ROYCE VALUE TRUST INC
Form DEF 14A
July 01, 2013

As filed with the Securities and Exchange Commission on July 1, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
(Rule 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant [X]
Filed by a Party other than the Registrant [ ]

Check the appropriate box:
[ ] Preliminary Proxy Statement
[ ] **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
[X] Definitive Proxy Statement
[ ] Definitive Additional Materials
[ ] Soliciting Material Pursuant to §240.14a-12

ROYCE VALUE TRUST, INC.
(Name of Registrant as Specified In Its Charter)

N/A
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):
[X] No fee required.
[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

[ ] Fee paid previously with preliminary materials.
[ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the

Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

ROYCE VALUE TRUST, INC.

June 28, 2013

Dear Fellow Stockholder:

I invite you to a special stockholder meeting of Royce Value Trust Inc. (Value Trust) to be held on September 5, 2013. At the meeting, stockholders will be asked to approve a proposal to contribute a portion of Value Trust s assets to a newly-organized, closed-end management investment company, Royce Global Value Trust, Inc. (Global Trust), and to distribute to common stockholders of Value Trust shares of common stock of Global Trust (the Transaction). The enclosed Proxy Statement/Prospectus describes the proposal in detail.

Although Value Trust and Global Trust have the exact same investment objective of long-term growth of capital, Value Trust invests primarily in U.S. domiciled small-cap companies while Global Trust will invest primarily in companies located outside the U.S. and may invest up to 35% of its assets in the securities of companies headquartered in developing countries. For some time, we have been attracted to the opportunities for long-term capital growth presented in the international markets, particularly in small-cap stocks. To enable Value Trust s stockholders to participate more directly in these opportunities, we are proposing to contribute approximately $100 million of Value Trust s assets to Global Trust. If approved, each Value Trust stockholder would receive one share of Global Trust for the number of whole common shares of Value Trust owned on the distribution record date that will produce a total distribution of approximately $100 million. This would result in a distribution of one share of Global Trust for every seven shares of Value Trust common stock that you own. The $100 million target size (approximately 8% of Value Trust s current net assets) was established to satisfy New York Stock Exchange listing standards and to seek to ensure that Global Trust has sufficient assets to conduct its investment program while maintaining an expense ratio that is competitive with those of other global small-cap value funds.

No commission or other sales charge would be imposed on you in connection with the Transaction. In addition, Royce & Associates, LLC, the investment adviser to each of Value Trust and Global Trust, will bear all out-of pocket costs incurred in connection with the Transaction. Global Trust expects to distribute its net investment income and net realized capital gains, if any, on an annual basis, with its first distribution anticipated at year-end 2013.

Stockholders will also be asked to approve a proposal to amend a Value Trust investment restriction. The amended restriction will expressly permit the

Transaction, and will permit the distribution of Global Trust common stock without violating the prohibition on Value Trust underwriting securities of other issuers. In addition, the amended investment restriction will give Value Trust greater flexibility to invest in restricted securities.

The consummation of the Transaction is contingent upon stockholder approval of both the Transaction and the amended investment restriction.

We believe the Transaction represents an attractive opportunity for Value Trust stockholders, and we urge you to carefully consider the merits of the proposals.

The Value Trust Board has determined that the proposed Transaction is in the best interests of Value Trust and its common stockholders, and unanimously recommends that you vote FOR the proposed Transaction. The Value Trust Board also unanimously recommends that you vote FOR the proposed amendment to the investment restriction.

The enclosed materials explain this proposal in more detail and I encourage you to review them carefully. As a stockholder, your vote is important, and we hope that you will respond today to ensure that your shares will be represented at the Special Meeting. You may authorize a proxy to vote your shares by using one of the methods below by following the instructions on your proxy card:

- By touch-tone telephone;
- By internet; or
- By returning the enclosed proxy card in the postage-paid envelope.

You may also vote in person at the Special Meeting.

If you do not vote using one of these methods, you may be called by Broadridge Financial Solutions, Inc. (Broadridge), our proxy solicitation firm, to authorize a proxy to vote your shares.

If you have a question, need assistance in voting or would like to speak with a live representative, please call Broadridge at 1-855-325-6675.

As always, we appreciate your support.

Sincerely,

Charles M. Royce

Please vote now. Your vote is important.

To avoid the wasteful and unnecessary expense of further solicitation, we urge you to indicate your voting instructions on the enclosed proxy card, date and sign it and return it promptly in the envelope provided, or record your voting instructions by telephone or via the internet, no matter how large or small your holdings may be. If you submit a properly executed proxy but do not indicate how you wish your shares to be voted, your shares will be voted "FOR" each of the proposals. If your shares are held through a broker, you must provide voting instructions to your broker about how to vote your shares in order for your broker to vote your shares at the Special Meeting.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SPECIAL MEETING OF STOCKHOLDERS TO BE HELD ON SEPTEMBER 5, 2013

THE NOTICE, PROXY STATEMENT AND PROXY CARD FOR THE FUND ARE AVAILABLE AT WWW.PROXYVOTE.COM.

QUESTIONS & ANSWERS

We recommend that you read the complete Combined Prospectus/Proxy Statement. For your convenience, we have provided a brief overview of the issue to be voted on.

Q: Why is a stockholder meeting being held?

A: You are being asked to consider and vote upon a proposal to contribute a portion of the assets of Royce Value Trust, Inc., a Maryland corporation (“Value Trust”) (such contributed assets are anticipated to consist largely or exclusively of cash, short-term fixed income instruments, unappreciated common stock and unappreciated preferred stock) to a newly-organized, diversified, closed-end management investment company, Royce Global Value Trust, Inc., a Maryland corporation (“Global Trust”), and to distribute to common stockholders of Value Trust approximately $100 million of Value Trust’s assets in the form of shares of common stock of Global Trust. The contribution of such Value Trust assets to Global Trust and the subsequent distribution of the Global Trust’s common stock to Value Trust common stockholders is referred to as the “Transaction”. If the proposed Transaction is approved and completed, Value Trust common stockholders will become common stockholders of Global Trust, and will also remain common stockholders of Value Trust. Please refer to the Combined Prospectus/Proxy Statement for a detailed explanation of the proposed Transaction and more complete description of Global Trust.

You are also being asked to consider and vote upon a proposal to amend an investment restriction of Value Trust, which currently prohibits (i) underwriting the securities of other issuers, and (ii) investing in restricted securities unless such securities are redeemable shares issued by money market funds registered under the Investment Company Act of 1940, as amended (the “1940 Act”). The amended restriction will allow Value Trust to act as an underwriter, as defined under the Securities Act of 1933, in the limited circumstances of selling portfolio securities and in connection with mergers, acquisitions, spin-off transactions (such as the Transaction) and other reorganization transactions involving Value Trust. This proposal will facilitate the Transaction by clearly providing that the Transaction does not violate the investment restrictions of Value Trust. It will also remove the restriction on Value Trust’s ability to invest in restricted securities.

The consummation of the Transaction is contingent upon stockholder approval of both the Transaction and the amended investment restriction.

Q: How does the Board of Directors suggest that I vote?

A: After careful consideration, the Board of Directors of Value Trust (the “Value Trust Board”) has determined that the proposed Transaction will benefit the common stockholders of Value Trust, and unanimously recommends that you cast your vote “**FOR**” the proposed Transaction. The Value Trust Board also unanimously recommends that you vote “**FOR**” the proposed amendment to the investment restriction.

Q: How will the Transaction affect Value Trust stockholders?

A: If stockholders of Value Trust approve the proposed Transaction, approximately $100 million of Value Trust's assets will be contributed to Global Trust, and Value Trust will distribute to its common stockholders, approximately $100 million of shares of common stock of Global Trust. Holders of Value Trust common stock will then hold shares of both Value Trust and Global Trust. The aggregate net asset value of your Value Trust common stock and the common stock of Global Trust you receive in the Transaction, together with any cash received in lieu of fractional shares, will equal the aggregate net asset value of the shares of Value Trust you own immediately prior to the Transaction (assuming you have not sold or otherwise disposed of your shares of Value Trust common stock prior to the distribution record date).

Q: Who will advise Global Trust?

A: Royce & Associates, LLC ("Royce") will be the investment adviser to Global Trust.

Q: Will I have to pay any commission or other similar fee in connection with the Transaction?

A: No, you will not pay any commission or other similar fee in connection with the Transaction. Also, Royce has agreed to pay the out-of-pocket costs of the Transaction.

Q: How do operating expenses paid by Global Trust compare to those payable by Value Trust?

A: The total operating expense ratio of Global Trust is expected to be higher than the total operating expense ratio of Value Trust due to the different asset levels of the Funds and the different advisory fee structure of the Funds, and due to the fact that custodial fees and other fixed fees are generally higher for funds primarily investing in foreign securities.

Q: Will I have to pay any federal taxes as a result of the Transaction?

A: Provided that Value Trust, as is expected, does not contribute securities with significant unrealized appreciation to Global Trust, the Transaction is not currently expected to increase significantly the total amount of taxable distributions received by the Value Trust stockholders for the year ending December 31, 2013, and is not expected to result in the recognition of significant taxable gain by Value Trust.

An amount equal to the fair market value of the Global Trust common stock distributed to a Value Trust common stockholder plus the amount of any cash in lieu of fractional shares of Global Trust common stock distributed to a Value Trust common stockholder (but no greater sum) will be treated as a dividend up to the amount of Global Trust's current and accumulated earnings and profits that is allocated to the distribution and will be taxable to the Value Trust common stockholder as a distribution of ordinary income, long-term capital gain or a combination of both. To the extent that the fair market value of the Global Trust common stock and cash ***exceeds*** the amount of earnings and profits allocated to such distribution, the excess (if any) will first be treated as a non-taxable return of capital, reducing the Value Trust common stockholder's tax basis in its Value Trust common stock, and, to the extent that the fair market value of the Global Trust common stock and cash then remaining ***exceeds*** the Value Trust common stockholder's basis in its Value Trust common stock, such excess (if any) will be taxable as gain realized from a deemed sale of Value Trust common stock. Each Value Trust common stockholder will take a fair market value tax basis in the Global Trust common stock received and will have a holding period for the Global Trust common stock that begins on the day following the date of the distribution. In addition to the other information necessary to file tax returns, Value Trust will provide stockholders with information on the amount of the distribution to be treated as ordinary income, long-term capital gain or a combination of both.

Q. Will the Global Trust common stock be listed on an exchange?

A. It is expected that the Global Trust common stock will be listed on the New York Stock Exchange. Global Trust is newly organized and has no operating history or history of public trading. There can be no assurance as to the depth or quality of the market for Global Trust common stock.

Q: What if I sell my shares of common stock of Value Trust before the Transaction takes place?

A: The Value Trust Board is expected to declare a distribution (the "Distribution") of all the outstanding Global Trust common stock payable to the holders of record of Value Trust common stock as of the close of business on a date (the "Distribution Record Date") to be determined, together with the payable date for the Distribution (the "Distribution Date"), by the Value Trust Board promptly following stockholder approval of the Transaction. If you sell your shares of common stock of Value Trust before the Distribution Record Date and are no longer a stockholder of Value Trust as of the close of business on the Distribution Record Date, you will not receive shares of Global Trust pursuant to the Transaction. If you sell your shares of common stock of Value Trust after the Distribution Record Date, you will receive the shares of common stock of Global Trust that you would have received had you continued to hold such shares of Value Trust. However, it is anticipated that shares of Value Trust will trade with "due bills" from a date two business days prior to the Distribution Record Date through the Distribution Date, and any Value Trust stockholder who sells shares of Value Trust common stock during that period will also be selling the right to receive shares of Global Trust in connection with the Value Trust common stock sold.

Q: How do I authorize my proxy?

A: You may authorize a proxy to vote your shares by mail, telephone or internet or vote in person at the special stockholders meeting. To vote by mail, please mark your vote on the enclosed proxy card and sign, date and return the card in the postage-paid envelope provided. To authorize a proxy to vote your shares by telephone or over the internet, please have the proxy card in hand and call the telephone number or go to the website address listed on the proxy card and follow the instructions.

Q: When will the Transaction occur?

A: Subject to the receipt of stockholder approval of both the Transaction and the amended investment restriction, the opening of any required foreign sub-custody accounts, and prevailing market conditions, the Transaction is expected to occur in September or October 2013.

Q: Whom do I contact for further information?

A: You can contact your financial adviser for further information. You may also call Royce Funds at 1-800-221-4268 or visit our website at www.roycefunds.com where you can send us an email message by selecting “Contact Us”. You may also call Broadridge, our proxy solicitor, at 1-855-325-6675.

Important additional information about the proposal is set forth in the accompanying Combined Prospectus/Proxy Statement. Please read it carefully.

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ROYCE VALUE TRUST, INC.
745 Fifth Avenue
New York, NY 10151
(800) 221-4268

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON SEPTEMBER 5, 2013

To the Stockholders:

This is to notify you that a Special Meeting of Stockholders (the “Special Meeting”) of Royce Value Trust, Inc., a Maryland corporation (“Value Trust”), will be held at the offices of Value Trust, 745 Fifth Avenue, New York, New York 10151 on Thursday, September 5, 2013, at 11:00 a.m. (Eastern time), for the following purposes:

1. To consider and vote upon a proposal to contribute a portion of Value Trust’s assets (which is anticipated to consist largely or exclusively of cash, short-term fixed income instruments, unappreciated common stock and unappreciated preferred stock) having a value of approximately $100 million (approximately 8.4% of Value Trust’s net assets as of March 31, 2013), to a newly-organized, diversified, closed-end management investment company, Royce Global Value Trust, Inc. (“Global Trust”), and to distribute to common stockholders of Value Trust shares of common stock of Global Trust (“Global Trust Common Stock”) (“**Proposal 1**”); and

2. To consider and vote upon a proposal to amend an investment restriction of Value Trust, which currently states that Value Trust may not “[u]nderwrite the securities of other issuers, or invest in restricted securities unless such securities are redeemable shares issued by money market funds registered under the [Investment Company Act of 1940, as amended],” to state that Value Trust may not “[u]nderwrite the securities of other issuers, except insofar as the Fund may be deemed an underwriter under the Securities Act of 1933, as amended, in selling portfolio securities and in connection with mergers, acquisitions, spin-off transactions and other reorganization transactions involving the Fund” (“**Proposal 2**”).

The Board of Directors of Value Trust has set the close of business on Monday, June 24, 2013 as the record date for determining those stockholders entitled to vote at the Special Meeting or any postponement or adjournment thereof, and only holders of record at the close of business on that day will be entitled to vote.

IMPORTANT

To save Value Trust the expense of additional proxy solicitation, please mark your instructions on the enclosed Proxy, date and sign it and return it in the enclosed envelope (which requires no postage if mailed in the United States), even if you expect to be present at the Special Meeting. You may also authorize a proxy to vote your shares via telephone or the Internet by following the instructions on the proxy card or Notice of Internet Availability of Proxy Materials; please take advantage of these prompt and efficient proxy authorization options. The accompanying Proxy is solicited on behalf of the Board of Directors, is revocable and will not affect your right to vote in person in the event that you attend the Special Meeting.

By Order of the Board of Directors,

John E. Denneen
Secretary

June 28, 2013

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COMBINED PROSPECTUS/PROXY STATEMENT

ROYCE VALUE TRUST, INC.
745 Fifth Avenue
New York, NY 10151
(800) 221-4268

ROYCE GLOBAL VALUE TRUST, INC.
745 Fifth Avenue
New York, NY 10151
(800) 221-4268

This Combined Prospectus/Proxy Statement is furnished to you as a stockholder of Royce Value Trust, Inc., a Maryland corporation ("Value Trust"). A special meeting of stockholders of Value Trust (the "Special Meeting") will be held at the offices of Value Trust, 745 Fifth Avenue, New York, New York 10151 on Monday, September 5, 2013, at 11:00 a.m. (Eastern time), to consider the items that are listed below and discussed in greater detail elsewhere in this Combined Prospectus/Proxy Statement. Stockholders of record of Value Trust as of the close of business on June 24, 2013 (the "Record Date") are entitled to notice of, and to vote at, the Special Meeting or any postponement or adjournments thereof. This Combined Prospectus/Proxy Statement, proxy card and accompanying Notice of Special Meeting of Stockholders were first sent or given to stockholders of Value Trust on or about July 3, 2013. Whether or not you expect to attend the Special Meeting or any postponement or adjournment thereof, the Board of Directors of Value Trust (the "Value Trust Board") requests that stockholders vote their shares by completing and returning the enclosed form of proxy.

The purposes of the Special Meeting are:

1. To consider and vote upon a proposal to contribute a portion of Value Trust's assets (which is anticipated to consist largely or exclusively of cash, short-term fixed income instruments and unappreciated common stock and unappreciated preferred stock (together, such unappreciated common stock and such unappreciated preferred stock are referred to herein as "Unappreciated Equity Securities")) having a value of approximately $100 million (approximately 8.4% of Value Trust's net assets as of March 31, 2013), to a newly-organized, diversified, closed-end management investment company, Royce Global Value Trust, Inc., a Maryland corporation ("Global Trust"), and to distribute to common stockholders of Value Trust shares of common stock of Global Trust ("Global Trust Common Stock") (such contribution and distribution are together referred to herein as the "Transaction") ("**Proposal 1**"); and

2. To consider and vote upon a proposal to amend an investment restriction of Value Trust, which currently states that Value Trust may not "[u]nderwrite the securities of other issuers, or invest in restricted securities unless such securities are redeemable shares issued by money market funds registered under the [Investment Company Act of 1940, as amended]," to state that Value Trust may not "[u]nderwrite the securities of other issuers, except insofar as

the Fund may be deemed an underwriter under the Securities Act of 1933, as amended, in selling portfolio securities and in connection with mergers, acquisitions, spin-off transactions and other reorganization transactions involving the Fund" ("**Proposal 2**").

The consummation of the Transaction is contingent upon stockholder approval of both the Transaction and the amended investment restriction.

Like Value Trust, Global Trust is a closed-end, diversified management investment company. The investment goal of Value Trust is long-term capital growth. Value Trust may invest up to 25% of its assets in securities of companies headquartered outside the United States. The investment goal of Global Trust is long-term growth of capital. Under normal market circumstances, Global Trust will invest at least 80% of its net assets in equity securities, and will invest at least 65% of its net assets in the equity securities of companies located in at least three countries outside of the United States. A company is deemed to be "located" outside the United States if its country of organization, its headquarters and/or the principal trading market of its stock are located outside of the United States. Although there are no geographic limits on Global Trust's investments, no more than 35% of Global Trust's net assets may be invested in the securities of companies headquartered in "developing countries," also known as emerging markets. Generally, developing countries include every country in the world other than the United States, Canada, Japan, Australia, New Zealand, Hong Kong, Singapore, South Korea, Taiwan, Bermuda, and Western European countries (which include, Austria, Belgium, Denmark, France, Finland, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom).

Royce & Associates, LLC ("Royce"), normally invests more than 65% of Value Trust's assets in the equity securities of small- and micro-cap companies, generally with stock market capitalizations ranging from $100 million to $2.5 billion, that Royce believes are trading significantly below its estimate of their current worth. Although Global Trust may invest in the equity securities of companies of any market capitalization, Royce expects that generally a significant portion of Global Trust's assets will be invested in the equity securities of micro-cap, small-cap and/or mid-cap companies with market capitalizations up to $10 billion. Value Trust may also invest up to 35% of its assets in non-convertible debt. Global Trust may also invest up to 20% of its net assets in U.S. and non-U.S. non-convertible debt.

Shares of closed-end funds often trade at a discount to net asset value. Value Trust cannot predict whether Global Trust Common Stock will trade at, below or above net asset value. Stockholders must bear the risk of loss created by the possibility that the Global Trust Common Stock may trade at a discount to net asset value.

The Combined Prospectus/Proxy Statement sets forth concisely the information stockholders of Value Trust should know before voting on the Transaction and amendment of the investment restriction and constitutes an offering of common stock of Global Trust only. Please read it carefully and retain it for future reference.

Application will be made to list Global Trust Common Stock on the New York Stock Exchange ("NYSE"). Although there is no current trading market for Global Trust Common Stock, it is expected that "when issued" trading of such shares will commence on the NYSE two business days prior to the record date set by the Value Trust Board for the distribution of the Global Trust Common Stock. If a Value Trust common stockholder sells the Global Trust Common Stock that it receives through the distribution, the stockholder may incur brokerage commissions and the sale may constitute a taxable event for the stockholder. After Global Trust Common Stock is listed on the NYSE, reports, proxy statements and other information concerning Global Trust and filed with the Securities and Exchange Commission (the "Commission") by Global Trust will be available for inspection at the NYSE, 20 Broad Street, New York, New York 10005.

