

Our ref: 8910

Fund merger for TM SDL Free Spirit

I am writing to you because you are invested in the TM SDL Free Spirit fund, provided by Thesis Unit Trust Management Limited.

Thesis has informed us that the TM SDL Free Spirit fund will merge into the TM SDL UK Buffettology fund on **24 April 2026**. 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.

The last date we can sell from the fund before the merger will be 11:00 on 23 April 2026.

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.

How the merger will affect your account

- **The value of your fund holding** – The merger may affect the value of your fund holding, as explained below under the heading "Will the merger cost me anything?"
- **Direct Debits** – If you are paying into the fund by Direct Debit:
 - 1) payments up to and including 23 April 2026 will be allocated to the TM SDL Free Spirit 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 TM SDL UK Buffettology fund.
- **Phased investment** – Instructions using the fund will automatically continue after the merger. Unless you give us an alternative choice, future transactions will be reapportioned 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 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.

- 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 quilter.com/TM-SDL-freespirit. 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 not 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	0.90	1.00
New	0.95	1.00

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

Will the merger cost me anything?

Realignment costs associated with the merger will be borne by the merging fund. This is expected to be approximately 0.001% of the fund's value.

Why the funds are merging

The investment manager of both the merging and receiving fund is Sanford DeLand Asset Management Limited (SDL). In conjunction with SDL, Thisis believes that merging the funds is in the best interests of investors as it will create a larger, more viable, fund.

Due to the merging fund's current and projected level of assets under management, and that it is subject to certain minimum charges, it may soon be unviable as a standalone fund.

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

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 TM SDL Free Spirit fund at any time up until **11:00 on 23 April 2026**. 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 TM SDL Free Spirit	New fund TM SDL UK Buffettology
<p>Fund objective: To seek to maximise total returns over the long term, defined as 5 – 10 years. At least 80% of the fund will be invested within UK equities, with an emphasis on smaller and mid capitalised companies. The fund will have a concentrated portfolio of between 25 and 40 holdings when fully invested. The Investment Manager will apply the methodology of Business Perspective Investing.</p> <p>Business Perspective Investing identifies companies that exhibit criteria considered essential to the long-term success of that business, and are expected to possess strong operating franchises and experienced management teams. Investments are to be made at a valuation deemed to provide shareholder value over the intended long-term period of investment, not to be sold for short term profits.</p>	<p>Fund objective: To seek to achieve an annual compounding rate of return over the long term, defined as 5 – 10 years, which is superior to the median performance of all of the funds forming the official peer group of which the fund is part. 'Peer group' is defined as being the Investment Association sector to which the fund has been allocated (currently being the UK All Companies Sector) or to which it may be allocated in future, as determined by that body.</p> <p>Investments will be made principally in UK equities, applying the methodology of Business Perspective Investing.</p> <p>Business Perspective Investing identifies companies that exhibit criteria considered essential to the long-term success of that business, and are expected to possess strong operating franchises and experienced management teams. Investments are to be made at a valuation deemed to provide shareholder value over the intended long-term period of investment, not to be sold for short term profits.</p>