

Our ref: Sample

(Date)

# Sample copy

Dear (Salutation)

## Fund merger for JOHCM (UK) UK Opportunities

**Account number:**

**Your financial adviser:**

I am writing to you because you are invested in the JOHCM (UK) UK Opportunities fund, provided by JOHCM Funds (UK) Limited.

JOHCM has informed us that the JOHCM (UK) UK Opportunities fund will merge into the JOHCM (UK) UK Dynamic fund on **21 March 2025**. You'll see the new fund on your valuations and statements after that date.

The merger is subject to shareholder approval. If it isn't approved, we will write to let you know.

You may want to speak to your financial adviser about the impact of the merger. Please speak to them before making any investment decisions, or if you have any questions about this change.

**If you don't have a financial adviser**, we recommend that you consider the benefits of receiving professional financial advice, which can be especially important when you need to make investment decisions. If you would like to search for an adviser in your area you can start by visiting **[quilter.com/financial-advice/find-an-adviser](https://quilter.com/financial-advice/find-an-adviser)**.

The last date we can sell from the fund before the merger will be 11:00 on 20 March 2025.

## How the merger will affect your account

- **The value of your fund holding** – The merger will not affect the value of your fund holding.
- **Direct Debits** – If you are paying into the fund by Direct Debit:
  - 1) payments up to and including 20 March 2025 will be allocated to the JOHCM (UK) UK Opportunities fund.
  - 2) any payments which are due to be collected whilst the merger is taking place will buy units proportionally across the other assets in your Direct Debit instruction. If the merging fund is the only fund in your instruction, those

payments will be allocated to cash. They will stay in cash unless you choose to switch them to another asset in future.

3) payments after the merger will be allocated to the JOHCM (UK) UK Dynamic fund.

- **Phased investment** – Instructions using the fund will automatically continue after the merger. Unless you give us an alternative choice, future transactions will be reappportioned across the other assets in your instruction, or cash if the merging fund is the only fund in your instruction.
- **Treasured assets** – if you have treasured the fund to be excluded when deducting units to meet certain scheduled payments from your account (for example charges and ongoing adviser fees), this arrangement will stop. You can arrange to treasure different assets by providing us with a new treasured asset request form.

Cash may not be suitable for your long-term investment needs. If you're happy for the amount to stay in cash, you don't need to do anything. Alternatively, you can switch the cash into an alternative asset(s) from our extensive range. Your financial adviser can give us your switch instruction, or you can switch by logging into our online Customer Centre at [quilter.com/login](https://quilter.com/login) or by sending us a switch form in the post.

### A note about cash in your account

We don't take any product or service charges on your cash balance (although the value is still included in the total value calculation for the charge). Instead, we pay you a rate of interest on cash in your account and we are paid by retaining a proportion of the interest we receive from our banking partners.

You can find more information, including the current interest rate payable and how much interest we retain, on our website at [quilter.com/interest-on-cash](https://quilter.com/interest-on-cash).

- The merger **won't change the fund's risk profile**. You can see more information about the new fund in its Key Investor Information document, available online at (URL). Please note, it may not reflect the charges applicable when accessing the fund through us.
- **Ongoing Charge Figure (OCF) / Total Expense Ratio (TER)** – The OCF/TER will change with the merger.

Fund managers apply an Annual Management Charge (AMC) for the investment management they provide. This is reflected within the daily price of the fund and not taken directly from your holdings.

The OCF/TER represents the ongoing charges for the fund, expressed as a percentage. It is the sum of the AMC and all other running costs of the fund. OCF is increasingly replacing the TER.

The table below shows the current and new AMC and OCF/TER of the fund.

|         | AMC % | OCF/TER % |
|---------|-------|-----------|
| Current | 0.63  | 0.77      |
| New     | 0.63  | 0.70      |

**Please note that none of the changes detailed in this letter affect any charges made by Quilter.**

### Why the funds are merging

UK equity funds have experienced persistent outflows over the last few years, and the merging fund has experienced significant redemptions which have reduced its economies of scale. JOHCM Funds (UK) Limited believes that these factors have limited the prospects of growing the assets under management for the fund, and that the merger is in the best interests of shareholders as investing in the receiving fund would better safeguard the long-term viability of shareholders' investments and reduce costs given economies of scale and the receiving fund's lower pricing structure.

The receiving fund is a larger fund which has a similar investment objective and performance target and - in the opinion of JOHCM - has a greater prospect of withstanding those challenges facing the UK asset management industry.

You can find more information about the old and new funds below.

**The next steps and avoiding the merger**

You do not need to take any action unless you would like to choose a new asset from our extensive range. You can switch your holding in the JOHCM (UK) UK Opportunities fund at any time up until **11:00 on 20 March 2025**. If you decide to switch into a new asset(s), please note that you will also need to update your asset choice for Direct Debit payments, if applicable.

If you have any questions about this letter, please speak to your financial adviser who will be able to help you. Alternatively, you can call or email us using the details shown and we will be happy to help. Our Customer Service Centre is open 8:30am – 5:30pm, Monday to Friday.

Yours sincerely



**Callum Earl**  
*Head of Client Services*

**Fund objectives**

| Current fund<br>JOHCM (UK) UK Opportunities  | New fund<br>JOHCM (UK) UK Dynamic  |
|--|--|
| <p><b>Fund objective:</b><br/>To achieve capital growth over a rolling seven to ten year period as well as providing income. The Sub-fund’s target is to have a return greater than the FTSE All-Share Total Return index (12pm adjusted), which is used in the calculation of performance fees.</p> <p>At least two thirds of the Sub-fund is invested in the shares of companies which are domiciled, incorporated or have a significant portion of their business in the UK. Up to 10% of the Sub-fund may be invested in the shares of non-UK listed companies. Up to one third of the Sub-fund may be held in cash, money market instruments, deposits, warrants and units in other collective investment schemes. The Sub-fund will invest in a concentrated portfolio of 20-40 companies.</p> | <p><b>Fund objective:</b><br/>To achieve capital growth over a rolling seven to ten year period as well as providing income. The Sub-fund’s target is to have a return greater than the FTSE All-Share Total Return index (12pm adjusted), which is used in the calculation of performance fees.</p> <p>At least 90% of the Sub-fund is invested in the shares of companies listed on either of the two primary markets of the London Stock Exchange: the main Market (FTSE) and the Alternative Investment Market (AIM). At all times at least 75% of the Sub-fund is invested in the shares of companies that are domiciled, incorporated or have a significant portion of their business in the UK.</p> |