Value Trust common stock ("Value Trust Common Stock") is listed on the NYSE and trades under the symbol "RVT." Reports, proxy statements and other information concerning Value Trust and filed with the Commission by Value Trust will be available for inspection at the NYSE, 20 Broad Street, New York, New York 10005.

The Statement of Additional Information dated June 28, 2013, relating to this Combined Prospectus/Proxy Statement (the "Statement of Additional Information"), is incorporated herein by reference. The Statement of Additional Information and Value Trust's most recent annual report to stockholders are available without charge by writing to The Royce Funds, 745 Fifth Avenue, New York, NY 10151, by calling (800) 221-4268 or via the internet at www.roycefunds.com You also may view or obtain these documents from the Commission:

In Person: At the Commission's Public Reference Room at 100 F Street, N.E.,
Washington, DC 20549

By Phone:J02-551-8090

By Mail: Public Reference Section
Officer of Consumer Affairs and Information Services
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549
(duplicating fee required)

By E-mail: publicinfo@sec.gov
(duplicating fee required)

By Internet: www.sec.gov

Under Maryland law, the only matters that may be acted on at a special meeting of stockholders are those stated in the notice of the special meeting. Accordingly, other than procedural matters relating to the Proposals, no other business may properly come before the Special Meeting. If any procedural matter is submitted to stockholders, the persons named as proxies will vote on such procedural matter in accordance with their discretion.

No person has been authorized to give any information or make any representation not contained in this Combined Prospectus/Proxy Statement and, if so given or made, such information or representation must not be relied upon as having been authorized. This Combined Prospectus/Proxy Statement does not constitute an offer to sell or a solicitation

of an offer to buy any securities in any jurisdiction in which, or to any person to whom, it is unlawful to make such offer or solicitation.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this Combined Prospectus/Proxy Statement is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this Combined Prospectus/Proxy Statement is June 28, 2013.

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SUMMARY

The following is a summary of certain information contained elsewhere in this Combined Prospectus/Proxy Statement and is qualified in its entirety by reference to the more complete information contained herein. Stockholders should read the entire Combined Prospectus/Proxy Statement carefully.

The Proposed Transaction	The Value Trust Board has approved, subject to stockholder approval, the contribution of a portion of Value Trust's assets (which is anticipated to consist largely or exclusively of cash, short-term fixed income instruments and Unappreciated Equity Securities) having a value of approximately $100 million (approximately 8.4% of Value Trust's net assets as of March 31, 2013) to Royce Global Value Trust, Inc. ("Global Trust"), a newly formed investment company incorporated in the State of Maryland and wholly-owned by Value Trust, in exchange for shares of Global Trust Common Stock. All of the shares of Global Trust Common Stock will then be distributed by Value Trust to its common stockholders at an approximate rate of one (1) share of Global Trust Common Stock for every seven (7) shares held of Value Trust Common Stock. The contribution of such Value Trust assets to Global Trust and the subsequent distribution of Global Trust's shares to Value Trust common stockholders are referred to herein as the "Transaction." See "The Transaction." The Transaction may result in a non-taxable return of capital to Value Trust's common stockholders and, in certain circumstances, a taxable gain. See "— Material Federal Income Tax Consequences of the Transaction", —Taxable Distribution", "The Transaction — Material Federal Income Tax Consequences" and "Taxation" below. The aggregate net asset value of the Value Trust Common Stock held by a stockholder immediately prior to the Transaction will decrease by the net asset value of the Global Trust Common Stock that such stockholder receives in the Transaction and the amount of any cash received in lieu of fractional shares. Royce has agreed to pay the out-of-pocket costs of the Transaction. See "The Transaction — Transaction Expenses." Each of Value Trust and Global Trust are referred to herein as a "Fund," and together as the "Funds." The consummation of the Transaction is contingent upon stockholder approval of both the Transaction and the amended Value Trust investment restriction discussed below.
The Proposed Amendment to the Investment Restriction	The Value Trust Board has approved, subject to stockholder approval, an amendment to an investment restriction of Value Trust, which currently states that Value Trust may not "[u]nderwrite the securities of other issuers, or invest in restricted securities unless such securities are redeemable shares issued by money market funds registered under the 1940 Act." The amended restriction states that Value Trust may not "[u]nderwrite the securities of other issuers, except insofar as the Fund may be deemed an underwriter under the Securities Act of 1933, as amended, in selling portfolio securities and in connection with mergers, acquisitions, spin-off transactions and other reorganization transactions involving the Fund." The amended restriction will expressly permit spin-off transactions, such as the Transaction, and will permit the distribution of Global Trust common stock without violating the prohibition on Value Trust underwriting securities of other issuers. In addition, the amended investment restriction will give

Value Trust the flexibility to invest in restricted securities to a greater extent by removing the limitation that Value Trust may not invest in restricted securities unless such securities are redeemable shares issued by money market funds registered under the Investment Company Act of 1940, as amended (the “1940 Act”).

The consummation of the Transaction is contingent upon stockholder approval of both the Transaction and the amended investment restriction.

Royce Global Value Trust, Inc.

A newly formed investment company organized as a Maryland corporation and registered under the 1940 Act as a diversified closed-end management investment company.

Comparison of Investment Goals and Policies of Value Trust and Global Trust

The investment goal of Value Trust is long-term capital growth. Value Trust normally invests at least 65% of its assets in the equity securities of small- and micro-cap companies, generally with stock market capitalizations ranging from $100 million to $2.5 billion, that Royce believes are trading significantly below its estimate of their current worth. Value Trust may invest up to 25% of its assets in securities of issuers headquartered outside the United States. Value Trust may also invest up to 35% of its assets in non-convertible debt.

The investment goal of Global Trust is long-term growth of capital. Under normal circumstances, Global Trust will invest at least 80% of its net assets in equity securities, such as common stock and preferred stock, and at least 65% of its net assets in equity securities of companies located in at least three countries outside of the United States. A company is deemed to be “located” outside the United States if its country of organization, its headquarters and/or the principal trading market of its stock are located outside of the United States. From time to time, a substantial portion of the Fund’s assets may be invested in companies located in a single country. Global Trust may also invest up to 20% of its net assets in U.S. and non-U.S. non-convertible debt**.**

Although there are no geographic limits on Global Trust’s investments, no more than 35% of Global Trust’s net assets may be invested in the securities of companies headquartered in “developing countries,” also known as emerging markets. Generally, developing countries include every country in the world other than the United States, Canada, Japan, Australia, New Zealand, Hong Kong, Singapore, South Korea, Taiwan, Bermuda, and Western European countries (which include, Austria, Belgium, Denmark, France, Finland, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom).

Royce will invest Global Trust’s assets primarily in the equity securities of companies that it believes are trading significantly below its estimate of their current worth. Royce will base this assessment chiefly on balance sheet quality and cash flow levels. Although the Fund may invest in the equity securities of companies of any market capitalization, Royce expects that generally a significant portion of the Fund’s assets will be invested in the equity securities of micro-cap, small-cap and/or mid-cap companies with market capitalizations up to $10 billion.

Investment Adviser to Global Trust; Advisory Fees

Royce, the investment adviser to Value Trust, will also serve as investment adviser to Global Trust.

The advisory fee structure for Global Trust will be different from that of Value Trust. Global Trust will pay Royce a monthly fee equal to 1/12 of 1.25% (1.25% on an annualized basis) of the average net assets of the Fund for each month during the term of the investment advisory agreement.

Value Trust’s advisory fee is comprised of a Basic Fee (the “Basic Fee”) that

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is subject to an adjustment based on the investment performance of the Fund. The Basic Fee is a monthly fee equal to 1/12 of 1% (1% on an annualized basis) of the average of Value Trust's month-end net assets applicable to common stockholders, plus the liquidation value of its preferred stock, if any, for the rolling 60-month period ending with such month (the "performance period"). The Basic Fee for each month is increased or decreased at the rate of 1/12 of 0.05% for each percentage point that the investment performance of the Fund exceeds, or is exceeded by, the percentage change in the investment record of the S&P 600 SmallCap Index (the "S&P 600") for the performance period by more than two percentage points. The performance period for each such month is a rolling 60-month period ending with such month. The maximum increase or decrease in the Basic Fee for any month may not exceed 1/12 of 0.5%.

Because of the different fee structures, Global Trust's advisory fee may be higher or lower than that of Value Trust from time to time. For the three fiscal years ended December 31, 2012, the advisory fee for Global Trust would have been higher than that of Value Trust. See "Investment Advisory Services Provided by Royce."

Exchange Listing

Application will be made to list Global Trust Common Stock on the NYSE, subject to notice of issuance of such shares. Although there is no current trading market for Global Trust Common Stock, it is expected that "when issued" trading of such shares will commence on the NYSE two business days prior to the record date set by the Board for the distribution of the shares of common stock of Global Trust.

Material Federal Income Tax Consequences of the Transaction

Provided that Value Trust, as is expected, does not contribute securities with significant unrealized appreciation to Global Trust, the Transaction is not currently expected to increase significantly the total amount of taxable distributions received by the Value Trust stockholders for the year ending December 31, 2013, and is not expected to result in the recognition of significant taxable gain by Value Trust.

An amount equal to the fair market value of the Global Trust Common Stock distributed to a Value Trust common stockholder plus the amount of any cash in lieu of fractional shares of Global Trust Common Stock distributed to a Value Trust common stockholder (but no greater sum) will be treated as a dividend up to the amount of Global Trust's current and accumulated earnings and profits that is allocated to the distribution and will be taxable to the Value Trust common stockholder as a distribution of ordinary income, long-term capital gain or a combination of both. To the extent that the fair market value of the Global Trust Common Stock and cash ***exceeds*** the amount of earnings and profits allocated to such distribution, the excess (if any) will first be treated as a non-taxable return of capital, reducing the Value Trust common stockholder's tax basis in its Value Trust Common Stock; and, to the extent that the fair market value of the Global Trust Common Stock and cash then remaining ***exceeds*** the Value Trust common stockholder's basis in its Value Trust Common Stock, such excess (if any) will be taxable as gain realized from a deemed sale of Value Trust Common Stock. Each Value Trust common stockholder will take a fair market value tax basis in the Global Trust Common Stock received and will have a holding period for the Global Trust Common Stock that begins on the day following the date of the distribution. In addition to the other information necessary to file tax returns, Value Trust will provide common stockholders with information on the amount of the distribution to be treated as ordinary income, long-term capital gain or a combination of both.

	Global Trust has received an opinion of special tax counsel to the effect that the foregoing discussion accurately summarizes the material federal income tax consequences of the Transaction. The foregoing summary is subject to and qualified in its entirety by the discussion in "The Transaction — Material Federal Income Tax Consequences" and "Taxation" below.
Comparison of Distribution Policies of Value Trust and Global Trust	Under an existing order of exemption received from the Securities and Exchange Commission (the "Commission") from Section 19(b) of the 1940 Act (the "Section 19(b) Exemptive Order"), Value Trust and Global Trust may distribute capital gains to stockholders more frequently than annually. Value Trust will continue to make quarterly distributions to its common stockholders at the annual rate of 5% of the rolling average of the prior four calendar quarter-end net asset values of the Fund's common stock, with the fourth quarter distribution being the greater of 1.25% of the rolling average or the distribution required by Internal Revenue Service regulations. These quarterly distributions are generally reinvested in additional full and fractional shares of common stock of the applicable fund through the Fund's Dividend Reinvestment and Cash Purchase Plan. Value Trust's quarterly distribution policy may be changed by the Value Trust Board without stockholder approval. Global Trust plans to make distributions of any net investment income and net realized capital gains on an annual basis beginning at year-end 2013. See "Dividends, Distributions and Reinvestment Plan."
Manner of Effecting the Distribution	The Value Trust Board is expected to authorize and cause Value Trust to declare a distribution (the "Distribution") of all the outstanding Global Trust Common Stock payable to the holders of record of Value Trust Common Stock as of the close of business on a date (the "Distribution Record Date") to be determined, together with the payable date for the Distribution (the "Distribution Date"), by Value Trust's Board promptly following stockholder approval of the Transaction. On or about the Distribution Date, Value Trust will contribute a portion of its assets (which is anticipated to consist largely or exclusively of cash, short-term fixed income instruments and Unappreciated Equity Securities) having a value of approximately $100 million to Global Trust. Value Trust will effect the Distribution on the Distribution Date by providing for the delivery of Global Trust Common Stock to Computershare Trust Company, N.A. (the "Distribution Agent") for distribution to holders of record of Value Trust Common Stock as of the close of business on the Distribution Record Date. The Distribution will be made at an approximate rate of one (1) share of Global Trust Common Stock for every seven (7) shares of Value Trust Common Stock outstanding on the Distribution Record Date. All such shares of Global Trust Common Stock will be fully paid and non-assessable. Commencing on or about the Distribution Date, Global Trust Common Stock will be credited in book-entry form to accounts registered directly with the transfer agent, with a confirmation statement mailed to stockholders. Stockholders will not receive share certificates. No fractional shares of Global Trust Common Stock will be issued as part of the Distribution. The Distribution Agent will aggregate the fractional shares to which holders of Value Trust Common Stock would otherwise be entitled and attempt to sell them in the open market at then prevailing prices on behalf of such holders, and such holders will receive instead a cash payment in the amount of their pro rata share of the total sales proceeds. The shares may be sold by the Distribution Agent at a discount or a premium to net asset value; therefore, a stockholder may receive less or more than the net asset value for any such fractional shares. Thus, a person who holds a number of shares of

Value Trust Common Stock that is not an even multiple of seven (7) will receive the appropriate number of Global Trust Common Stock and a check for his or her pro rata share of the proceeds from sales of fractional share interests. A holder of fewer than seven (7) shares of Value Trust Common Stock will receive no Global Trust Common Stock in the Distribution but will be entitled only to his or her pro rata share of the proceeds from sales of fractional share interests.

No holder of Value Trust Common Stock will be required to pay any cash or other consideration for the Global Trust Common Stock received in the Distribution or to surrender or exchange shares of Value Trust Common Stock in order to receive shares of Global Trust Common Stock. The Distribution will not affect the number of, or the rights attaching to, outstanding shares of Value Trust Common Stock. See "The Transaction — Manner of Effecting the Distribution."

Shares of Global Trust Common Stock distributed in connection with the Distribution will be freely transferable except for shares received by persons who may be deemed to be "affiliates" of Global Trust under the Securities Act of 1933, as amended (the "1933 Act"). See "The Transaction — Manner of Effecting the Distribution."

The Commission has issued an exemptive order in connection with the Transaction.
As stockholders of a closed-end fund, Global Trust stockholders will not have the right to redeem their shares. However, shares of Global Trust Common Stock will be freely transferable, except for shares received by persons who may be deemed to be "affiliates" of Global Trust under the 1933 Act, and stockholders desiring liquidity may, subject to applicable securities laws, trade their shares on the NYSE or other markets on which the shares may trade at the then current market value.

Special Considerations and Charter Provisions

Because Global Trust has no outstanding preferred stock, all eight of its directors will be elected by the holders of Global Trust Common Stock. Upon completion of the Transaction, the eight Global Trust Directors will be divided into three classes, each having a staggered term of three years (the "Global Trust Board"). Accordingly, it likely would take at least two years to change a majority of the Global Trust Board. Vacancies on the Global Trust Board may be filled by a majority of the remaining Directors, even if the remaining Directors do not constitute a quorum, for the balance of the term of the class. In addition, Global Trust's By-laws permit stockholders to call a special meeting of stockholders only if certain procedural requirements are met and the request is made by stockholders entitled to cast at least a majority of the votes entitled to be cast at such a meeting. These provisions may have the effect of maintaining the continuity of management and thus may make it more difficult for Global Trust's stockholders to change the majority of Directors. See "Description of Capital Stock — Certain Corporate Governance Provisions."

In addition, if Global Trust issues preferred stock ("Global Trust Preferred Stock"), the holders of the Global Trust Preferred Stock would have the authority to elect two directors at all times and would have separate class voting rights on specified matters including conversion of Global Trust to an open-end investment company and certain reorganizations of Global Trust. The overall effect of these provisions is to render more difficult the accomplishment of a merger with, or the assumption of control by, a principal stockholder, or the conversion of Global Trust to an open-end investment

	company. In addition, certain provisions of Global Trust's articles of incorporation (the "Global Trust Charter") may be regarded as "anti-takeover" provisions. Pursuant to these provisions the affirmative vote of the holders of shares entitled to cast at least 80% of the votes entitled to be cast on the matter, each voting as a separate class, is generally required to authorize certain actions, including amendments to the Global Trust Charter that would be necessary to directly or indirectly convert Global Trust from a closed-end to an open-end management investment company, and to authorize certain business transactions, including the liquidation and dissolution of Global Trust or a merger, consolidation or sale of substantially all of Global Trust's assets. See "Description of Capital Stock — Certain Corporate Governance Provisions." The provisions described above may be regarded as "anti-takeover" provisions. These provisions may have the effect of depriving common stockholders of Global Trust of an opportunity to sell their shares at a premium to the prevailing market price. See "Description of Capital Stock — Certain Corporate Governance Provisions."
Taxable Distribution	Each holder of Value Trust Common Stock will recognize taxable income as a result of the distribution of Global Trust Common Stock and cash in lieu of fractional shares. The Transaction is not currently expected to increase significantly the total amount of taxable distributions received by Value Trust common stockholders for this year, provided that Value Trust, as it expects, does not contribute securities with significant net unrealized appreciation to Global Trust in exchange for Global Trust Common Stock. In the event that Value Trust does contribute securities with significant net unrealized appreciation, the Transaction could result in the recognition of significant taxable gain by Value Trust and could increase the total amount of taxable distributions received by the Value Trust stockholders for this year. See "Summary — Material Federal Income Tax Consequences of the Transaction" and "The Transaction — Material Federal Income Tax Consequences."
Costs Associated with Sales of Global Trust Common Stock	If a Value Trust common stockholder sells the Global Trust Common Stock that he or she receives, the stockholder may incur brokerage commissions and the sale may constitute a taxable event for the stockholder.
Discount to Net Asset Value	Shares of closed-end investment companies often trade at a discount from net asset value. This characteristic of shares of a closed-end investment company is a risk separate and distinct from the risk that Global Trust's net asset value may decrease. Value Trust cannot predict whether Global Trust's shares will trade at, below or above net asset value. The risk of holding shares of closed-end investment companies that might trade at a discount to net asset value is more pronounced for stockholders who wish to sell their shares in a relatively short period of time after completion of the Distribution. For those stockholders, realization of a gain or loss on their investment is likely to be more dependent upon the existence of a premium or discount than upon portfolio performance. See "Investment Goals and Policies of Value Trust and Global Trust."
Foreign Securities	Global Trust can invest to a greater extent than Value Trust in foreign securities. Value Trust may invest up to 25% of its assets in securities of issuers headquartered outside the

	United States, while Global Trust is not subject to a limitation on such investments, and, under normal market circumstances, Global Trust will invest at least 65% of its net assets in the equity securities of companies located in at least three countries outside of the United States. Investing in securities of foreign companies and foreign governments, which generally are denominated in foreign currencies, may involve certain risk and opportunity considerations not typically associated with investing in domestic companies and could cause Global Trust to be affected favorably or unfavorably by changes in currency exchange rates and revaluations of currencies. See "Investment Goals and Policies of Value Trust and Global Trust — Risk Factors — Value Trust and Global Trust — Foreign Investments."
Use of Leverage	As provided in the 1940 Act and subject to certain exceptions, each of Value Trust and Global Trust may issue debt or preferred stock so long as such Fund's total assets immediately after such issuance, less certain ordinary course liabilities, exceed 300% of the amount of the debt outstanding and exceed 200% of the sum of the amount of preferred stock and debt outstanding. In accordance with Commission staff guidelines, each Fund may also issue convertible preferred stock, which may permit each Fund to obtain leverage at attractive rates. The use of leverage may magnify the impact on common stockholders of changes in net asset value and the cost of leverage could exceed the return on the securities acquired with the proceeds of the leverage, thereby diminishing returns to such common stockholders. In addition, the Fund may be required to sell investments in order to meet interest or dividend payments on the debt or preferred shares when it may be disadvantageous to do so. See "Investment Goals and Policies of Value Trust and Global Trust — Risk Factors" and "Appendix A — Investment Restrictions."
Principal Investment Risks	Because of their similar investment policies, many of the risks associated with an investment in Global Trust are substantially similar to those associated with an investment in Value Trust. Such investment risks for both Funds include market risk, selection risk, the risks of investing in smaller capitalization companies, the market price of shares, leverage and borrowing risk, and foreign investments. As noted above, Global Trust can invest to a greater extent than Value Trust in foreign securities. Principal risks of investing in Global Trust also include investing in mid-cap companies. You will find descriptions of specific risks in "Investment Goals and Policies of Value Trust and Global Trust — Risk Factors."

