B8CN0P72
UK Alpha Fund, S, Acc, Net, GBP	GB00B1NGWQ14

Costs

The costs and expenses of calling the EGM and any adjourned EGM; and of the preparation and implementation of the proposed changes, including without limitation the costs and expenses of printing this document, will be paid by us as part of the general administration charge.

We are not anticipating that the portfolio of the Fund will need to be rebalanced prior to these proposed changes taking effect and, therefore, no additional costs are anticipated.

Appendix 2: Action to be taken

Form of Proxy

We encourage you to vote in favour of the proposal to change the investment objective and policy of the Fund.

If you invest directly in the Fund please complete and return the enclosed Form of Proxy by mail in the enclosed business reply envelope to Investec Fund Managers Limited, c/o Electoral Reform Services, The Election Centre, 33 Clarendon Road, London, N8 0NW and ensure that it arrives no later than 9.00 am on 13 March 2017. Completing and returning the Form of Proxy does not stop you from attending and voting in person at the EGM (in which case your proxy vote will be discounted).

If you invest in the Fund through the Investec ISA you will also receive a Form of Proxy as your shareholding is registered jointly with us in our capacity as your ISA manager. Again, please complete and return the Form of Proxy to Investec Fund Managers Limited, c/o Electoral Reform Services, The Election Centre, 33 Clarendon Road, London, N8 0NW and ensure that it arrives no later than 9.00 am on 13 March 2017.

Please note that failure to return the Form of Proxy by the required time will result in the Form of Proxy being void and your proxy will not be entitled to vote on your behalf as directed.

At our discretion a Form of Proxy may be withdrawn or replaced by the investor at any time prior to the EGM.

Appendix 3: Procedure for Extraordinary General Meeting of shareholders in the Fund

Quorum

The quorum for the EGM is two shareholders present in person or by proxy. If within half an hour from the time appointed for the EGM a quorum is not present, the EGM will be adjourned to a day and time at least seven days later. Notice will be given of any adjourned EGM. At an adjourned EGM if a quorum is not present within fifteen minutes from the time appointed for the EGM one person entitled to be counted in a quorum present at the EGM shall be a quorum.

Chairman

State Street Trustees Limited, the depositary of the Company (the 'Depositary'), has appointed Anne Gallagher or, failing her any duly appointed representative of Investec Fund Managers Limited (the 'ACD'), to be the chairman of the EGM and any adjourned EGM.

Voting

The resolution will be proposed as an 'extraordinary resolution' and must be approved by a majority in favour of not less than 75% of the total number of votes cast at the EGM. Persons who are shareholders on 17 January 2017, but excluding persons who are known to the ACD not to be shareholders at the time of the EGM, are entitled to vote and be counted in the quorum. One passed, an extraordinary resolution is binding on all shareholders in the Fund.

In view of the importance of the proposal, the chairman of the EGM will order a poll to be taken in respect of the resolution. On a poll, each shareholder may vote either in person or by proxy. The voting rights attaching to each share are such proportion of the voting rights attached to all the shares in issue that the price of the share bears to the aggregate price of all the shares in issue at the date seven days before the notice of EGM is sent out.

A shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he or she uses in the same way.

The ACD is only entitled to be counted in the quorum and vote at the EGM in respect of the shares it holds on behalf of or jointly with another person who, if themselves the registered shareholder, would be entitled to vote and from whom the ACD has received voting instructions.

Associates of the ACD are entitled to be counted in a quorum. They may vote at the EGM in respect of shares which they hold on behalf of or jointly with a person who, if themselves the registered holder, would be entitled to vote and from whom they have received voting instructions.

Proxy votes must be received 48 hours prior to the EGM. A proxy vote may only be withdrawn with the ACD's consent unless the investor attends the EGM in person and votes in person (in which case the proxy vote will be discounted).