TABLE OF FEES AND EXPENSES

	Value Trust[1]	Global Trust[2]
Stockholder Transaction Expenses		
Distribution Reinvestment and Cash Purchase Plan Fees	None[3]	None[3]
Annual Expenses		
(as a percentage of net assets)		
Management Fees	0.57%	1.25%
Interest Payments on Borrowed Funds	0.20%	0
Other Expenses	0.13%	0.33%
Total Annual Operating Expenses	0.90%[4]	1.58%

(1) With the exception of the percentages shown for Interest Payments on Borrowed Funds, the percentages in the above table expressing fund expenses are based on Value Trust s actual expenses for the fiscal year ended December 31, 2012. The percentage shown for Interest Payments on Borrowed Funds represents an estimate of such interest payments for an entire year. The actual percentage for Interest Payments on Borrowed Funds for the fiscal year ended December 31, 2012 was 0.03%. Value Trust s interest payments on borrowed funds in the future may be higher or lower than the estimated amount shown above.

(2) The percentages in the above table expressing annual fund operating expenses are estimated amounts for Global Trust s first full fiscal year assuming an asset level of $100 million.

(3) There is no charge to stockholders for receiving their distributions in the form of additional shares of a Fund s common stock. Computershare s fees for handling distributions in stock are paid by the applicable Fund. If a Plan participant elects to sell part or all of the shares held by Computershare in the participant s account and remit the proceeds to the participant, Computershare is authorized to deduct a $2.50 service fee and a per share fee of $0.15. Plan participants are also subject to a $0.75 service fee for each voluntary cash purchase and a per share fee of $0.05 on all open market purchases. Royce is absorbing all per share fees through December 31, 2013. No assurance can be given that Royce will continue to absorb such per share fees after December 31, 2013.

(4) Value Trust s Total Annual Operating Expenses as shown above may differ from the expense ratio in Value Trust s Financial Highlights because the highlights include only the Fund s actual direct operating expenses and do not reflect the estimated amount set forth above for Interest Payments on Borrowed Funds.

EXAMPLE:

The following examples illustrate the projected dollar amount of cumulative expenses that would be incurred over various periods with respect to a hypothetical investment in each of Value Trust and Global Trust. These amounts are based upon payment by each of Value Trust and Global Trust of expenses at levels set forth in the above table.

You would pay the following expenses on a $1,000 investment, assuming a 5% annual return:

	1 Year	3 Years	5 Years	10 Years
Value Trust Common Stock	$9	$29	$50	$111
Global Trust Common Stock	$16	$50	$86	$188

The foregoing table is to assist you in understanding the various costs and expenses that an investor in each of Value Trust and Global Trust would bear directly or indirectly. The assumed 5% annual return is not a prediction of, and does not represent, the projected or actual performance of Value Trust Common Stock or Global Trust Common Stock. Actual expenses and annual rates of return may be more or less than those assumed for purposes of the Example.

Global Trust is a newly-formed entity with no operating history. As such, expenses are estimated based on an anticipated size of Global Trust of $100 million.

PRO FORMA STATEMENT OF ASSETS AND LIABILITIES

The following unaudited pro forma statement of assets and liabilities of Value Trust and Global Trust assumes that the Distribution occurred as of March 31, 2013, that the spin-off was at a rate of one share of Global Trust Common Stock for every seven (7) shares of Value Trust Common Stock resulting in 10,099,055 shares of Global Trust Stock outstanding and that the assets contributed to Global Trust were valued at cost.

	As of March 31, 2013		
	Value Trust	**Pro Forma Value Trust**	**Pro Forma Global Trust**
Assets			
Investments, at value	$1,238,872,995	$1,238,872,995	$100,000,000
Cash and other assets	$107,339,510	$7,339,510	$0
Total Assets	1,346,212,505	$1,246,212,505	$100,000,000
Liabilities			
Revolving Credit Agreement	$150,000,000	$150,000,000	$0
Other Liabilities	$8,245,872	$8,245,872	$0
Total Liabilities	$158,245,872	$158,245,872	$0
Net Assets	$1,187,966,632	$1,087,966,632	$100,000,000
Net Assets Consist of:			
Paid in capital, at $0.001 par value	$826,561,744	$826,561,744	$0
Accumulated net investment income	$3,641,357	$0	$0
Accumulated distributions in excess of net investment income	$0	$(96,358,643)	$0
Accumulated net realized gain on investments and foreign currency transactions	$44,446,843	$44,446,843	$0
Net unrealized appreciation on investments	$326,668,961	$326,668,961	$0
Unallocated distributions	$(13,352,273)	$(13,352,273)	$0
Total Net Assets	$1,187,966,632	$1,087,966,632	$100,000,000
Net Asset Value Per Share	$16.80	$15.39	$9.90

Set forth below is information with respect to Value Trust Common Stock, preferred stock of Value Trust ("Value Trust Preferred Stock"), Global Trust Common Stock and Global Trust Preferred Stock following the Distribution. The following table assumes that the Distribution will be based on the 70,693,385 shares of Value Trust Common Stock outstanding as of March 31, 2013.

	Amount Authorized	**Amount Held by Company or for its Own Account**	**Amount Outstanding**
Value Trust Common Stock	150,000,000	0	70,693,385
Value Trust Preferred Stock	50,000,000	0	0
Global Trust Common Stock	150,000,000	0	10,099,055
Global Trust Preferred Stock	50,000,000	0	0

PROPOSAL 1

TO APPROVE THE CONTRIBUTION OF A PORTION OF VALUE TRUST'S ASSETS (WHICH IS ANTICIPATED TO CONSIST LARGELY OR EXCLUSIVELY OF CASH, SHORT-TERM FIXED INCOME INSTRUMENTS AND UNAPPRECIATED EQUITY SECURITIES) HAVING A VALUE OF APPROXIMATELY $100 MILLION (APPROXIMATELY 8.4% OF VALUE TRUST'S NET ASSETS AS OF MARCH 31, 2013), TO A NEWLY-ORGANIZED, DIVERSIFIED, CLOSED-END MANAGEMENT INVESTMENT COMPANY, GLOBAL TRUST, AND TO DISTRIBUTE TO COMMON STOCKHOLDERS OF VALUE TRUST, SHARES OF GLOBAL TRUST COMMON STOCK.

THE TRANSACTION

Background

Value Trust, a Maryland corporation, commenced operations on November 26, 1986 and is registered under the 1940 Act as a closed-end diversified management investment company. Value Trust's investment goal is long-term capital growth. As of March 31, 2013, Value Trust's net assets approximated $1.19 billion, and its total assets, including amounts attributed to borrowings, approximated $1.35 billion.

The Value Trust Board has determined that an investment in foreign securities could provide attractive opportunities for capital growth as well as the benefits of non-U.S. geographic diversification. The Value Trust Board has determined that the Transaction will provide Value Trust common stockholders with a new closed-end fund that is able to invest a significantly greater percentage of its assets in foreign securities than Value Trust currently can in order to take advantage of these potential opportunities.

The Value Trust Board believes the proposed Transaction is in the best interests of Value Trust and its common stockholders.

Description of the Transaction

In order to provide Value Trust common stockholders additional opportunities for capital growth from their investments, the Value Trust Board has approved, subject to stockholder approval, the contribution of a portion of Value Trust's net assets having a value of approximately $100 million (approximately 8.4% of Value Trust's net assets as of March 31, 2013) to Global Trust, a newly-formed closed-end diversified management investment company incorporated in Maryland and wholly owned by Value Trust. It is anticipated that the contributed assets will consist largely or exclusively of cash, short-term fixed income instruments and Unappreciated Equity Securities. All the Global Trust Common Stock will then be distributed by Value Trust to its common stockholders at an approximate rate of one (1) share of Global Trust Common Stock for every seven (7) shares held of Value Trust Common Stock. If the Transaction proceeds as anticipated, it is expected to primarily involve a non-taxable return of capital to Value Trust common stockholders. See "—Material Federal Income Tax Consequences" and "Taxation" for a more detailed explanation of the possible federal income tax consequences of the Transaction.

The Securities and Exchange Commission (the "Commission") has issued an exemptive order in connection with the Transaction.

The investment goal of Value Trust is long-term capital growth. Value Trust may invest up to 25% of its assets in securities of issuers headquartered outside the United States. Value Trust may also invest up to 35% of its assets in non-convertible debt.

The investment goal of Global Trust is long-term growth of capital. Under normal market circumstances, Global Trust will invest at least 80% of its net assets in equity securities, and will invest at least 65% of its net assets in the equity securities of companies located in at least three countries outside of the United States. From time to time, a substantial portion of Global Trust's assets may be invested in companies located in a single country. Global Trust may also invest up to 20% of its net assets in U.S. and non-U.S. non-convertible debt. Although there are no geographic limits on Global Trust's investments, no more than 35% of Global Trust's net assets may be invested in the securities of companies headquartered in "developing countries," also known as emerging markets. Generally, developing countries, sometimes also referred to as emerging market countries, include every country in the world other than the United States, Canada, Japan, Australia, New Zealand, Hong Kong, Singapore, South Korea, Taiwan, Bermuda, and Western European countries (which include, Austria, Belgium, Denmark, France, Finland, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom). In selecting securities for Global Trust, Royce uses a bottom-up, value approach. Royce primarily focuses on company-specific criteria rather than on political, economic or other country-specific factors. Global Trust does not expect to purchase or sell foreign currencies to hedge against declines in the U.S. dollar or to lock in the value of any foreign securities that it purchases. The opportunity to invest a significant percentage of fund assets in foreign securities that the Transaction will provide is not available in Value Trust as currently structured. As a result, Global Trust over time may be expected to experience different investment results from Value Trust. Royce expects that the assets contributed to Global Trust will be invested in accordance with Global Trust's investment objective and policies within three months after the completion of the Transaction, but not later than six months.

Global Trust is registered under the 1940 Act as a diversified, closed-end investment company, and Royce, the investment adviser to Value Trust, will also serve as investment adviser to Global Trust. The advisory fee structure for Global Trust will be different from that of Value Trust. Global Trust's advisory fee will be 1.25% of Global Trust's average daily net assets per annum, paid monthly. Value Trust's advisory fee is a "fulcrum fee" comprised of a monthly Basic Fee of 1/12 of 1.00% (1.00% on an annualized basis) of the average of Value Trust's month-end net assets applicable to common stockholders, plus the liquidation value of its preferred stock, for the rolling 60-month period ending with such month, that is subject to an adjustment based on the investment performance of the Fund as compared to the performance of its benchmark, the S&P 600. The maximum annual fee rate as adjusted for performance is 1.50% of Value Trust's net assets. Because of the different fee structures, Global Trust's advisory fee may be higher or lower than that of Value Trust's advisory fee from time to time. A fulcrum fee structure was not proposed for Global Trust due to the difficultly in selecting an appropriate international smaller cap benchmark. Due to the performance-based nature of the Value Trust advisory fee, for the last three fiscal years, the advisory fee for Global Trust would have been higher than that of Value Trust. Also contributing to a potentially higher advisory fee for Global Trust is Global Trust's focus on non-U.S. small cap securities, which is expected to be more labor intensive and time consuming than providing investment advisory services to a fund that invests primarily in non-U.S. larger capitalization securities. See "Investment Advisory Services Provided by Royce" below and "Investment Advisory and Other Services" in the Statement of Additional Information. Application will be made to list the shares of Global Trust Common Stock on the NYSE. The Distribution Record Date and the Distribution Date will be determined by the Value Trust Board following stockholder approval of the Transaction. The investment goal and policies and other matters relating to Global Trust's structure are described below. See "Investment Goals and Policies of Value Trust and Global Trust."

The Value Trust Board believes that the Transaction will result in the following benefits to Value Trust common stockholders:

1. The common stockholders will receive shares of an investment company with a different risk-return profile from Value Trust, thereby providing common stockholders with the following alternatives: (a) retaining their shares in both Value Trust and Global Trust; (b) selling their Global Trust shares and retaining their Value Trust shares; or (c) selling their Value Trust shares and retaining their Global Trust shares. As a consequence, Value Trust's common stockholders may more closely align their investment portfolio with their desired exposure to different segments of the equity market. If a stockholder sells his or her shares of either Value Trust Common Stock or Global Trust Common Stock, the stockholder can be expected to incur brokerage commissions and such sale may constitute a taxable event for the stockholder.

2. Global Trust Common Stock will be issued at a much lower transaction cost to investors than is typically the case for a newly-organized closed-end equity fund since there will be no underwriting discounts or commissions. The Transaction will not result in an increase in the aggregate net assets of Value Trust and Global Trust. Royce has agreed to pay the out-of-pocket costs of the Transaction. See "—Transaction Expenses" below.

3. As a globally diversified fund, Global Trust will afford common stockholders the opportunity to seek the capital growth opportunities presented by foreign securities exposure. Under normal market circumstances, Global Trust will invest at least 65% of its net assets in equity securities of companies located in at least three countries outside of the United States. Global Trust's operating policy of investing no more than 35% of its net assets in securities of companies headquartered in "developing countries," also known as emerging markets, is an operating policy that can be changed by the Global Trust Board without stockholder approval. Of course, as a consequence of its global diversification policy, Global Trust's investments may be subject to a variety of significant risks, such as that many foreign governments do not regulate stock exchanges to the same extent as does the United States government, foreign currency fluctuations could impact the value of assets, and clearance procedures may result in delayed payment when assets are sold.

The Value Trust Board determined not to change the non-fundamental investment restrictions of Value Trust in a manner that would transform Value Trust into a global fund because, in their view, many Value Trust investors likely wish to retain their investment in a closed-end fund that invests primarily in U.S. small-cap stocks. Further, the fulcrum investment advisory fee of Value Trust adjusts according to Value Trust's performance against the S&P 600. If Value Trust were to change its non-fundamental investment policies to allow a substantially greater percentage of its assets to be invested in foreign securities, then the S&P 600 might no longer be an appropriate benchmark upon which to base the performance portion of the fulcrum investment advisory fee. See "Investment Advisory Services Provided by Royce — Value Trust."

The Value Trust Board believes that the benefits of the Transaction outlined above outweigh the costs of the Transaction. For a description of the costs and expenses relating to the Transaction, see "—Transaction Expenses" below.

The consummation of the Transaction is contingent upon stockholder approval of both the Transaction and the amended Value Trust investment restriction discussed in "Proposal 2" below.

Material Federal Income Tax Consequences

The following discussion should be read in conjunction with the discussion in "Taxation" below and is subject to and qualified in its entirety by that discussion.

Value Trust will contribute cash and securities to Global Trust in exchange for Global Trust Common Stock. Such contribution should not be a taxable event to either Value Trust or Global Trust, but the subsequent distribution of Global Trust Common Stock to holders of Value Trust Common Stock may be a taxable event to Value Trust and its stockholders as noted below.

Value Trust does not expect that any significant amount of net unrealized appreciation will exist in the securities transferred to Global Trust. Accordingly, the Transaction is not expected to result in the recognition of significant taxable gain by Value Trust and, except as noted below, is not expected to increase significantly the total amount of taxable distributions received by Value Trust common stockholders for this year. In addition, the Value Trust Board has considered the tax consequences of the Transaction to its stockholders and has determined that the benefits of the Transaction outweigh any adverse tax consequences.

An amount equal to the fair market value of the Global Trust Common Stock distributed to a Value Trust common stockholder plus the amount of any cash in lieu of fractional shares of Global Trust Common Stock distributed to a Value Trust common stockholder (but no greater sum) will be treated as a dividend up to the amount of Global Trust's current and accumulated earnings and profits that is allocated to the distribution and will be taxable to the Value Trust common stockholder as a distribution of ordinary income, long-term capital gain or a combination of both. To the extent that the fair market value of the Global Trust Common Stock and cash ***exceeds*** the amount of earnings and profits allocated to such distribution, the excess (if any) will first be treated as a non-taxable return of capital, reducing the Value Trust common stockholder's tax basis in its Value Trust Common Stock and to the extent that the fair market value of the Global Trust Common Stock and cash then remaining ***exceeds*** the Value Trust common stockholder's basis in its Value Trust Common Stock, such excess (if any) will be taxable as gain realized from a deemed sale of Value Trust Common Stock. Each stockholder will take a fair market value tax basis in Global Trust Common Stock received and will have a holding period for the Global Trust Common Stock that begins on the day following the

Distribution Date. In addition to the other information necessary to file tax returns, Value Trust will provide stockholders with information on the amount of the distribution to be treated as ordinary income, long-term capital gain or a combination of both.

Global Trust has received an opinion of counsel to the effect that the foregoing discussion accurately summarizes the material federal income tax consequences of the Transaction.

Exchange Listing

Application will be made to list Global Trust Common Stock on the NYSE, subject to notice of issuance thereof. Although there is no current trading market for Global Trust Common Stock, it is expected that "when issued" trading of such shares will commence on the NYSE two business days prior to the Distribution Record Date.

Transaction Expenses

The costs of organizing Global Trust and effecting the distribution of Global Trust Common Stock to Value Trust's common stockholders, including the fees and expenses of counsel and accountants and printing, listing and registration fees, together with the costs of soliciting Value Trust stockholders' approval of the Transaction and the costs incurred in connection with seeking an exemptive order from the Commission relating to the Transaction, are estimated to be approximately $924,000 and will be borne by Royce. In addition, Global Trust will incur operating expenses on an ongoing basis, including investment advisory, legal, auditing, transfer agency and custodian expenses that, when aggregated with the fees payable by Value Trust for similar services after the distribution, will likely exceed the fees currently payable by Value Trust for those services. Value Trust s total annual expenses as a percentage of its net assets may increase after the completion of the Transaction because Value Trust will have a smaller asset base over which it may spread expenses going forward.

Manner of Effecting the Distribution

If the Transaction is approved by stockholders of Value Trust and all other conditions thereto are satisfied, the Value Trust Board is expected to authorize and cause Value Trust to declare the Distribution of all the outstanding Global Trust Common Stock, payable on the Distribution Date to the holders of record of Value Trust Common Stock as of the close of business on the Distribution Record Date. The Distribution Record Date and the Distribution Date will be determined by the Value Trust Board promptly following stockholder approval of the Transaction.

Value Trust will effect the Distribution on the Distribution Date by providing for the delivery of Global Trust Common Stock to the Distribution Agent for distribution to holders of record of Value Trust Common Stock as of the close of business on the Distribution Record Date. The Distribution will be made at an approximate rate of one (1) share of Global Trust Common Stock for every seven (7) shares of Value Trust Common Stock outstanding on the Distribution Record Date. All such Global Trust Common Stock will be fully paid and nonassessable. The holders of Global Trust Common Stock will have no preemptive rights to subscribe for additional Global Trust Common Stock or other securities of Global Trust. See "Description of Capital Stock — Global Trust." Commencing on or about the Distribution Date, Global Trust Common Stock will be credited in book-entry form to accounts registered directly with the transfer agent, with a confirmation statement mailed to stockholders. Stockholders will not receive share certificates.

No fractional shares of Global Trust Common Stock will be issued as part of the Distribution. The Distribution Agent will aggregate the fractional shares to which holders of Value Trust Common Stock would otherwise be entitled and attempt to sell them in the open market at then prevailing prices on behalf of such holders, and such holders will receive instead a cash payment in the amount of their pro rata share of the total sales proceeds. Thus, a person who holds a number of shares of Value Trust Common Stock that is not an even multiple of seven (7) will receive the appropriate number of Global Trust Common Stock and a check for his or her pro rata share of the proceeds from sales of fractional share interests. A holder of fewer than seven (7) shares of Value Trust Common Stock will receive no Global Trust Common Stock in the Distribution but will be entitled only to his or her pro rata share of the proceeds from sales of fractional share interests. Sales of fractional Global Trust Common Stock are expected to be made as soon as practicable after the Distribution Date and checks representing proceeds of fractional share sales of Global Trust Common Stock will be mailed shortly thereafter. Royce will bear the cost of commissions incurred in connection with such sales.

No holder of Value Trust Common Stock will be required to pay to Value Trust any cash or other consideration for Global Trust Common Stock received in the Distribution or to surrender or exchange shares of Value Trust Common Stock in order to receive Global Trust Common Stock. The Distribution will not affect the number of, nor the rights attaching to, outstanding shares of Value Trust Common Stock.

Shares of Global Trust Common Stock distributed in connection with the Distribution will be freely transferable, except for shares received by persons who may be deemed to be "affiliates" of Global Trust under the 1933 Act. Persons who may be deemed to be "affiliates" of Global Trust after the Distribution generally include individuals or entities that control, are controlled by or are under common control with Global Trust, and may include certain officers and directors of Global Trust as well as principal stockholders of Global Trust. Persons who are affiliates of Global Trust will be permitted to sell their Global Trust Common Stock only pursuant to an effective registration statement under the 1933 Act or an exemption from the registration requirements of the 1933 Act, such as the exemptions afforded by Section 4(2) of the 1933 Act and Rule 144 thereunder.

Costs Associated with Sales of Global Trust Common Stock

If a Value Trust common stockholder sells Global Trust Common Stock that he or she receives in the Distribution, the stockholder may incur brokerage commissions and the sale may constitute a taxable event for the stockholder. Although it is anticipated that Global Trust Common Stock will be listed on the NYSE, Global Trust is newly organized and has no operating history or history of public trading. There can be no assurance as to the depth and liquidity of the market that may develop for Global Trust Common Stock.

Allocation of Investment Opportunities

After the Distribution, Value Trust and Global Trust and other clients of the Investment Adviser or its affiliates may purchase or sell the same securities. The Investment Adviser follows a policy of allocating purchases and sales of the same security among Value Trust and other managed accounts in a manner deemed fair and equitable to all accounts. See "Portfolio Transactions" in the section entitled "Additional Information" in the Statement of Additional Information.

PROPOSAL 2

TO APPROVE AMENDING AN INVESTMENT RESTRICTION OF VALUE TRUST, WHICH CURRENTLY PROHIBITS (i) UNDERWRITING THE SECURITIES OF OTHER ISSUERS AND (ii) INVESTING IN RESTRICTED SECURITIES UNLESS SUCH SECURITIES ARE REDEEMABLE SHARES ISSUED BY MONEY MARKET FUNDS REGISTERED UNDER THE 1940 ACT. THE AMENDED RESTRICTION WILL ALLOW VALUE TRUST TO ACT AS AN UNDERWRITER, AS DEFINED UNDER THE SECURITIES ACT OF 1933, IN THE LIMITED CIRCUMSTANCES OF SELLING PORTFOLIO SECURITIES AND IN CONNECTION WITH MERGERS, ACQUISITIONS, SPIN-OFF TRANSACTIONS (SUCH AS THE TRANSACTION) AND OTHER REORGANIZATION TRANSACTIONS INVOLVING VALUE TRUST. THIS PROPOSAL WILL FACILITATE THE TRANSACTION BY CLEARLY PROVIDING THAT THE TRANSACTION DOES NOT VIOLATE THE INVESTMENT RESTRICTIONS OF VALUE TRUST. IT WILL ALSO GIVE VALUE TRUST THE FLEXIBILITY TO INVEST IN RESTRICTED SECURITIES.

Description of the Amendment

The Value Trust Board has approved, subject to stockholder approval, an amendment to an investment restriction of the Value Trust, which currently states that Value Trust may not "[u]nderwrite the securities of other issuers, or invest in restricted securities unless such securities are redeemable shares issued by money market funds registered under the 1940 Act." The amended investment restriction will state that Value Trust may not "[u]nderwrite the securities of other issuers, except insofar as the Fund may be deemed an underwriter under the Securities Act of 1933, as amended, in selling portfolio securities and in connection with mergers, acquisitions, spin-off transactions and other reorganization transactions involving the Fund."

The amended restriction will expressly permit spin-off transactions, such as the Transaction, and will permit the distribution of Global Trust Common Stock without violating the prohibition on Value Trust underwriting securities of other issuers. In addition, the amended investment restriction will give Value Trust the flexibility to invest in restricted securities to a greater extent by removing the limitation that Value Trust may not invest in restricted securities unless such securities are redeemable shares issued by money market funds registered under the 1940 Act.

The consummation of the Transaction is contingent upon stockholder approval of both the Transaction and the amended investment restriction.

INVESTMENT GOALS AND POLICIES OF VALUE TRUST AND GLOBAL TRUST

Value Trust's investment goal and one of its fundamental policies is long-term capital growth, which it seeks to achieve by normally investing more than 65% of its assets in common stocks, preferred stocks and convertible debentures. Portfolio securities are selected primarily with a view to achievement of this objective. There are market risks inherent in any investment, and there is no assurance that the investment goal of the Fund will be achieved.

Value Trust's investment goal of long-term capital growth is a fundamental policy of the Fund and may not be changed without approvals of the holders of a majority of the Fund's outstanding shares of common stock and preferred stock (if any), voting together as a single class, and a majority of the outstanding preferred stock (if any), voting as a separate class (which for this purpose and under the 1940 Act means the lesser of (i) 67% or more of the relevant shares of capital stock of Value Trust present or represented at a meeting of stockholders, at which the holders of more than 50% of the outstanding relevant shares of capital stock are present or represented or (ii) more than 50% of the outstanding relevant shares of capital stock of the Fund). The only capital stock of the Value Trust currently outstanding is common stock. Except as indicated under "Investment Restrictions" in Appendix A, Value Trust does not consider its other policies to be fundamental, and such policies may be changed by the Value Trust Board without stockholder approval or, except as required by law, prior notice to stockholders.

The investment goal of Global Trust is long-term growth of capital. Unlike Value Trust, which may invest up to 25% of its assets in securities of issuers headquartered outside the United States, Global Trust is not restricted in the amount of its assets that may be invested in securities of foreign issuers, and under normal market circumstances, Global Trust will invest at least 65% of its net assets in the equity securities of companies located in at least three countries outside of the United States. A company is deemed to be "located" outside the United States if its country of organization, its headquarters and/or the principal trading market of its stock are located outside of the United States. The investment goal of Global Trust is not a fundamental policy, and may be changed by the Fund's Board of Directors without stockholder approval.

The investment restrictions of the Funds, including fundamental investment restrictions, are set forth in Appendix A.

Value Trust

The investment goal of the Value Trust is to obtain long-term capital growth by normally investing more than 65% of its assets in common stock, preferred stocks and convertible debentures. The Fund may also invest up to 35% of its assets in non-convertible debt securities of various companies. The Fund seeks to achieve its objective by investing principally in equity securities of small- and medium-sized companies, generally with stock market capitalizations ranging from $100 million to $2.5 billion, selected by a value approach.

Royce uses a value method in managing Value Trust's assets. In selecting securities for Value Trust, Royce evaluates the quality of a company's balance sheet, the level of its cash flows and various measures of a company's profitability. Royce then uses these factors to assess the company's current worth, basing this assessment on either what it believes a knowledgeable buyer might pay to acquire the entire company or what it thinks the value of the company should be in the stock market. This analysis takes a number of factors into consideration, including the company's future growth prospects and current financial condition.

Royce invests in securities of companies that are trading significantly below its estimate of the company's "current worth" in an attempt to reduce the risk of overpaying for such companies. Royce's value approach strives to reduce some of the other risks of investing in small- and micro-cap companies (for the Fund's portfolio taken as a whole) by evaluating various other risk factors. Royce attempts to lessen financial risk by buying companies that combine strong balance sheets with low leverage. While there can be no assurance that this risk-averse value approach will be successful, Royce believes that it can reduce some of the risks of investing in the securities of small- and micro-cap companies, which are inherently fragile in nature and whose securities have substantially greater market price volatility. Although Royce's approach to security selection seeks to reduce downside risk to the Fund's portfolio, especially during periods of broad small-cap market declines, it may also potentially have the effect of limiting gains in strong small-cap up markets.

Foreign Investments. Value Trust may invest up to 25% of its assets in securities of issuers headquartered outside the United States. Foreign investments involve certain additional risks, such as political or economic instability of the issuer or of the country of issue, fluctuating exchange rates and the possibility of imposition of exchange controls.

Non-Convertible Debt. Value Trust may invest up to 35% of its assets in direct obligations of the government of the United States or its agencies and/or in non-convertible debt securities of various issuers, including up to 5% of its net assets in below investment-grade debt securities, also known as high-yield fixed income securities. Such below investment-grade debt securities may be in the lowest-grade categories of recognized ratings agencies (C in the case of Moody's Investor Service, Inc. ("Moody's") or D in the case of Standard & Poor's Financial Services LLC ("Standard & Poor's")) or may be unrated. High-yield/high-risk investments are primarily speculative and may entail substantial risk of loss of principal and non-payment of interest, but may also produce above-average returns for the Fund. Debt securities rated C or D may be in default as to the payment of interest or repayment of principal.

Warrants, Rights or Options. Value Trust may invest up to 5% of its assets in warrants, rights or options. A warrant, right or call option entitles the holder to purchase a given security within a specified period for a specified price and does not represent an ownership interest in the underlying security. A put option gives the holder the right to sell a particular security at a specified price during the term of the option. These securities have no voting rights, pay no dividends and have no liquidation rights. In addition, market prices of warrants, rights or call options do not necessarily move parallel to the market prices of the underlying securities; market prices of put options tend to move inversely to the market prices of the underlying securities.

Securities Lending. Value Trust may lend up to 25% of its assets to brokers, dealers and other financial institutions. Securities lending allows the Fund to retain ownership of the securities loaned and, at the same time, to earn additional income. Since there may be delays in the recovery of loaned securities or even a loss of rights in collateral supplied should the borrower fail financially, loans will be made only to parties that participate in a Global Securities

Lending Program organized and monitored by the Fund's custodian and who are deemed by it to satisfy its requirements. Furthermore, such loans will be made only if, in Royce's judgment, the consideration to be earned from such loans would justify the risk.

The current view of the staff of the Commission is that a Fund may engage in such loan transactions only under the following conditions: (i) the Fund must receive 100% collateral in the form of cash or cash equivalents (e.g., U.S. Treasury bills or notes) from the borrower; (ii) the borrower must increase the collateral whenever the market value of the securities loaned (determined on a daily basis at the close of regular trading) rises above the value of the collateral; (iii) after giving notice, the Fund must be able to terminate the loan at any time; (iv) the Fund must receive reasonable interest on the loan or a flat fee from the borrower, as well as amounts equivalent to any dividends, interest or other distributions on the securities loaned; (v) the Fund may pay only reasonable custodian fees in connection with the loan; and (vi) the Fund must be able to vote proxies on the securities loaned, either by terminating the loan or by entering into an alternative arrangement with the borrower.

Temporary Investments. The assets of Value Trust are normally invested in the equity securities of small- and micro-cap companies. However, for temporary defensive purposes (i.e., when Royce determines that market conditions warrant) or when it has uncommitted cash balances, the Fund may also invest in U.S. Treasury bills, domestic bank certificates of deposit, repurchase agreements with its custodian bank covering United States Treasury and agency obligations having a term of not more than one week, high-quality commercial paper and money market funds registered under the 1940 Act, or retain all or part of its assets in cash. Accordingly, the composition of the Fund's portfolio may vary from time to time.

Global Trust

The investment goal of Global Trust is long-term growth of capital. Under normal market circumstances, Global Trust will invest at least 80% of its net assets in equity securities (such as common stock and preferred stock) and at least 65% of its net assets in the equity securities of companies located in at least three countries outside of the United States. A company is deemed to be "located" outside the United States if its country of organization, its headquarters and/or the principal trading market of its stock are located outside of the United States. From time to time, a substantial portion of the Fund's assets may be invested in companies located in a single country. The Fund may also invest up to 20% of its net assets in U.S. and non-U.S. non-convertible debt. Although there are no geographic limits on the Fund's investments, no more than 35% of the Fund's net assets may be invested in the securities of companies headquartered in "developing countries," also known as emerging markets. Generally, developing countries, sometimes also referred to as emerging market countries, include every country in the world other than the United States, Canada, Japan, Australia, New Zealand, Hong Kong, Singapore, South Korea, Taiwan, Bermuda, and Western European countries (which include, Austria, Belgium, Denmark, France, Finland, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom). In selecting securities for Global Trust, Royce will use a bottom-up, value approach. Royce will primarily focus on company-specific criteria rather than on political, economic or other country-specific factors. Global Trust does not expect to purchase or sell foreign currencies to hedge against declines in the U.S. dollar or to lock in the value of any foreign securities that it purchases.

Royce will invest Global Trust's assets primarily in the equity securities of companies that it believes are trading significantly below its estimate of their current worth. Royce will base this assessment chiefly on balance sheet quality and cash flow levels. Although the Fund may invest in the equity securities of companies of any market capitalization, Royce expects that generally a significant portion of the Fund's assets will be invested in the equity securities of micro-cap, small-cap and/or mid-cap companies with market capitalizations up to $10 billion.

Value Investing. Global Trust's portfolio managers will use various value methods in managing its assets. In selecting securities for the Fund, they evaluate the quality of a company's balance sheet, the level of its cash flows and other measures of a company's financial condition and profitability. The portfolio managers may also consider other factors, such as a company's unrecognized asset values, its future growth prospects or its turnaround potential following an earnings disappointment or other business difficulties. The portfolio managers then use these factors to assess the company's current worth, basing this assessment on either what they believe a knowledgeable buyer might pay to acquire the entire company or what they think the value of the company should be in the stock market.

Global Trust's portfolio managers generally will invest in securities of companies that are trading significantly below their estimate of the company's current worth in an attempt to reduce the risk of overpaying for such companies. Seeking long-term growth of capital, they also evaluate the prospects for the market price of the company's securities to increase over a two- to five-year period toward this estimate.

Royce's value approach strives to reduce some of the other risks of investing in the securities of smaller companies (for the Fund's portfolio taken as a whole) by evaluating other risk factors. For example, its portfolio managers generally attempt to lessen financial risk by buying companies with strong balance sheets and low leverage.

While there can be no assurance that this risk-averse value approach will be successful, Royce believes that it can reduce some of the risks of investing in micro-cap, small-cap and mid-cap companies, which are inherently fragile in nature and whose securities have substantially greater market price volatility.

Although Royce's approach to security selection seeks to reduce downside risk to the Fund's portfolio, especially during periods of broad smaller-company stock market declines, it may also potentially have the effect of limiting gains in strong smaller-company up markets.

Temporary Investments. Global Trust may invest without limit in short-term fixed income securities for temporary defensive purposes. If Global Trust should implement a temporary investment policy, it may not achieve its investment goal while that policy is in effect. Global Trust also may invest in short-term fixed income securities in order to invest uncommitted cash balances or to maintain liquidity.

Investing in Non-U.S. Securities. Royce believes that investing in foreign securities offers both enhanced investment opportunities and additional risks beyond those present in U.S. securities. Investing in foreign securities may provide increased diversification by adding securities from various foreign countries (i) that offer different investment opportunities, (ii) that generally are affected by different economic trends and (iii) whose stock markets may not be correlated with U.S. markets. At the same time, these opportunities and trends involve risks that may not be encountered in U.S. investments.

The following considerations comprise both risks and opportunities not typically associated with investing in U.S. securities: fluctuations in exchange rates of foreign currencies; possible imposition of exchange control regulations or currency restrictions that would prevent cash from being brought back to the United States; less public information with respect to issuers of securities; less government supervision of stock exchanges, securities brokers and issuers of securities; lack of uniform accounting, auditing and financial reporting standards; lack of uniform settlement periods and trading practices; less liquidity and frequently greater price volatility in foreign markets than in the United States; possible imposition of foreign taxes; the possibility of expropriation or confiscatory taxation, seizure or nationalization of foreign bank deposits or other assets, the adoption of foreign government restrictions and other adverse political, social or diplomatic developments that could affect investment; sometimes less advantageous legal, operational and financial protections applicable to foreign sub-custodial arrangements; and the historically lower level of responsiveness of foreign management to shareholder concerns (such as dividends and return on investment).

Non-Convertible Debt. Global Trust may invest up to 20% of its net assets in direct obligations of the government of the United States or its agencies, or the governments of non-U.S. countries or their agencies, and/or in non-convertible debt securities of various U.S. and non-U.S. issuers, including up to 5% of its net assets in below investment-grade debt securities, also known as high-yield fixed income securities. Such below investment-grade debt securities may be in the lowest-grade categories of recognized ratings agencies (C in the case of Moody’s Investor Service, Inc. (“Moody’s”) or D in the case of Standard & Poor’s) or may be unrated. High-yield/high-risk investments are primarily speculative and may entail substantial risk of loss of principal and non-payment of interest, but may also produce above-average returns for the Fund. Debt securities rated C or D may be in default as to the payment of interest or repayment of principal.

Developing Countries. The risks described above for foreign securities, including the risks of nationalization and expropriation of assets, are typically increased to the extent that the Fund invests in companies headquartered in developing, or emerging market, countries. Investments in securities of companies headquartered in such countries may be considered speculative and subject to certain special risks. The political and economic structures in many of these countries may be in their infancy and developing rapidly, and such countries may lack the social, political and economic characteristics of more developed countries. Certain of these countries have in the past failed to recognize private property rights and have at times nationalized and expropriated the assets of private companies. Some countries have inhibited the conversion of their currency to another. The currencies of certain developing countries have experienced devaluation relative to the U.S. dollar, and future devaluations may adversely affect the value of the Fund’s assets denominated in such currencies. Some developing countries have experienced substantial rates of inflation for many years. Continued inflation may adversely affect the economies and securities markets of such countries. In addition, unanticipated political or social developments may affect the value of the Fund’s investments in these countries and the availability to the Fund of additional investments in these countries. The small size, limited trading volume and relative inexperience of the securities markets in these countries may make the Fund's investments in such countries illiquid and more volatile than investments in more developed countries, and the Fund may be required to establish special custodial or other arrangements before making investments in these countries. There may be little financial or accounting information available with respect to companies located in these countries, and it may be difficult as a result to assess the value or prospects of an investment in such companies.

Securities Lending. Global Trust may lend up to 25% of its total assets to brokers, dealers and other financial institutions. Securities lending allows the Fund to retain ownership of the securities loaned and, at the same time, to earn additional income. Since there may be delays in the recovery of loaned securities or even a loss of rights in collateral supplied should the borrower fail financially, loans will be made only to parties that participate in a global securities lending program organized and monitored by the Fund's custodian and who are deemed by it to be of good standing. Furthermore, such loans will be made only if, in Royce's judgment, the consideration to be earned from such loans would justify the risk.

The current view of the staff of the Commission is that a Fund may engage in such loan transactions only under the following conditions: (i) the Fund must receive 100% collateral in the form of cash or cash equivalents (e.g., U.S. Treasury bills or notes) from the borrower; (ii) the borrower must increase the collateral whenever the market value of the securities loaned (determined on a daily basis at the close of regular trading) rises above the value of the collateral; (iii) after giving notice, the Fund must be able to terminate the loan at any time; (iv) the Fund must receive reasonable interest on the loan or a flat fee from the borrower, as well as amounts equivalent to any dividends, interest or other distributions on the securities loaned; (v) the Fund may pay only reasonable custodian fees in connection with the loan; and (vi) the Fund must be able to vote proxies on the securities loaned, either by terminating the loan or by entering into an alternative arrangement with the borrower.

Risk Factors

Except as noted below, Value Trust and Global Trust are generally subject to the same principal risk factors. The principal risk factors of the Funds are discussed below.

Value Trust and Global Trust

Each of Value Trust and Global Trust is subject to the following risks:

Market Risk

As with any investment company that invests in common stocks, each Fund is subject to market risk – the possibility that common stock prices will decline over short or extended periods of time. As a result, the value of an investment in the Fund's common stock will fluctuate, sometimes sharply and unpredictably, and you could lose money over short or long periods of time.