Consents and clearances

The Depositary

In accordance with normal practice, State Street Trustees Limited, the Depositary of the Company, whilst neither recommending or offering an opinion on the merits of the proposal, which is a matter for each shareholder's judgement, has informed the ACD by letter that it has no objection to the proposal being placed before Shareholders for their consideration.

The Depositary has also informed the ACD by letter that it consents to the references made to it in this document in the form and context in which they appear.

Financial Conduct Authority

The Financial Conduct Authority has confirmed by letter to the ACD that implementation of the proposal will not affect the authorisation of the Fund.

Documents available for inspection

Copies of the following documents are available for inspection at the offices of the ACD at Woolgate Exchange, 25 Basinghall Street, London EC2V 5HA during normal business hours on weekdays (excluding bank holidays) until the date of the EGM or of any adjourned EGM:

1. The letter from State Street Trustees Limited to the ACD referred to under 'Consents and Clearances' above;
2. The letter from the Financial Conduct Authority to the ACD, referred to under 'Consents and Clearances' above;
3. The current and a draft amended Prospectus of the Company; and
4. The current and a draft amended Instrument of Incorporation of the Company.

Appendix 4: Notice of Extraordinary General Meeting of Shareholders

This document gives notice that an Extraordinary General Meeting of shareholders of the UK Alpha Fund (the 'Fund'), a sub-fund of Investec Funds Series i (the 'Company') will be held at Woolgate Exchange, 25 Basinghall Street, London, EC2V 5HA on 15 March 2017 at 9:00am, to consider and, if thought fit, pass the following resolution which will be proposed as an extraordinary resolution:

EXTRAORDINARY RESOLUTION

THAT the investment objective and policy of the Fund be changed to the following:

Objective: The Fund aims to achieve long-term capital growth and provide income primarily through investment in a portfolio of equities issued by UK companies. The Fund will be managed actively with a long-term investment horizon and will focus on stocks believed to offer above average opportunities for total returns.

Policy: The Fund will be managed actively with a long term investment horizon and will focus on stocks believed to offer above average opportunities for total returns.

The Fund may also invest, at the ACD's discretion, in other transferable securities, cash and near cash (which includes money market instruments and deposits) and other exchange traded and over the counter derivatives and forward transactions for investment purposes. Using these investment powers for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes.

Use may be made of stock lending and borrowing and other investment techniques permitted in the COLL Sourcebook.

Furthermore up to 10% in value of the property of this Fund may be invested in units or shares in other collective investment schemes.

and that the Prospectus and Instrument of Incorporation of the Company be amended accordingly.

By Order of the Board



David Aird
Managing Director

For and on behalf of Investec Fund Managers Limited
(as authorised corporate director of Investec Funds Series i)

Woolgate Exchange, 25 Basinghall Street, London EC2V 5HA
31 January 2017

NOTES:

1. A Form of Proxy is enclosed and shareholders are requested to complete and return it as soon as possible. To be valid, a Form of Proxy and any power of attorney or other authority under which the Form of Proxy is signed (or a notarially certified copy of that authority) must be lodged with Investec Fund Managers Limited c/o Electoral Reform Services, The Election Centre, 33 Clarendon Road, London, N8 0NW not less than 48 hours before the time of holding the EGM or any adjournment of it.
2. The quorum for the meeting of shareholders is two shareholders present in person or by proxy. The majority required for the passing of the extraordinary resolution is 75% or more of the total number of votes cast for and against the resolution.
3. At the EGM of shareholders the vote will be taken by poll. Votes may be cast in person or by proxy. On a poll, the voting rights attaching to each share are such proportion of the voting rights attached to all the shares in issue that the price of the share bears to the aggregate price of all the shares in issue on 17 January 2017.
4. A shareholder entitled to more than one vote need not, if he/she votes, use all his/her votes or cast all the votes he/she uses in the same way.
5. A shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/her. A proxy need not be a shareholder.
6. In the case of joint shareholders, the vote of the most senior who casts 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.