Investing in Smaller Capitalization Companies

Royce normally invests at least 65% of Value Trust’s assets in the equity securities of micro-cap and small-cap companies, or companies with market capitalizations of up to $2.5 billion. Royce expects that generally a significant portion of the Global Trust’s assets will be invested in the equity securities of micro-cap, small-cap and/or mid-cap companies with market capitalizations up to $10 billion.

Royce views the large and diverse universe of smaller companies available for investment by the Fund as having three investment segments or tiers — micro-cap, small-cap and mid-cap. Royce refers to the segment of companies with market capitalizations up to $750 million as micro-cap. Royce defines the next tier, the small-cap universe, as those companies with market capitalizations between $750 million and $2.5 billion. Finally, Royce defines mid-cap as those companies with market caps between $2.5 billion and $15 billion.

Smaller companies offer investment opportunities and additional risks. They may not be well known to the investing public, may not be significantly owned by institutional investors and may not have steady earnings growth. In addition, the securities of such companies may be more volatile in price, have wider spreads between their bid and ask prices and have significantly lower trading volumes than the securities of larger capitalization companies.

As a result, the purchase or sale of more than a limited number of shares of the securities of a smaller company may affect its market price. Royce may need a considerable amount of time to purchase or sell its positions in these securities, particularly when other Royce-managed accounts or other investors are also seeking to purchase or sell them. Accordingly, Royce’s investment focus on the securities of smaller companies generally leads it to have a long-term investment outlook of at least two years for a portfolio security.

The U.S. micro-cap segment consists of more than 3,200 companies. These companies are followed by few, if any, securities analysts, and there tends to be less publicly available information about them. Their securities generally have even more limited trading volumes and are subject to even more abrupt or erratic market price movements than are small-cap and mid-cap securities, and Royce may be able to deal with only a few market-makers when purchasing and selling micro-cap securities. Such companies may also have limited markets, financial resources or product lines, may lack management depth and may be more vulnerable to adverse business or market developments. These conditions, which create greater opportunities to find securities trading well below Royce’s estimate of the company’s current worth, also involve increased risk.

The U.S. small-cap tier consists of more than 800 companies. In this segment, there is a relatively higher level of institutional investor ownership and more research coverage by securities analysts than generally exists for micro-cap companies. This greater attention makes the market for such securities more efficient compared to micro-cap securities because they have somewhat greater trading volumes and narrower bid/ask prices.

As discussed below, Global Trust may also invest significant assets in U.S. and non-U.S. mid-cap securities.

Global Trust will invest, and Value Trust may invest, in foreign securities. The foreign smaller company market consists of more than 28,000 companies in developed countries. More information regarding investing in foreign securities is set forth below.

Selection Risk

Different types of stocks tend to shift into and out of favor with stock market investors, depending on market and economic conditions. The performance of funds that invest in value-style stocks may at times be better or worse than the performance of stock funds that focus on other types of stocks or that have a broader investment style.

Market Price of Shares

Although Value Trust Common Stock has at times traded on the NYSE at a market price above its net asset value (a premium), the Fund's shares have recently traded in the market below (a discount) net asset value. There can be no assurance that the Fund's shares will trade at a premium in the future, or that any such premium would be sustainable. The Fund's shares have traded at discounts of as much as 20.80% in the past five years. Market price risk is a risk separate and distinct from the risk that a Fund's net asset value will decrease. In the year ended December 31, 2012, Value Trust's shares traded in the market at an average discount to net asset value of 12.66%. As of March 31, 2013, the market price discount to net asset value was 10.41%. Value Trust cannot predict whether Global Trust Common Stock will trade at, below or above net asset value.

Leverage and Borrowing

Each Fund is authorized to borrow money. Borrowings create an opportunity for greater capital appreciation with respect to a Fund's investment portfolio, but at the same time such borrowing is speculative in that it will increase the Fund's exposure to capital risk. In addition, borrowed funds are subject to interest costs that may offset or exceed the return earned on the borrowed funds. See "— Risks to Common Stockholders of Borrowing Money and Issuing Senior Securities" below.

Foreign Investments

Global Trust will invest, and Value Trust may invest, in securities of foreign issuers. Value Trust may invest up to 25% of its asset in securities of issuers headquartered outside the United States. Global Trust is not subject to any limitation on investments in securities of foreign issuers, and under normal market circumstances, will invest at least 65% of its net assets in the equity securities of companies located in at least three countries outside of the United States.

Foreign investments involve certain risks which typically are not present in securities of domestic issuers. There may be less information available about a foreign company than a domestic company; foreign companies may not be subject to accounting, auditing and reporting standards and requirements comparable to those applicable to domestic companies; and foreign markets, brokers and issuers are generally subject to less extensive government regulation than their domestic counterparts. Markets for foreign securities may be less liquid and may be subject to greater price volatility than those for domestic securities. Foreign brokerage commissions and custodial fees are generally higher than those in the United States. Foreign markets also have different clearance and settlement procedures, and in certain markets there have been times when settlements have been unable to keep pace with the volume of securities transactions, thereby making it difficult to conduct such transactions. Delays or problems with settlements might affect the liquidity of a Fund’s portfolio. Foreign investments may also be subject to local economic and political risks, political, economic and social instability, military action or unrest or adverse diplomatic developments, and possible nationalization of issuers or expropriation of their assets, which might adversely affect a Fund’s ability to realize on its investment in such securities. Royce may not be able to anticipate these potential events or counter their effects. Furthermore, some foreign securities are subject to brokerage taxes levied by foreign governments, which have the effect of increasing the cost of such investment and reducing the realized gain or increasing the realized loss on such securities at the time of sale.

Although changes in foreign currency rates may adversely affect a Fund’s foreign investments, Royce does not expect to purchase or sell foreign currencies for the Funds to hedge against declines in the U.S. dollar or to lock in the value of any foreign securities they purchase. Consequently, the risks associated with such investments may be greater than if the Funds were to engage in foreign currency transactions for hedging purposes.

Exchange control regulations in such foreign markets may also adversely affect the Funds’ foreign investments, and the Funds’ ability to make certain distributions necessary to maintain their eligibility as regulated investment companies and avoid the imposition of income and excise taxes may, to that extent, be limited.

No more than 35% of Global Trust’s net assets may be invested in the securities of companies headquartered in “developing countries,” also known as emerging markets. The considerations noted above are generally intensified for investments in developing countries. See “—Developing Countries” below.

The Funds may purchase the securities of foreign companies in the form of American Depositary Receipts (“ADRs”). ADRs are certificates held in trust by a bank or similar financial institution evidencing ownership of securities of a foreign-based issuer. Designed for use in U.S. securities markets, ADRs are alternatives to the purchase of the underlying foreign securities in their national markets and currencies.

Depositories may establish either unsponsored or sponsored ADR facilities. While ADRs issued under these two types of facilities are in some respects similar, there are distinctions between them relating to the rights and obligations of ADR holders and the practices of market participants. A depository may establish an unsponsored facility without participation by (or even necessarily the acquiescence of) the issuer of the deposited securities, although typically the depository requests a letter of non-objection from such issuer prior to the establishment of the facility. Holders of unsponsored ADRs generally bear all the costs of such facilities. The depository usually charges fees upon the deposit and withdrawal of the deposited securities, the conversion of dividends into U.S. dollars, the disposition of non-cash distributions and the performance of other services. The depository of an unsponsored facility frequently is under no obligation to distribute shareholder communications received from the issuer of the deposited securities or to pass through voting rights to ADR holders in respect of the deposited securities. Depositories create sponsored ADR facilities in generally the same manner as unsponsored facilities, except that the issuer of the deposited securities enters into a deposit agreement with the depository. The deposit agreement sets out the rights and responsibilities of the issuer, the depository and the ADR holders. With sponsored facilities, the issuer of the deposited securities generally will bear some of the costs relating to the facility (such as deposit and withdrawal fees). Under the terms of most sponsored arrangements, depositories agree to distribute notices of shareholder meetings and voting instructions and to provide shareholder communications and other information to the ADR holders at the request of the issuer of the deposited securities.

Developing Countries

Generally developing countries include every country in the world other than the United States, Canada, Japan, Australia, New Zealand, Hong Kong, Singapore, South Korea, Taiwan, Bermuda and Western European countries (which include, Austria, Belgium, Denmark, France, Finland, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom). The considerations noted above in “Foreign Investments” are generally intensified for investments in developing countries. A number of developing countries restrict, to varying degrees, foreign investment in stocks. Repatriation of investment income, capital, and the proceeds of sales by foreign investors may require governmental registration and approval in some developing countries. A number of the currencies of developing countries have experienced significant declines against the U.S. dollar in recent years, and devaluation may occur subsequent to investment in these countries by the Funds. Inflation and rapid fluctuations in inflation rates have had and may continue to have negative effects on the economies and securities markets of certain developing countries. Many of the developing securities markets are relatively small or less diverse, have low trading volumes, suffer periods of relative illiquidity and are characterized by significant price volatility. Developing countries may have antiquated legal systems with existing laws and regulations that are inconsistently applied. Generally developing countries are not subject to as extensive and frequent accounting and financial reporting requirements as in the United States. Transaction costs, including brokerage commissions and dealer mark-ups in developing countries may be higher than in the United States or other developed countries. There is a risk in developing countries that a future economic or political crisis could lead to price controls, forced mergers of companies, expropriation or confiscatory taxation, seizure, nationalization, or creation of government monopolies, any of which may have a detrimental effect on the Funds’ investments.

Warrants, Rights or Options

Each of Value Trust and Global Trust may invest up to 5% of its total assets in warrants, rights and options. A warrant, right or call option entitles the holder to purchase a given security within a specified period for a specified price and does not represent an ownership interest. A put option gives the holder the right to sell a particular security at a specified price during the term of the option. These securities have no voting rights, pay no dividends and have no liquidation rights. In addition, their market prices do not necessarily move parallel to the market prices of the underlying securities.

Risks to Common Stockholders of Borrowing Money and Issuing Senior Securities

General. The 1940 Act and each Fund's fundamental policies (see "Investment Restrictions" in Appendix A to this Combined Prospectus/Proxy Statement) permit the Fund to borrow money from banks and certain other lenders and to issue and sell senior securities representing indebtedness or consisting of preferred stock if various requirements are met. Such requirements include asset coverage tests, measured immediately after the incurrence of debt or issuance or sale of securities, of 300% for indebtedness and 200% for preferred stock and, except for indebtedness to banks and certain other lenders, restrictive provisions concerning common stock dividend payments, other common stock distributions, stock repurchases and maintenance of asset coverage and giving certain senior security holders the right to elect directors in the event specified asset coverage tests are not met or dividends are not paid. The issuance and sale of senior securities allows each Fund to raise additional cash for investments. It is a speculative investment technique, involving the risk considerations of leverage and increased share price volatility.

Borrowings. The following factors could increase the investment risk and the volatility of the price of a Fund's shares of common stock: (i) leveraging exaggerates any increase or decrease in the value of the Fund's portfolio; (ii) the costs of borrowing may exceed the income from the portfolio securities purchased with the borrowed money; (iii) a decline in net asset value ("NAV") results if the investment performance of the additional securities purchased fails to cover their cost to the Fund (including any interest paid on the money borrowed); (iv) a decline in NAV could affect the ability of the Fund to make common stock dividend payments; (v) a failure to pay net investment income dividends or make capital gains distributions could result in the Fund's ceasing to qualify as a regulated investment company under the Internal Revenue Code of 1986, as amended (the "Code"), or in its having to pay certain entity level taxes even if it maintains its status as a regulated investment company (see "Taxation"); and (vi) if the asset coverage for debt securities declines to less than 300% (as a result of market fluctuations or otherwise), the Fund may be required to sell a portion of its investments when it may be disadvantageous to do so.

Preferred Stock. Preferred stock may result in higher volatility of the NAV of a Fund's common stock and potentially more volatility in the market price of the common stock. Holders of common stock will realize a higher current rate of return than if the Fund were not leveraged only so long as the Fund, after accounting for its costs and operating expenses, is able to realize a higher net return on its investment portfolio than the then current dividend rates paid on preferred stock. Similarly, since a pro rata portion of a Fund's net realized capital gains are generally payable to holders of common stock, the use of leverage will increase the amount of such gains distributed to holders of common stock. To the extent that the dividend rates on preferred stock approach the net return on the Fund's investment portfolio, the benefit of leverage to holders of common stock will be decreased. (If the dividend rates on preferred stock were to exceed the net return on the Fund's portfolio, holders of common stock would receive a lower rate of return than if the Fund were not leveraged.) Similarly, since both the cost of issuing preferred stock and any decline in the value of the Fund's investments (including investments purchased with the proceeds from preferred stock offerings) is borne entirely by holders of common stock, the effect of leverage in a declining market would result in a greater decrease in NAV to holders of common stock than if the Fund were not leveraged. Such decrease in NAV likely would be reflected in a greater decline in the market price for shares of the Fund's common stock. If a Fund is liquidated, holders of preferred stock will be entitled to receive liquidating distributions before any distribution is made to holders of the Fund's common stock. Redemption of preferred stock or insufficient investment income to make dividend payments may reduce the NAV of the common stock by requiring the Fund to liquidate a portion of its investments at a time when it may be disadvantageous to do so.

In an extreme case, a decline in NAV could affect a Fund's ability to pay dividends on its common stock. Failure to make such dividend payments could adversely affect the Fund's qualification as a regulated investment company under the Code. See "Taxation". However, each Fund intends to take all measures necessary to make such common stock dividend payments. If a Fund's current investment income is ever insufficient to meet dividend payments on either its common stock or preferred stock, the Fund may have to liquidate certain of its investments.

The class and other voting rights of issued preferred stock could make it more difficult for a Fund to take certain actions that may, in the future, be proposed by such Fund's Board of Directors and/or the holders of its common stock, such as (i) a merger, exchange of securities, liquidation or alteration of the rights of a class of the Fund's securities if such actions would be adverse to the preferred stock, (ii) converting the Fund to an open-end investment company or acting inconsistently with its fundamental investment restrictions or other fundamental policies or (iii) seeking to operate other than as an investment company.

The future issuance of any preferred stock convertible into common stock might also reduce the net income and NAV per share of the common stock upon conversion. Such income dilution would occur if the Fund could not, from the investments made with the proceeds of the preferred stock, earn an amount per share of common stock issuable upon conversion greater than the dividend required to be paid on the amount of preferred stock convertible into one share of common stock. Such NAV dilution would occur if preferred stock were converted at a time when the NAV per share of common stock was greater than the conversion price.

As of March 31, 2013, Value Trust had 70,693,385 shares of common stock issued and outstanding, with an aggregate NAV of $1,187,966,632, no outstanding preferred stock, and outstanding borrowings under a revolving credit facility of $150,000,000. As of March 31, 2013, Value Trust had asset coverage of such outstanding borrowings of 792%, calculated in accordance with the 1940 Act.

Financial Impact of Senior Securities on Common Stockholders. The costs related to the issuance and sale of senior securities such as preferred stock, including underwriting discounts, rating agency fees and offering expenses, are paid by the applicable Fund and, therefore, borne by its common stockholders. Also, the interest and dividend requirements of such senior securities will reduce the amount of and may entirely eliminate any net investment income dividends otherwise payable by the Fund to its common stockholders.

Non-Convertible Debt

Value Trust may invest up to 35% of its assets in direct obligations of the government of the United States or its agencies and/or in non-convertible debt securities of various issuers, including up to 5% of its net assets in below investment-grade debt securities, also known as high-yield fixed income securities. Global Trust may invest up to 20% of its net assets in direct obligations of the government of the United States or its agencies, or the governments of non-U.S. countries or their agencies, and/or in non-convertible debt securities of various U.S. and non-U.S. issuers, including up to 5% of its net assets in below investment-grade debt securities. There are no limits on the maturity or duration of the debt securities in which a Fund may invest.

Two of the main risks of investing in debt securities are credit risk and interest rate risk. Below investment-grade debt securities may be in the lowest-grade categories of recognized ratings agencies (C in the case of Moody’s or D in the case of Standard & Poor’s) or may be unrated. High-yield/high-risk investments are primarily speculative and may entail substantial risk of loss of principal and non-payment of interest, but may also produce above-average returns for the Fund. Debt securities rated C or D may be in default as to the payment of interest or repayment of principal. As of the date of this Combined Prospectus/Proxy Statement, interest rates are near historical lows which makes it more likely that they will increase in the future which could, in turn, result in a decline in the market value of the debt securities held by a Fund.

Global Trust

Mid-Cap Stocks

In addition to investing in securities of micro-cap and small-cap companies, Global Trust may also invest significant assets in securities of U.S. and non-U.S. mid-cap companies, which Royce defines as those companies with market capitalizations between $2.5 billion and $15 billion, a sector that includes more than 700 companies. In general, mid-caps share many of the same characteristics as those companies with market caps between $750 million and $2.5 billion. As a result, Royce normally employs a more concentrated approach when investing in these companies, holding proportionately larger positions in a relatively limited number of securities.

Certain Corporate Governance Provisions

The six Directors of Value Trust elected by the holders of Value Trust Common Stock are divided into three classes, each having a staggered term of three years. Two of the current Directors were elected by the holders of Value Trust Preferred Stock. All outstanding Value Trust Preferred Stock was redeemed on November 15, 2012; therefore, until such time, if ever, as any additional Value Trust Preferred Stock is issued and outstanding, all Directors of Value Trust will be elected by the holders of Value Trust Common Stock. Currently, Global Trust has not issued Preferred Stock; therefore all eight directors will be elected by the holders of Global Trust Common Stock until such time, if ever, as Global Trust Preferred Stock is issued and outstanding. Upon completion of the Transaction, Global Trust Directors will be divided into three classes, each having a staggered term of three years. Accordingly, it likely would take at least two years to change a majority of the Board of Directors of each Fund. Vacancies on the Global Trust Board for one or more of the classified positions may be filled by the affirmative vote of a majority of the remaining Directors, even if the remaining directors do not constitute a quorum, for the balance of the term of the class. In addition, the Bylaws of each of Value Trust and Global Trust permit stockholders to call a special meeting of stockholders only if certain procedural requirements are met and the request is made by stockholders of record entitled to cast at least a majority of the votes entitled to be cast at such a meeting. These provisions may have the effect of maintaining the continuity of management and thus may make it more difficult for the Fund's stockholders to change the majority of Directors. See "Description of Capital Stock — Certain Corporate Governance Provisions."

In addition, certain provisions of the Global Trust Charter may be regarded as "anti-takeover" provisions. Pursuant to these provisions, the affirmative vote of the holders of shares entitled to cast at least 80% of the votes entitled to be cast on the matter, each voting as a separate class, is required to authorize certain actions, including amendments to the Global Trust Charter that would be necessary to directly or indirectly convert Global Trust from a closed-end to an open-end management investment company, and to authorize certain business transactions, including the liquidation and dissolution of Global Trust or a merger, consolidation or sale of substantially all of Global Trust's assets. See "Description of Capital Stock — Certain Corporate Governance Provisions."

The provisions described above may be regarded as "anti-takeover" provisions. These provisions may have the effect of depriving common stockholders of the Funds of an opportunity to sell their shares at a premium to the prevailing market price. See "Description of Capital Stock — Certain Corporate Governance Provisions."

INVESTMENT RESTRICTIONS

Value Trust and Global Trust operate under the investment restrictions described in Appendix A. The investment practices and restrictions of each of Value Trust and Global Trust are similar except that there is no limitation on the amount of foreign securities in which Global Trust may invest whereas Value Trust is limited to investing up to 25% of its assets, determined at the time of purchase in companies headquartered outside the United States. If the stockholders approve Proposal 2 of this Combined Prospectus/Proxy Statement at the Special Meeting, a fundamental investment restriction of Value Trust, which currently states that Value Trust may not "[u]nderwrite the securities of other issuers, or invest in restricted securities unless such securities are redeemable shares issued by money market funds registered under the [Investment Company Act of 1940]," will be amended to state that Value Trust may not "[u]nderwrite the securities of other issuers, except insofar as the Fund may be deemed an underwriter under the Securities Act of 1933, as amended, in selling portfolio securities and in connection with mergers, acquisitions, spin-off transactions and other reorganization transactions involving the Fund."

MANAGEMENT

Royce & Associates, LLC ("Royce") is the investment adviser to each of Value Trust and Global Trust, and is responsible for the management of each Fund's assets. Royce has been investing in smaller-company securities with a value approach for more than 35 years. Its offices are located at 745 Fifth Avenue, New York, NY 10151.

On October 1, 2001, Royce became an indirect wholly-owned subsidiary of Legg Mason, Inc. ("Legg Mason"). On March 31, 2002, Royce's corporate predecessor was merged into Royce Holdings, LLC (a wholly-owned subsidiary of Legg Mason), which then changed its name to Royce & Associates, LLC. As a result of this merger, Royce & Associates, LLC became Value Trust's investment adviser and a direct wholly-owned subsidiary of Legg Mason. Founded in 1899, Legg Mason is a publicly-held financial services company primarily engaged in providing asset management, securities brokerage, investment banking and related financial services through its subsidiaries. As of March 31, 2013, Legg Mason's asset management subsidiaries had aggregate assets under management of approximately $665 billion.

Under each of Value Trust's articles of incorporation, as amended and supplemented (the "Value Trust Charter") and the Global Trust Charter (each of the Value Trust Charter and the Global Trust Charter, a "Charter"), and Maryland law, each Fund's business and affairs are managed under the direction of its Board of Directors. Investment decisions for each Fund are made by Royce, subject to any direction it may receive from the Fund's Board of Directors, which periodically reviews the Funds' investment performance.

Royce (i) determines the composition of each Fund's portfolio, the nature and timing of the changes in it and the manner of implementing such changes, subject to any directions it may receive from the applicable Fund's Board of Directors; (ii) provides each Fund with investment advisory, research and related services for the investment of its assets; and (iii) pays expenses incurred in performing its investment advisory duties under the Investment Advisory Agreements.

Each Fund pays all administrative and other costs and expenses attributable to its operations and transactions, including, without limitation, transfer agent and custodian fees; legal, administrative and clerical services; rent for its office space and facilities; auditing; preparation, printing and distribution of its prospectuses, proxy statements, shareholder reports and notices; supplies and postage; Federal and state registration fees; Federal, state and local taxes; non-affiliated directors' fees; and brokerage commissions. Please see the Statement of Additional Information under "Administration Agreement" for more information.

Charles M. Royce, the President of Royce since its inception, and its Co-Chief Investment Officer, is the primary portfolio manager of Value Trust and Global Trust. Royce's investment staff also includes two Assistant Portfolio Managers: Christopher E. Flynn and David A. Nadel, each of whom share with Mr. Royce the day-to-day management of Value Trust and Global Trust. Mr. Flynn has been an Assistant Portfolio Manager of Value Trust since 2007, and has been a Senior Analyst at Royce since 1993. Mr. Nadel has been an Assistant Portfolio Manager of Value Trust since 2007, has been a Portfolio Manager and Senior Analyst at Royce from since 2006, was a Senior Portfolio Manager at Neuberger Berman Inc. from 2004 to 2006, and a Senior Analyst at Pequot Capital Management, Inc. from 2001 to 2003.

The Statement of Additional Information provides more information about the structure of the portfolio managers' compensation, other accounts that they manage and their ownership of shares in the Funds.

INVESTMENT ADVISORY SERVICES PROVIDED BY ROYCE

Value Trust

As compensation for its services under the Value Trust Investment Advisory Agreement, Royce receives a fee comprised of a Basic Fee and an adjustment to the Basic Fee based on the investment performance of the Fund in relation to the investment record of the S&P 600.

The Basic Fee is a monthly fee equal to 1/12 of 1% (1% on an annualized basis) of the average of Value Trust's month-end net assets applicable to common stockholders, plus the liquidation value of its preferred stock, for the rolling 60-month period ending with such month (the "performance period"). The Basic Fee for each month is increased or decreased at the rate of 1/12 of 0.05% for each percentage point that the investment performance of the Fund exceeds, or is exceeded by, the percentage change in the investment record of the S&P 600 for the performance period by more than two percentage points. The performance period for each such month is a rolling 60-month period ending with such month. The maximum increase or decrease in the Basic Fee for any month may not exceed 1/12 of 0.5%. Accordingly, for each month, the maximum monthly fee rate as adjusted for performance is 1/12 of 1.5% and is payable if the investment performance of the Fund exceeds the percentage change in the investment record of the S&P 600 by 12 or more percentage points for the performance period, and the minimum monthly fee rate as adjusted for performance is 1/12 of 0.5% and is payable if the percentage change in the investment record of the S&P 600 exceeds the investment performance of the Fund by 12 or more percentage points for the performance period. As a result, the actual investment advisory fee rate may at times be greater than the fee rate paid by many other funds.

Notwithstanding the foregoing, Royce is not entitled to receive any fee for any month when the investment performance of the Fund for the rolling 36-month period ending with such month is negative. In the event that the Fund's investment performance for such a performance period is less than zero, Royce will not be required to refund to the Fund any fee earned in respect of any prior performance period.

Royce has voluntarily committed to waive the portion of its investment advisory fee attributable to an issue of Value Trust's preferred stock for any month in which the Fund's average annual NAV total return since issuance of the preferred stock fails to exceed the applicable preferred stock's dividend rate.

A discussion regarding the basis of the Board's approval of the Value Trust Investment Advisory Agreement is available in Value Trust's semi-annual report to stockholders for the six months ended June 30, 2012.

For more information regarding the investment advisory fee of Value Trust, see "Investment Advisory and Other Services — Advisory Fee" in the Statement of Additional Information

Global Trust

As compensation for its services under the Global Trust Investment Advisory Agreement, Royce is entitled to receive a monthly fee equal to 1/12 of 1.25% (1.25% on an annualized basis) of the average of the net assets of Global Trust (which includes net assets applicable to both common stock and preferred stock, if any) for each month during the term of the agreement. Because the fee is computed based on the Fund's net assets and not on its total assets, Royce will not receive any fee in respect of those assets of the Fund equal to the aggregate unpaid principal amount of any indebtedness of the Fund. However, because preferred stock is a form of equity for these purposes, Royce will receive a fee in respect of any assets of the Fund equal to the initial liquidation preference of and any potential redemption premium for any preferred stock that may be issued and sold by the Fund.

Because Royce's fee is based on the average net assets of the Fund (including net assets applicable to both Global Trust Common Stock and Global Trust Preferred Stock), Royce would generally benefit from the Fund's issuance of Preferred Stock.

A discussion regarding the basis of the Board's approval of the Global Trust Investment Advisory Agreement will be available in Global Trust's first annual report or semi-annual report to stockholders available after the Transaction is effected and the commencement of investment operations of Global Trust.

For more information regarding the investment advisory fee of Global Trust, see "Investment Advisory and Other Services — Advisory Fee" in the Statement of Additional Information

Net Asset Value

The NAV of each of Value Trust's and Global Trust's shares of common stock is calculated at the close of regular trading on the NYSE (generally 4:00 p.m. Eastern time) every day that the NYSE is open. Each Fund makes this information available daily by telephone (800-221-4268), via its web site (www.roycefunds.com) and through electronic distribution for media publication, including major internet-based financial services web sites and portals (bloomberg.com, yahoo.com, cbsmarketwatch.com, etc.). Currently, *The Wall Street Journal*, The New York Times and Barron's publish NAVs for closed-end investment companies weekly.

The NAV per share of common stock of each of Value Trust and Global Trust is calculated by dividing the current value of the applicable Fund's total assets less the sum of all of its liabilities and the aggregate liquidation preferences of its outstanding shares of preferred stock by the number of its outstanding shares of common stock. The Fund's investments are valued based on market value or, if market quotations are not readily available, at their fair value as determined in good faith under procedures established by applicable Fund's Board of Directors. In certain cases, market value may be determined using information provided by a pricing service approved by the Board of Directors. Valuing securities at their fair values involves greater reliance on judgment than valuation of securities based on readily available market quotations. When using fair value methods to price securities, a Fund may value those securities higher or lower than another fund using not readily available market quotations or its own fair value methods to price the same securities. There can be no assurance that a Fund could obtain the fair value price assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value. Because trading hours for certain non-U.S. securities end before the close of the New York Stock Exchange (the "NYSE") (generally

4:00 p.m. Eastern time), closing market quotations may become unreliable. If between the time trading ends on a particular security and the close of the customary trading session on the NYSE, events occur that are significant and may make the closing price unreliable, the Fund may fair value the security. If an issuer-specific event has occurred during this time that, in Royce's judgment, is likely to have affected the closing price of a security, it may fair value the security. The Funds use an independent pricing service to provide fair value estimates for relevant non-U.S. equity securities on days when the U.S. market volatility exceeds a certain threshold. This pricing service uses proprietary correlations it has developed between the movement of prices of non-U.S. equity securities and indices of U.S.-traded securities, futures contracts and other indications to estimate the fair value of relevant non-U.S. securities. Each Fund values its non-U.S. securities in U.S. dollars on the basis of foreign currency exchange rates provided to the Fund by its custodian, State Street Bank and Trust Company. When fair value pricing is employed, the price of securities used by a Fund may differ from quotes or published prices for the same security. Certain bonds and other fixed income securities may be valued by reference to other securities with comparable ratings, interest rates and maturities, using established independent pricing services. Investments in money market funds are valued at net asset value per share.

DIVIDENDS, DISTRIBUTIONS AND REINVESTMENT PLAN

Value Trust's 5% Distribution Policy

Value Trust currently has a policy of paying quarterly distributions to its common stockholders. Distributions are currently being made at the annual rate of 5% of the rolling average of the prior four calendar quarter-end NAVs of Value Trust's Common Stock, with the fourth quarter distribution being the greater of 1.25% of the rolling average or the distribution required by the Code. If, for any quarterly distribution, the Fund's net investment income and net realized capital gains are less than the amount of the distribution, the difference will constitute a return of capital. Value Trust's final distribution for each calendar year will include any remaining net investment income and net realized capital gains deemed, for Federal income tax purposes, undistributed during the year, and may, but need not, include all net long-term capital gains realized during the year. If, for any calendar year, the total distributions exceed net investment income and net realized capital gains, the excess will generally be treated as a tax-free return of capital (up to the amount of the stockholder's tax basis in his or her shares). The amount treated as a tax-free return of capital will reduce the adjusted basis in the stockholder's Value Trust shares, thereby increasing the stockholder's potential gain or reducing the stockholder's potential loss on the sale of the shares. Pursuant to the requirements of the 1940 Act and other applicable laws, a notice will accompany each quarterly distribution with respect to the estimated source of the distribution made. Such distribution policy may, under certain circumstances, have certain adverse consequences to the Fund and its stockholders. In addition, in order to make such distributions, the Fund may have to sell a portion of its investment portfolio at a time when independent investment judgment might not dictate such action. The Fund's quarterly distribution policy may be changed by the Board of Directors without stockholder approval. Value Trust's current 5% Distribution Policy began in March 2011. A similar 9% distribution policy was in place from September 1997 to May 2009.

The Distribution to Value Trust Common Stockholders of Shares of Global Trust Common Stock will not Change Value Trust's 5% Distribution Policy

The assets of Value Trust will decrease pursuant to the Transaction by approximately $100 million, and since any subsequent distributions will reflect the lower net asset value of Value Trust post-Transaction, the amount payable in 2013 pursuant to the 5% Distribution Policy will be lower than if the Transaction had not occurred by an immaterial amount, assuming the Distribution of Global Trust Common Stock is excluded from the total amount distributed pursuant to the 5% Distribution Policy. However, Value Trust's Board may choose to consider all or a portion of the distribution as satisfying a portion of the 5% Distribution Policy when it considers the adjusting distribution in the fourth calendar quarter.

In the event Value Trust distributes amounts in excess of its investment company taxable income and net realized capital gain, such distributions will decrease Value Trust's total assets and, therefore, have the potential effect of increasing its expense ratio, as Value Trust's fixed expenses will become a larger percentage of Value Trust's average net assets. In addition, in order to make such distributions, Value Trust might have to sell a portion of its investment portfolio at a time when independent investment judgment might not dictate such action.

Distributions by Global Trust

Global Trust will distribute substantially all of its net investment income and net realized capital gains to stockholders at year end. The distribution policy of Global Trust may be modified from time to time by Global Trust's Board. As a regulated investment company under the Code, Global Trust will not be subjected to U.S. federal income tax on its investment company taxable income that it distributes to stockholders, provided that at least 90% of its investment company taxable income for that taxable year is distributed to its stockholders.

Distribution Reinvestment and Cash Purchase Plan

Each of Value Trust and Global Trust has adopted a Distribution Reinvestment and Cash Purchase Plan (the "Value Trust Plan" and "Global Trust Plan," respectively, and together, the "Plans"), through which net investment income dividends and capital gains and other periodic distributions are paid to common stockholders in the form of additional shares of the applicable Fund's common stock, unless a stockholder elects to receive cash as provided below. In this way, a stockholder can maintain an undiluted investment in a Fund and still allow the Fund to pay out the required distributable income. The Plans also allow registered stockholders to make optional cash purchases of shares of a Fund's common stock directly through Computershare Trust Company, N.A. ("Computershare") on a monthly basis. Plan participants are subject to a service fee of $0.75 and $2.50 for each voluntary cash purchase and sale, respectively. Although the Plans permit the assessment of per share fees of $0.05 and $0.15 in connection with voluntary purchases and sales, respectively, Royce is absorbing such per share fees through December 31, 2013. No assurance can be given that Royce will continue to absorb such per share fees after that date. Per share fees include any brokerage commissions Computershare is required to pay. These charges are deducted from amounts to be invested.

No action is required on the part of a registered common stockholder to receive a distribution in shares of common stock of Value Trust or Global Trust, as applicable. Participation in the Plans is completely voluntary and a stockholder may withdraw or resume participation in the Plan at any time without penalty by notice if received and processed by Computershare prior to the distribution record date; otherwise such withdrawal or resumption will be effective with respect to any subsequently declared distribution.

Computershare will set up an account for shares acquired through a Plan for each stockholder who has not elected to receive distributions in cash ("Participant") and hold such shares in non-certificated form. Contact information for the Plan Agent is set forth under "Custodian, Transfer Agent and Registrar."

Those common stockholders whose shares are held by a brokerage firm, bank or other financial intermediary as the stockholder of record should contact the brokerage firm, bank or other financial institution as applicable, to be certain that it is automatically reinvesting distributions on the stockholder's behalf. If they are unable to reinvest distributions on the stockholder's behalf, the stockholder should have its shares registered in its name in order to participate. Common stockholders holding shares through a financial intermediary may receive distributions in cash by notifying their broker or other financial intermediary. Each of Value Trust and Global Trust uses only newly-issued shares to implement the distribution reinvestment portion of the Plan, whether its shares are trading at a premium or at a discount to NAV. The number of shares to be issued to a stockholder is determined by dividing the total amount of the distribution payable to you by the lower of (i) the last reported sale price of a share of the applicable Fund's common stock on the valuation date, which will normally be the fifth business day following the record date, or (ii) the net asset value per share on the valuation date, provided that neither Fund will issue new shares at a discount of more than 5% from the last reported sale price on that date.

There is no charge to common stockholders for receiving their distributions in the form of additional shares of a Fund's common stock. Computershare's fees for handling distributions in stock are paid by the applicable Fund. There are no brokerage charges with respect to shares issued directly by a Fund as a result of distributions payable in stock. If a Participant elects by written notice to Computershare to have Computershare sell part or all of the shares held by Computershare in the Participant's account and remit the proceeds to the Participant, Computershare is authorized to deduct a $2.50 service fee and a per share fee of $0.15 from the proceeds.

Stockholders who receive distributions in the form of stock are subject to the same Federal, state and local tax consequences as are stockholders who elect to receive their distributions in cash. A stockholder's basis for determining gain or loss upon the sale of stock received in a distribution from a Fund will be equal to the total dollar amount of the distribution payable to the stockholder.

TAXATION

The following discussion is a brief summary of certain United States federal income tax considerations affecting Value Trust and Global Trust and their stockholders. The discussion reflects applicable tax laws of the United States as of the date of this Combined Prospectus/Proxy Statement, which tax laws may be changed or subject to new interpretations by the courts or the Internal Revenue Service (the "IRS") retroactively or prospectively. No attempt is made to present a detailed explanation of all United States federal, state, local and foreign tax concerns affecting Value Trust and Global Trust and their stockholders, and the discussion set forth herein does not constitute tax advice. The following discussion assumes that shares of Value Trust Common Stock and Global Trust Common Stock are held as capital assets in the hands of stockholders. Investors are urged to consult their own tax advisers to determine the tax consequences to them of investing in Value Trust and Global Trust.

Taxation of Value Trust and Global Trust

Value Trust has elected to be treated and has qualified as, and intends to continue to qualify as, a regulated investment company under Subchapter M of the Code, and Global Trust intends to elect and qualify to be treated as a regulated investment company under the Code. Accordingly, each of Value Trust and Global Trust must, among other things, (i) derive in each taxable year at least 90% of its gross income from (a) dividends, interest (including tax-exempt interest), payments with respect to certain securities loans, and gains from the sale or other disposition of stock, securities or foreign currencies, or other income (including but not limited to gain from options, futures and forward contracts) derived with respect to its business of investing in such stock, securities or currencies and (b) net income derived from interests in certain “publicly traded partnerships” (as defined for United States federal income tax purposes) that derive less than 90% of their gross income from the items described in (a) above (each a “Qualified Publicly Traded Partnership”); and (ii) diversify its holdings so that, at the end of each quarter of each taxable year (a) at least 50% of the value of each Fund’s total assets is represented by cash and cash items, United States government securities, the securities of other regulated investment companies and other securities, with such other securities limited, in respect of any one issuer, to an amount not greater than 5% of the value of the Fund’s total assets and not more than 10% of the outstanding voting securities of such issuer, and (b) not more than 25% of the value of the Fund’s total assets is invested in the securities of (I) any one issuer (other than United States government securities and the securities of other regulated investment companies), (II) any two or more issuers (other than registered investment companies) in which the Fund owns 20% or more of the voting securities and that are determined to be engaged in the same business or similar or related trades or businesses or (III) any one or more Qualified Publicly Traded Partnerships.

Each of Value Trust and Global Trust’s investments in partnerships, including in Qualified Publicly Traded Partnerships, may result in each Fund being subject to state, local or foreign income, franchise or withholding tax liabilities.

As regulated investment companies, each of Value Trust and Global Trust generally will not be subject to United States federal income tax on income and gains that it distributes (with Value Trust’s distribution of Global Trust Common Stock constituting a distribution for this purpose) each taxable year to stockholders, provided it distributes at least 90% of the sum of the Fund’s (i) investment company taxable income (which includes, among other items, dividends, interest and the excess of any net short-term capital gains over net long-term capital losses and other taxable income other than any net capital gain (as defined below) reduced by deductible expenses) determined without regard to the deduction for dividends and distributions paid and (ii) its net tax-exempt interest (the excess of its gross tax-exempt interest over certain disallowed deductions). Each of Value Trust and Global Trust intends to distribute at least annually substantially all of such income.

Amounts not distributed on a timely basis in accordance with a calendar year distribution requirement are subject to a nondeductible 4% excise tax at the Fund level. To avoid the tax, each of Value Trust and Global Trust must distribute during each calendar year an amount at least equal to the sum of (i) 98% of its ordinary income (not taking into account any capital gains or losses) for the calendar year, (ii) 98.2% of its capital gains in excess of its capital losses (adjusted for certain ordinary losses) for a one-year period generally ending on October 31 of the calendar year (unless an election is made to use the Fund's fiscal year), and (iii) certain undistributed amounts from previous years on which the Fund paid no United States federal income tax. While each Fund intends to distribute any income and capital gains in the manner necessary to minimize imposition of the 4% excise tax, there can be no assurance that sufficient amounts of a fund's taxable income and capital gains will be distributed to avoid entirely the imposition of the tax. In that event, each Fund will be liable for the tax only on the amount by which it does not meet the foregoing distribution requirement.

If for any taxable year either of Value Trust or Global Trust does not qualify as a regulated investment company, all of its taxable income (including its net capital gain) will be subject to tax at regular corporate rates without any deduction for distributions to stockholders.

Value Trust currently has a policy of paying quarterly distributions to its common stockholders. Distributions are currently being made at the annual rate of 5% of the rolling average of the prior four calendar quarter-end NAVs of the Fund's Common Stock, with the fourth quarter distribution being the greater of 1.25% of the rolling average or the distribution required by the Code. If, for any quarterly distribution, Value Trust's net investment income and net realized capital gains are less than the amount of the distribution, the difference will constitute a return of capital. Value Trust's final distribution for each calendar year will include any remaining net investment income and net realized capital gains deemed, for Federal income tax purposes, undistributed during the year, and may, but need not, include all net long-term capital gains realized during the year. If, for any calendar year, the total distributions exceed the Fund's earnings and profits, the excess will generally be treated as a tax-free return of capital (up to the amount of the stockholder's tax basis in his or her shares). The amount treated as a tax-free return of capital will reduce the adjusted basis in the stockholder's Value Trust shares, thereby increasing the stockholder's potential gain or reducing the stockholder's potential loss on the sale of the shares.

Taxation of Stockholders

Distributions paid to investors by each of Value Trust and Global Trust from its investment company taxable income are generally taxable to investors as ordinary income to the extent of the distributing Fund's earnings and profits. Subject to certain requirements, if such distributions include "qualified dividend income," "net capital gains" or both, and if the distributing Fund properly reports such amounts to its stockholders, then (i) in the case of individual stockholders, the "qualified dividend income" and "net capital gains" will be subject to a maximum tax rate of 15% for individuals with no more than $400,000 of income ($450,000 if married filing jointly) and a maximum tax rate of 20% for any portion of the net capital gains and qualified dividend income that exceeds those income thresholds, and (ii) in the case of corporate stockholders, the qualified dividend income will be subject to the dividends received deduction (both long-term and short-term capital gains are taxable to corporate stockholders at the rates that apply to ordinary income). Taxable distributions of net capital gains will include net capital gains credited to the investors but retained by the Fund.

“Qualified dividend income” is, in general, dividend income from taxable domestic corporations and certain foreign corporations (for example, foreign corporations incorporated in a possession of the United States or in certain countries with a qualified comprehensive tax treaty with the United States, or whose stock with respect to which such dividend is paid is readily tradable on an established securities market in the United States). “Net capital gains,” are equal to the excess of a Fund’s net long-term capital gains over its net short-term capital losses. Value Trust and Global Trust will furnish investors with written statements reporting the amount of any distributions that should be treated as qualified dividend income, capital gain dividends or otherwise.

Distributions in excess of a Fund’s earnings and profits will first reduce the adjusted tax basis of the shares held by an investor and, after such adjusted tax basis is reduced to zero, will constitute capital gains to the investor.

The sale, exchange, redemption or other disposition of common or preferred shares of each of Value Trust and Global Trust will generally result in capital gain or loss to an investor, and will be long-term capital gain or loss if the shares have been held for more than one year at the time of sale. Any loss upon the sale or exchange of fund shares held for six months or less, however, will be treated as long-term capital loss to the extent of any distributions of net capital gains received (or deemed received) by an investor. A loss realized on a sale or exchange of shares of Value Trust or Global Trust will be disallowed if other substantially identical shares of the same Fund are acquired (whether through the automatic reinvestment of dividends or otherwise) within a 61-day period beginning 30 days before and ending 30 days after the date that the shares are disposed of. In such case, the basis of the shares acquired will be adjusted to reflect the disallowed loss.

Investors that are individuals, estates and certain trusts are subject to an additional 3.8% tax on all or a portion of their “net investment income,” which may include the taxable distributions and any gain realized with respect to a Fund’s common or preferred shares, to the extent of their net investment income that, when added to their other modified adjusted gross income, exceeds $200,000 for an unmarried individual, $250,000 for a married taxpayer filing a joint return (or a surviving spouse), or $125,000 for a married individual filing a separate return. Stockholders are encouraged to consult their tax advisors with respect to the 3.8% Medicare tax.

If Value Trust or Global Trust pays a distribution in January that was declared in the previous October, November or December to stockholders of record on a specified date in one of such months, then such distribution will be treated for tax purposes as being paid by the distributing Fund and received by its stockholders not later than December 31 of the year in which the distribution was declared.

Each of Value Trust and Global Trust is required in certain circumstances to backup withhold on taxable distributions and certain other payments paid to non-corporate holders of the Fund’s shares who do not furnish Value Trust and Global Trust with their correct taxpayer identification number (in the case of individuals, their social security number) and certain certifications, or who are otherwise subject to backup withholding. Backup withholding is not an additional tax. Any amounts withheld from payments made to such holders may be refunded or credited against their United States federal income tax liability, if any, provided that the required information is furnished to the IRS.

Distributions may be subject to additional state, local, and foreign taxes, depending on each stockholder's particular situation.

Non-U.S. stockholders may be subject to U.S. tax rules that differ significantly from those summarized above, including the likelihood that ordinary income dividends distributed to them will be subject to withholding of U.S. tax at a rate of 30% (or a lower treaty rate, if applicable). In addition, a 30% withholding tax may be imposed on distributions paid after December 31, 2013 and sales proceeds received after December 31, 2016 to (i) certain foreign financial institutions and investment funds, and (ii) certain other foreign entities. To avoid withholding, foreign financial institutions and investment funds will generally need to either (a) collect and report to the IRS detailed information identifying their U.S. accounts and U.S. account holders, comply with due diligence procedures for identifying U.S. accounts and withhold tax on certain payments made to noncomplying foreign entities and account holders or (b) if an intergovernmental agreement is entered into and implementing legislation is adopted, comply with the agreement and legislation. Other foreign entities will generally need to either provide detailed information identifying each substantial U.S. owner or certify there are no such owners.

Non-U.S. investors are encouraged to consult their own tax advisers regarding U.S. federal, state, local and foreign tax considerations.

The foregoing is a general and abbreviated summary of the provisions of the Code and the Treasury regulations in effect as they directly govern the taxation of Value Trust and Global Trust and each of their stockholders. These provisions are subject to change by legislative or administrative action, and any such change may be retroactive. A more complete discussion of the tax rules applicable to Value Trust and Global Trust and each of their stockholders can be found in "Taxation" in the Statement of Information. Stockholders are urged to consult their tax advisers regarding specific questions about United States federal, foreign, state, local income or other taxes.

CUSTODIAN, TRANSFER AGENT AND REGISTRAR

State Street Bank and Trust Company, Two Heritage Drive, North Quincy, Massachusetts 02171, acts as custodian of the cash and other assets of each Fund. Computershare Trust Company, N.A., PO Box 43010, Providence, RI 02940-3010, acts as transfer agent and registrar for each Fund's shares and as Plan Agent under its Plan. Stockholder inquiries should be directed to [Name of Fund], c/o Computershare, PO Box 43010, Providence, RI 02940-3010, telephone (800) 426-5523.

DESCRIPTION OF CAPITAL STOCK

Value Trust

General

Value Trust, which was incorporated under the laws of the State of Maryland on July 1, 1986, is authorized to issue 150,000,000 shares of common stock, par value $0.001 per share. Each share of common stock has equal dividend, distribution and liquidation rights and is entitled to one vote per share on each matter submitted to a vote of common stockholders. The shares of Value Trust Common Stock outstanding are fully paid and non-assessable. Shares of Value Trust Common Stock are not redeemable and have no preemptive, exchange, conversion or cumulative voting rights. As a NYSE-listed company, and under Maryland law due to its classified board, Value Trust is required to hold annual meetings of its stockholders.

Under the Value Trust Charter, the Value Trust Board has authority to classify and reclassify any authorized but unissued shares of stock into other classes or series of stock, including preferred stock, and to cause the Fund to issue such shares. The Value Trust Board currently has authority to cause the Fund to issue and sell up to 50,000,000 shares of preferred stock, $0.001 par value per share, that may be convertible into shares of the Fund's common stock. The terms of such preferred stock are, or would be, fixed by the Board of Directors and materially limit and/or qualify, or would materially limit and/or qualify, the rights of the holders of the Fund's common stock. See "Investment Goals and Policies of Value Trust and Global Trust — Risk Factors — Value Trust and Global Trust — Risks to Common Stockholders of Borrowing Money and Issuing Senior Securities."

The following table shows the number of shares of (i) capital stock authorized and (ii) capital stock outstanding for each class of authorized securities of Value Trust as of March 31, 2013.

Title of Class	**Amount Authorized**	**Amount Held by Value Trust or for its Own Account**	**Amount Outstanding**
Common Stock, $0.001 par value per share	150,000,000	0	70,693,385
Preferred Stock	50,000,000	0	0

Value Trust Common Stock

Net Asset Values and Sales Prices. Value Trust's shares of common stock are publicly held and are listed and traded on the NYSE under the symbol "RVT." The following table sets forth for the periods indicated the high and low sales prices on the NYSE per share of Common Stock of the Fund, the NAV per share on the dates of the market highs and lows and the number of shares traded.

	Market Price Per Share and Related Discount (-)/Premium (+)[1],[2]				Net Asset Value on Date of Market High and Low[3]		Reported NYSE Volume
Quarter ended	High	Disc	Low	Disc	High	Low	
March 31, 2011	$15.57	-12.72%	$14.34	-13.98%	$17.84	$16.67	15,924,224
June 30, 2011	$15.85	-13.95%	$14.11	-13.49%	$18.42	$16.31	10,499,515
September 30, 2011	$15.42	-13.18%	$11.08	-12.27%	$17.76	$12.63	14,788,724
December 31, 2011	$13.00	-14.92%	$10.57	-11.92%	$15.28	$12.00	11,977,091
March 31, 2012	$14.29	-12.44%	$12.27	-13.47%	$16.32	$14.18	12,023,013
June 30, 2012	$14.05	-12.84%	$11.99	-11.45%	$16.12	$13.54	9,326,404
September 30, 2012	$13.32	-14.01%	$12.12	-11.66%	$15.49	$13.72	8,502,186
December 31, 2012	$13.43	-13.02%	$12.26	-14.27%	$15.44	$14.30	11,422,006
March 31, 2013	$15.06	-10.41%	$13.42	-12.86%	$16.81	$15.40	11,284,306

As evidenced by the above table, for the period indicated, Value Trust Common Stock traded in the market below NAV.

There can be no assurance that the Value Trust Common Stock will trade in the future at, above or below NAV. The average weekly trading volume of Value Trust Common Stock on the NYSE during the period from January 1, 2012 through December 31, 2012 was 794,056.87 shares. The average weekly trading volume of the Common Stock on the NYSE during the period from January 1, 2013 through March 31, 2013 was 886,907.62 shares. Value Trust's shares of common stock have traded in the market at both premiums to and discounts from net asset value. Over Value Trust's approximately twenty-seven year history, the range fluctuated from a 17.61% premium in 2006 to a 23.57% discount in 1987. Beginning in September 2008, the net asset value of Value Trust exceeded the market price and this discount continued through March 31, 2013. The net asset value of Value Trust has exceeded the market price during 2012 with an average discount of 12.66%. As of March 31, 2013, the closing market price of Value Trust was a 10.41% discount to net asset value.

Global Trust

General

Global Trust, which was incorporated under the laws of the State of Maryland on February 14, 2011, is authorized to issue 150,000,000 shares of common stock, par value $0.001 per share. Each share of common stock has equal dividend, distribution and liquidation rights and is entitled to one vote per share on each matter submitted to a vote of common stockholders. When issued, the Global Trust Common Stock distributed in the Transaction will be fully paid and non-assessable. Global Trust Common Stock is non-redeemable and has no preemptive, exchange, conversion or cumulative voting rights. As a NYSE-listed company, the Fund will be required to hold annual meetings of its stockholders.

Under the Global Trust Charter, the Global Trust Board has sole authority to classify and reclassify any authorized but unissued shares of stock into other classes or series of stock, including preferred stock, and to cause Global Trust to issue such shares. The Global Trust Board has authority to cause the Fund to issue and sell up to 50,000,000 shares of preferred stock, $0.001 par value per share, that may be convertible into shares of Global Trust Common Stock. The terms of such Global Trust Preferred Stock are, or would be, fixed by the Global

Trust Board and materially limit and/or qualify, or would materially limit and/or qualify, the rights of the holders of Global Trust Common Stock. See "Investment Goals and Policies of Value Trust and Global Trust — Risk Factors — Value Trust and Global Trust — Risks to Common Stockholders of Borrowing Money and Issuing Senior Securities."

As permitted by Maryland law, the Global Trust Charter provides that a majority of the entire Board of Directors, without any action by the stockholders, may amend the Global Trust Charter from time to time to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that Global Trust has authority to issue.

Under the 1940 Act, Global Trust is permitted to have outstanding more than one series of preferred stock so long as no single series has priority over another series as to the distribution of assets of the Fund or the payment of dividends. Holders of the Fund's preferred stock do not have preemptive rights to purchase any shares of preferred stock that might be issued.

The following table shows the number of shares of (i) capital stock authorized and (ii) capital stock outstanding for each class of authorized securities of Global Trust as of March 31, 2013.

Title of Class	**Amount Authorized**	**Amount Outstanding**
Common Stock, $0.001 par value per share	150,000,000	0
Preferred Stock, $0.001 par value per share	50,000,000	0

Repurchases of Securities

Each of Value Trust and Global Trust is a closed-end diversified management investment company and, as such, its stockholders do not, and will not, have the right to redeem their shares of the Fund. Although neither Value Trust nor Global Trust will offer to repurchase its shares of common stock and/or preferred stock on a periodic basis, it may repurchase its shares of common stock and/or preferred stock on such occasions when it is deemed advisable by the Fund. Each Fund's Board of Directors has authorized the open-market repurchase of up to 5% of the issued and outstanding shares of its common stock. Under the 1940 Act, each of Value Trust and Global Trust may repurchase its securities (i) on a securities exchange or such other open market designated by the Commission (provided that the Fund has, in the case of purchases of its stock, informed holders of the class of stock involved within the preceding six months of its intention to repurchase such stock), (ii) by a tender offer open to all holders of the class of securities involved or (iii) as otherwise permitted by the SEC. Where a repurchase of shares of a Fund is to be made that is not to be effected on a securities exchange or an open market or by the making of a tender offer, the 1940 Act provides that certain conditions must be met regarding, among other things, distribution of net income, identity of the seller, price paid, brokerage commissions, prior notice to holders of the class of its securities involved of an intention to purchase such securities and the purchase not being made in a manner or on a basis which discriminates unfairly against the other holders of such class.

Each of Value Trust and Global Trust may incur debt, in an amount not exceeding 10% of its total assets, to finance share repurchase transactions. Any related interest charges will be paid by the applicable Fund and borne pro rata by the stockholders indirectly through their interest in the Fund. See “Investment Goals and Policies of Value Trust and Global Trust — Risk Factors — Value Trust and Global Trust — Risks to Common Stockholders of Borrowing Money and Issuing Senior Securities.”

If a Fund repurchases its shares of common stock for a price below their NAV, the NAV of those shares of Common Stock that remain outstanding would be enhanced, but this does not necessarily mean that the market price of those outstanding shares would be affected, either positively or negatively. Repurchases of shares of Common Stock by a Fund would also decrease its total assets and accordingly may increase its expenses as a percentage of average net assets. Further, interest on any borrowings to finance any such share repurchase transactions would reduce the Fund’s net income.

Rights Offerings

Value Trust has and may in the future, and Global Trust may in the future, and at their discretion, choose to make rights offerings from time to time for a number of shares and on terms that may or may not be similar to any of Value Trust’s previous offers. Any such future rights offering will be made in accordance with the 1940 Act. Under the laws of Maryland, the state in which each of Value Trust and Global Trust was incorporated, the Board of each Fund is authorized to approve rights offerings without obtaining stockholder approval. The staff of the Commission has interpreted the 1940 Act as not requiring stockholder approval of a transferable rights offering at a price below the then current net asset value so long as certain conditions are met, including (i) a good faith determination by a fund’s Board that such offering would result in a net benefit to existing stockholders; (ii) the offering fully protects stockholders’ preemptive rights and does not discriminate among stockholders (except for the possible effect of not offering fractional rights); (iii) management uses its best efforts to ensure an adequate trading market in the rights for use by stockholders who do not exercise such rights; and (iv) the ratio of a transferable rights offering does not exceed one new share for each three rights held.

Certain Corporate Governance Provisions

The six Directors of Value Trust who were elected by the holders of Value Trust Common Stock are divided into three classes, each having a staggered term of three years. Two of the current Directors were elected by the holders of Value Trust Preferred Stock. All outstanding Value Trust Preferred Stock was redeemed on November 15, 2012; therefore, until such time, if ever, as any additional Value Trust Preferred Stock is issued and outstanding, all Directors of Value Trust will be elected by the holders of Value Trust Common Stock. Currently, Global Trust has not issued Preferred Stock; therefore all eight directors will be elected by the holders of Global Trust Common Stock until such time, if ever, as Global Trust Preferred Stock is issued and outstanding. Upon completion of the Transaction, Global Trust Directors will be divided into three classes, each having a staggered term of three years (except, to ensure that the term of a class of Global Trust’s Directors expires each year, one class of Global Trust’s Directors will serve an initial one-year term and three-year terms thereafter and another class of its Directors will serve an initial two-year term and three-year terms thereafter).

Each year the term of one class of Directors will expire. Accordingly, only those Directors in one class may be changed in any one year, and it would require a minimum of two years to change a majority of the Global Trust Board. Such system of electing Directors may have the effect of maintaining the continuity of management and, thus, make it more difficult for the stockholders of that Fund to change the majority of Directors. Vacancies on the Board of Directors may be filled by a majority of the remaining Directors, even if the remaining directors do not constitute a quorum, for the balance of the term of the class.

The class and other voting rights of any preferred stock that may be issued could make it more difficult for a Fund to take certain actions that may, in the future, be proposed by the Board of Directors and/or the holders of common stock, such as (i) a merger, exchange of securities, liquidation or alteration of the rights of a class of the Fund's securities if such actions would be adverse to the preferred stock, (ii) converting the Fund to an open-end investment company or acting inconsistently with its fundamental investment restrictions or other fundamental policies or (iii) seeking to operate other than as an investment company.

The Global Trust Charter provides that the affirmative vote of the holders of shares entitled to cast at least 80% of the votes entitled to be cast on the matter (a "Supermajority Vote"), each voting as a separate class, is generally required to authorize certain transactions ("Extraordinary Transactions"). Such matters include (i) amending the Charter to make Global Trust's common stock a "redeemable security" or to convert Global Trust from a "closed-end company" to an "open-end company," (ii) any liquidation or dissolution of Global Trust and any amendment to the Charter to effect such a liquidation or dissolution, (iii) any merger, consolidation, share exchange or sale or exchange of all or substantially all of the assets of Global Trust, (iv) certain amendments to the Global Trust Charter and (v) any transaction between Global Trust and a person, or group of persons acting together (including, without limitation, a "group" for purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended (the "1934 Act"), or any successor provision), and any person controlling, controlled by or under common control with any such person or member of such group, that is entitled to exercise or direct the exercise, or acquire the right to exercise or direct the exercise, directly or indirectly, other than solely by virtue of a revocable proxy, of one-tenth or more of the voting power in the election of directors generally.

Extraordinary Transactions can also be accomplished by an affirmative vote of the holders of a majority of the votes entitled to be cast, rather than a Supermajority Vote, if the Continuing Directors (as defined below), by a vote of at least two-thirds of such Continuing Directors, in addition to approval by the Global Trust Board, approve such proposal, transaction or amendment. For transactions discussed in clause (v) of the immediately preceding paragraph, no stockholder approval will be required provided (i) such transaction is approved by the Continuing Directors, by a vote of at least two-thirds of such Continuing Directors, and (ii) applicable state law or another provision of the Charter or Bylaws do not otherwise requires such approval. "Continuing Directors" means (i) current Directors of the Global Trust Board, (ii) those nominated for election by the stockholders or whose election by the directors to fill vacancies on the Global Trust Board is approved by a majority of the Directors of the Global Trust Board, and (iii) any successor directors whose nomination for election by the stockholders or whose election by the directors to fill vacancies is approved by a majority of the Continuing

Directors or successor Continuing Directors, who are on the Global Trust Board at the time of the nomination or election, as applicable.

A director of Value Trust may be removed only with cause by a vote of a majority of the votes entitled to be cast for the election of such director. A director of Global Trust may only be removed for cause and only by the affirmative vote of at least two-thirds of the votes entitled to be cast generally in the election of directors.

Each Fund's By-laws permit stockholders to call a special meeting of stockholders only if certain procedural requirements are met and the request is made by stockholders entitled to cast at least a majority of the votes entitled to be cast at such a meeting. Each Fund's By-laws also require that advance notice be given to the Fund in the event a stockholder desires to nominate a person for election to the Board of Directors or to transact any other business at an annual meeting of stockholders. With respect to an annual meeting of stockholders, notice of any such nomination or business must be delivered to or received at the principal executive offices of the applicable Fund not less than 90 calendar days nor more than 120 calendar days prior to the anniversary of the date of mailing of the notice for the preceding year's annual meeting (subject to certain exceptions) for Value Trust, and not earlier than the 150th day nor later than 5:00 p.m., eastern time, on the 120th day prior to the first anniversary of the date of the mailing of the proxy statement for the preceding year's annual meeting for Global Trust. However, in connection with Global Trust's first annual meeting, notice by the stockholder must be so delivered no earlier than the 150th day prior to the date of such annual meeting and not later than 5:00 p.m., eastern time, on the later of the 120th day prior to the date of such annual meeting, as originally convened, or the tenth day following the day on which public announcement of the date of the annual meeting is first made. Any advance notice by a stockholder must be accompanied by certain information as provided in the By-laws.

Certain provisions of the 1940 Act and the Charters require a separate additional vote of the holders of preferred stock, if any, to approve certain transactions, including certain mergers, asset dispositions and conversion of the Fund to open-end status.

The provisions of the Charters and Bylaws (the "Governing Documents") of Value Trust and Global Trust described above may be regarded as "anti-takeover" provisions. The provisions could have the effect of depriving the owners of shares in either Fund of opportunities to sell their shares at a premium over prevailing market prices, by discouraging a third party from seeking to obtain control of either Value Trust or Global Trust in a tender offer or similar transaction. The overall effect of these provisions is to render more difficult the accomplishment of a merger or the assumption of control by a principal stockholder.

Reference is made to the Governing Documents of Value Trust and Global Trust, on file with the Commission, for the full text of these provisions. See "Further Information."

Indemnification of Directors and Officers

The By-laws of each of Value Trust and Global Trust provide that the Fund will indemnify its Directors and officers and may indemnify its employees or agents against liabilities and expenses incurred in connection with litigation in which they may be involved because of their positions with the Fund, to the fullest extent permitted by law. However, nothing in the By-laws of either Value Trust or Global Trust protects or indemnifies a Director, officer, employee or agent of such fund against any liability to which such person would otherwise be subject in the event of such person's willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his or her position.

FURTHER INFORMATION

Each of Value Trust and Global Trust are subject to the informational requirements of the 1934 Act and the 1940 Act and in accordance therewith file, or will file, reports and other information with the Commission. Reports, proxy statements and other information filed by Value Trust and Global Trust with the Commission pursuant to the informational requirements of the 1934 Act and the 1940 Act can be inspected and copied at the public reference facilities maintained by the Commission, 100 F Street, N.E., Washington, D.C. 20549. The Commission maintains a web site at http://www.sec.gov containing reports, proxy and information statements and other information regarding registrants, including Value Trust and Global Trust, that file electronically with the Commission.

Value Trust Common Stock is listed on the NYSE. Reports, proxy statements and other information concerning Value Trust and filed with the Commission by Value Trust will be available for inspection at the NYSE, 20 Broad Street, New York, New York 10005.

Value Trust's most recent annual report, including audited financial statements for the year ended December 31, 2012, is available upon request, without charge, by writing to The Royce Funds at 745 Fifth Avenue, New York, NY 10151, by calling The Royce Funds at 800-221-4268, or via the internet at www.roycefunds.com.

It is anticipated that Global Trust Common Stock will be listed on the NYSE. Reports, proxy statements and other information concerning Global Trust and filed with the Commission by Global Trust will be available for inspection at the NYSE, 20 Broad Street, New York, New York 10005.

Statements contained in this Combined Prospectus/Proxy Statement as to the contents of any contract or other document referred to are not necessarily complete, and, in each instance, reference is made to the copy of such contract or other document filed as an exhibit to the Registration Statement, of which this Combined Prospectus/Proxy Statement forms a part, each such statement being qualified in all respects by such reference.

REQUIRED VOTE FOR PROPOSALS

Approval of the Transaction (Proposal 1) by the stockholders is to be determined by the vote of a majority of the outstanding shares of Value Trust Common Stock, as defined under the 1940 Act. Under the 1940 Act, this means that to be approved, the Transaction must receive the affirmative vote of the lesser of (1) a majority of the outstanding shares of Value Trust Common Stock, or (2) 67% or more of the shares of Value Trust Common Stock represented at the Special Meeting if more than 50% of the outstanding shares of Value Trust Common Stock are present or represented by proxy at the Special Meeting ("Majority Vote").

While Value Trust has no present intention of making any additional distributions in the form of registered investment companies other than the distribution of Global Trust shares pursuant to the Transaction as described above, the Board of Value Trust in the future could authorize such additional distributions. The Board may elect to delay or not to proceed with the Transaction notwithstanding its approval by stockholders if for any reason the Board determines that such action would be in the best interests of stockholders.

The Value Trust Board, including the Non-Interested Directors, unanimously recommends that the holders of Value Trust Common Stock vote "FOR" approval of the Transaction (Proposal 1).

Approval of the amendment of Value Trust's investment restriction (Proposal 2) is to be determined by a Majority Vote of outstanding shares of Value Trust Common Stock.

The Value Trust Board, including the Non-Interested Directors, unanimously recommends that the holders of Value Trust Common Stock vote "FOR" approval of the amendment to the investment restriction of Value Trust (Proposal 2).

The consummation of the Transaction is contingent upon stockholder approval of both the Transaction and the amended investment restriction.

SOLICITATION OF PROXIES

Solicitation of proxies is being made primarily by the mailing of this Combined Prospectus/Proxy Statement, proxy card and accompanying Notice of Special Meeting of Stockholders on or about July 8, 2013. Stockholders of Value Trust whose shares are held by nominees such as brokers can vote their proxies by contacting their respective nominee. In addition to the solicitation of proxies by mail, employees of Royce and its affiliates as well as dealers or their representatives may solicit proxies by mail, telephone, e-mail, fax or the Internet. The Funds and Royce have retained Broadridge Financial Solutions, Inc. (Broadridge), located at 1155 Long Island Avenue, Edgewood, New York 11717, a proxy solicitation firm, to assist in the distribution of proxy materials and the solicitation and tabulation of proxies. The anticipated cost of Broadridge s services in connection with the proxy is approximately $185,000.

GENERAL VOTING INFORMATION

If the enclosed proxy is properly executed and returned in time to be voted at the Special Meeting, the Value Trust Shares (as defined below) represented thereby will be voted "**FOR**" each of Proposal 1 and Proposal 2, and "**FOR**" any other matters deemed appropriate unless instructions to the contrary are marked. Any stockholder who has given a proxy has the right to revoke it at any time prior to its exercise either by attending the Special Meeting and voting his or her shares in person or by submitting a letter of revocation or a later-dated proxy to Value Trust at the above address prior to the date of the Special Meeting. Merely attending the Special Meeting without voting, however, will not revoke a previously given proxy.

A quorum of stockholders is constituted by the presence in person or by proxy of the holders of shares of stock entitled to cast a majority of the votes entitled to be cast at the Special Meeting. In the event a quorum is not present at the Special Meeting, or in the event that a quorum is present at the Special Meeting but sufficient votes to approve any of the proposed items are not received, the persons named as proxies may propose one or more adjournments of the Special Meeting to permit further solicitation of proxies. A stockholder vote may be taken on one or more of the proposals in this Combined Prospectus/Proxy Statement prior to such adjournment if sufficient votes have been received for approval and it is otherwise appropriate (or, if a quorum is present, a majority of the votes cast). If submitted to stockholders, any such adjournment will require the affirmative vote of a majority of those shares present (or, if a quorum is present, a majority of the votes cast) at the Special Meeting in person or by proxy. If a quorum is present, the persons named as proxies will vote those proxies which they are entitled to vote "**FOR**" any proposal in favor of such adjournment and will vote those proxies required to be voted "**AGAINST**" any proposal against any such adjournment. Absent the establishment of a subsequent record date and the giving of notice to the holders of record thereon, the adjourned Meeting must take place not more than 120 days after the Record Date. At such adjourned Meeting, any business may be transacted which might have been transacted at the original Meeting.

The close of business on Monday, June 24, 2013 has been fixed as the Record Date for the determination of stockholders entitled to notice of and to vote at the Special Meeting and all adjournments thereof.

Value Trust has one class of capital stock outstanding: Value Trust Common Stock. The holders of Value Trust Common Stock are entitled to one vote for each full share held and an appropriate fraction of a vote for each fractional share held. On the Record Date, there were 70,693,392 shares of Value Trust Common Stock outstanding.

The following persons were known to Value Trust to be beneficial owners or owners of record of 5% or more of its outstanding shares of Value Trust Common Stock as of the Record Date:

Name and Address of Owner	Class/Series of Stock	Amount and Nature of Ownership	Percent of Class/Series
Cede & Co.* Depository Trust Company P.O. Box #20 Bowling Green Station New York, NY 10028	Common Stock	69,241,909, Record	97.95%

* Shares held by brokerage firms, banks and other financial intermediaries on behalf of beneficial owners are registered in the name of Cede & Co.

Summary of Voting Rights on Proxy Proposals

1	To consider and vote upon a proposal to contribute a portion of Value Trust's assets (which is anticipated to consist largely or exclusively of cash, short-term fixed income instruments and unappreciated common stock and unappreciated preferred stock) having a value of approximately $100 million (approximately 8.4% of Value Trust's net assets as of March 31, 2013), to a newly-organized, diversified, closed-end management investment company, Global Trust, and to distribute to common stockholders of Value Trust, shares of Global Trust Common Stock.	Holders of Value Trust Common Stock

2	To consider and vote upon a proposal to amend an investment restriction of Value Trust, which currently states that Value Trust may not "[u]nderwrite the securities of other issuers, or invest in restricted securities unless such securities are redeemable shares issued by money market funds registered under the 1940 Act," to state that Value Trust may not "[u]nderwrite the securities of other issuers, except insofar as the Fund may be deemed an underwriter under the Securities Act of 1933, as amended, in selling portfolio securities and in connection with mergers, acquisitions, spin-off transactions and other reorganization transactions involving the Fund."	Holders of Value Trust Common Stock

BROKER NON-VOTES AND ABSTENTIONS

Under Maryland law, the only matters that may be acted on at a special meeting of stockholders are those stated in the notice of the special meeting. Accordingly, other than procedural matters relating to the Proposals, no other business may properly come before the Special Meeting. If any procedural matter is submitted to stockholders, the persons named as proxies will vote on such procedural matter in accordance with their discretion.

Abstentions or broker non-votes will not be counted as votes cast, but will be considered to be present at the Meeting for purposes of determining the existence of a quorum. Consequently, abstentions and broker non-votes will have the same effect as a vote "against" Proposal 1 and Proposal 2.

Stockholders of Value Trust will be informed of the voting results of the Meeting in Value Trust's annual report or semi-annual report to stockholders relating to the six-month period in which the Special Meeting is held.

OTHER MATTERS TO COME BEFORE THE SPECIAL MEETING

The Board of Value Trust does not intend to present any other business at the Special Meeting, nor are they aware that any stockholder intends to do so. If, however, any other matters are properly brought before the Special Meeting, the persons named in the accompanying form of proxy will vote thereon in accordance with their judgment.

IT IS IMPORTANT THAT PROXIES BE RETURNED PROMPTLY. STOCKHOLDERS WHO DO NOT EXPECT TO ATTEND THE SPECIAL MEETING ARE THEREFORE URGED TO COMPLETE, SIGN, DATE AND RETURN THE PROXY CARD AS SOON AS POSSIBLE IN THE ENCLOSED POSTAGE-PAID ENVELOPE.

APPENDIX A

INVESTMENT RESTRICTIONS

Global Trust

Listed below are Global Trust's fundamental investment policies and limitations. Unless otherwise noted, whenever an investment policy or limitation states a maximum percentage of Global Trust's assets that may be invested in any security or other asset or sets forth a policy regarding quality standards, the percentage limitation or standard will be determined immediately after or at the time of Global Trust's acquisition of the security or other asset. Accordingly, any subsequent change in values, net assets or other circumstances will not be considered in determining whether the investment complies with Global Trust's investment policies and limitations.

Global Trust's fundamental investment policies cannot be changed without approvals of the holders of a majority of the Fund's outstanding shares of common stock and preferred stock (if any), voting together as a single class, and a majority of the outstanding preferred stock (if any), voting as a separate class (which for this purpose and under the 1940 Act means the lesser of (i) 67% or more of the relevant shares of capital stock of the Fund present or represented at a meeting of stockholders, at which the holders of more than 50% of the outstanding relevant shares of capital stock are present or represented or (ii) more than 50% of the outstanding relevant shares of capital stock of the Fund).

Except for the fundamental investment restrictions set forth below, the investment policies and limitations described in this Appendix A are operating policies and may be changed by the Board of Directors of Global Trust without stockholder approval or, except as required by law, prior notice to stockholders.

Global Trust may not, as a matter of fundamental policy:

1. Issue any class of senior security, or sell any such security of which it is the issuer, except as permitted by the 1940 Act;

2. Purchase securities on margin or write call options on its portfolio securities;

3. Sell securities short;

4. Underwrite the securities of other issuers, except insofar as the Fund may be deemed an underwriter under the Securities Act of 1933, as amended, in selling portfolio securities and in connection with mergers, acquisitions, spin-off transactions and other reorganization transactions involving the Fund.

5. Invest in the securities of any one issuer (other than the United States or any agency or instrumentality of the United States) if, at the time of acquisition, the Fund would own more than 10% of the voting securities of such issuer or, as to 75% of the Fund's total assets, more than 5% of such assets would be invested in the securities of such issuer;

6. Invest more than 25% of its assets in any one industry;

7. Purchase or sell real estate or real estate mortgage loans or invest in the securities of real estate companies unless such securities are publicly-traded;

8. Purchase or sell commodities or commodity contracts;

9. Make loans, except for (a) purchases of portions of issues of publicly-distributed bonds, debentures and other securities, whether or not such purchases are made on the original issuance of such securities, (b) repurchase agreements, bank certificates of deposit and other similar securities and (c) loans of up to 25% of its assets to qualified brokers, dealers or institutions for their use relating to short sales or other securities transactions (provided that such loans are fully collateralized at all times);

10. Invest in companies for the purpose of exercising control of management;

11. Purchase portfolio securities from or sell such securities directly to any of its officers, directors, employees or investment adviser, as principal for their own accounts; or

12. Invest more than 5% of its total assets in warrants, rights and options.

Global Trust may not, as a matter of operating policy, invest more than 5% of its net assets in lower-rated (high-risk) non-convertible debt securities.

Global Trust may not, as a matter of operating policy, invest more than 35% of its net assets in the securities of companies headquartered in developing countries.

Global Trust may invest in the securities of other investment companies (open or closed-end) to the extent permitted under the 1940 Act.

If a percentage restriction is met at the time of investment, a later increase or decrease in percentage resulting from a change in the value of portfolio securities or amount of total assets is not considered a violation of any of the above restrictions.

Value Trust

The policies set forth below are fundamental policies of Value Trust and may not be changed without approvals of the holders of a majority of the Fund’s outstanding shares of common stock and preferred stock (if any), voting together as a single class, and a majority of the outstanding preferred stock (if any), voting as a separate class (which for this purpose and under the 1940 Act means the lesser of (i) 67% or more of the relevant shares of capital stock of the Fund present or represented at a meeting of stockholders, at which the holders of more than 50% of the outstanding relevant shares of capital stock are present or represented or (ii) more than 50% of the outstanding relevant shares of capital stock of the Fund).

Except for the fundamental investment policies set forth below, Value Trust does not consider its other policies, such as seeking current income, to be fundamental, and such policies may be changed by the Board of Directors of Value Trust without stockholder approval or, except as required by law, prior notice to stockholders.

Value Trust may not:

1. Issue any class of senior security, or sell any such security of which it is the issuer, except as permitted by the 1940 Act;

2. Purchase on margin or write call options on its portfolio securities;

3. Sell securities short;

4. Underwrite the securities of other issuers, or invest in restricted securities unless such securities are redeemable shares issued by money market funds registered under the 1940 Act.[1]

5. Invest more than 25% of its total assets in any one industry;

6. Purchase or sell real estate or real estate mortgage loans, or invest in the securities of real estate companies unless such securities are publicly-traded;

7. Purchase or sell commodities or commodity contracts;

8. Make loans, except for (a) purchases of portions of issues of publicly-distributed bonds, debentures and other securities, whether or not such purchases are made on the original issuance of such securities, (b) repurchase agreements with any bank that is the custodian of its assets covering U.S. Treasury and agency obligations and having a term of not more than one week and (c) loans of up to 25% of its assets to qualified brokers, dealers or institutions for their use relating to short sales or other security transactions (provided that such loans are secured by collateral equal at all times to at least 100% of the value of the securities loaned);

9. Invest in companies for the purpose of exercising control of management;

10. Purchase portfolio securities from or sell such securities directly to any of its officers, directors, employees or investment adviser, as principal for their own accounts;

11. Invest in the securities of any one issuer (other than the United States or any agency or instrumentality of the United States) if, at the time of acquisition, the Fund would own more than 10% of the voting securities of such issuer or, as to 75% of the Fund's total assets, more than 5% of such assets would be invested in the securities of such issuer; or

12. Invest more than 5% of its total assets in warrants, rights or options.

If a percentage restriction is met at the time of investment, a later increase or decrease in percentage resulting from a change in the value of portfolio securities or amount of total assets is not considered a violation of any of the above restrictions.

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[1] If Proposal 2 is approved at the Special Meeting, investment restriction 4 will replaced with the following: "Underwrite the securities of other issuers, except insofar as the Fund may be deemed an underwriter under the Securities Act of 1933, as amended, in selling portfolio securities and in connection with mergers, acquisitions, spin-off transactions and other reorganization transactions involving the Fund."

In addition to issuing and selling senior securities as set forth in No. 1 above, Value Trust may obtain (i) temporary bank borrowings (not in excess of 5% of the value of its total assets) for emergency or extraordinary purposes and (ii) such short-term credits (not in excess of 5% of the value of its total assets) as are necessary for the clearance of securities transactions. Under the 1940 Act, such temporary bank borrowings would be treated as indebtedness in determining whether or not asset coverage was at least 200% for senior securities of the Fund representing indebtedness.

Although there are no liquidity restrictions on investments made by Value Trust and the Fund may, therefore, invest without limit in illiquid securities, the Fund expects to invest only in securities for which market quotations are readily available.

ROYCE VALUE TRUST, INC.
745 Fifth Avenue
New York, NY 10151
(800) 221-4268

ROYCE GLOBAL VALUE TRUST, INC.
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PART B

STATEMENT OF ADDITIONAL INFORMATION

June 28, 2013

This Statement of Additional Information (this “SAI”) relates to the proposed contribution of a portion of the assets (which is anticipated to consist largely or exclusively of cash, short-term fixed income instruments and unappreciated common stock and unappreciated preferred stock) of Royce Value Trust, Inc. (“Value Trust’) having a value of approximately $100 million (approximately 8.4% of Value Trust’s net assets as of March 31, 2013), to a newly-organized, diversified, closed-end management investment company, Royce Global Value Trust, Inc. (“Global Trust”), and the distribution to common stockholders of Value Trust shares of common stock of Global Trust (“Global Trust Common Stock”) at an approximate rate of one (1) share of Global Trust Common Stock for every seven (7) shares of Value Trust’s common stock (“Value Trust Common Stock”). Each of Value Trust and Global Trust are referred to herein as a “Fund,” and together as the “Funds.” The contribution of such Value Trust assets to Global Trust and the subsequent distribution of the Global Trust’s shares to Value Trust common stockholders are referred to herein as the “Transaction.”

This SAI contains information which may be of interest to stockholders of Value Trust relating to the Transaction, but which is not included in the Combined Prospectus/Proxy Statement dated June 28, 2013 (the “Combined Prospectus/Proxy Statement”).

This SAI is not a prospectus, and should be read in conjunction with the Combined Prospectus/Proxy Statement. The Combined Prospectus/Proxy Statement has been filed with the Securities and Exchange Commission (the “Commission”), and is available upon request and without charge by calling call Investor Information at 1-800-221-4268.

Capitalized terms used in this SAI and not otherwise defined herein have the meanings given them in the Combined Prospectus/Proxy Statement.

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