

Our ref: Sample

(Date)

Sample copy

Dear (Salutation)

HSBC GIF Russia Equity – fund closure

Account number:

Your financial adviser:

The HSBC GIF Russia Equity fund that you invest in with us is due to be liquidated on **30 July 2025**.

The fund suspended trading on 02 March 2022 following Russia's invasion of Ukraine and the resultant closure of the Russian Stock Market to most foreign investors.

HSBC has authority to liquidate a fund if a change in the economic or political situation would justify such liquidation. Given the elapsed time since the suspension, HSBC has taken the decision to liquidate the fund in the best interests of Shareholders.

The fund's net assets currently consist of two portions being the liquid assets, i.e. mainly comprised of cash held by the fund (the "Liquid Assets") and the fund's Russian securities (the "Russian Assets"). As at 30 May 2025, the fund's assets under management were valued at approximately US \$12.99 million, with the Russian Assets valued at zero and Liquid Assets valued at US \$12.99 million.

The Liquidation will initially only involve the distribution of the Liquid Assets and will not involve the disposal of any of the Russian Assets, owing to their lack of liquidity as a result of sanctions. This approach aims at ensuring the distribution of Liquid Assets to shareholders and the preservation of any potential future value of Russian Assets.

Russian Assets will continue to be held by HSBC until such Russian Assets are sold and realised. Once it becomes possible to do so, the Russian Assets will be sold, aiming to act in the best interests of shareholders.

The potential value of Russian Assets resulting from any future upturn in circumstances will be preserved, with net liquidation proceeds distributed on an ad-hoc basis and on pro-rata portion of shareholders' holdings in the fund as at the Liquidation Date.

We will provide you with further updates regarding the Russian Assets as and when we receive them from HSBC, which HSBC say will be at least annually.

How the fund closure will affect your account

You will receive cash based on the value of your holding as at the closure date. It will stay in cash until you choose a new asset. You will no longer see the fund on any statements that you may receive in the future, however, we will maintain records on our side to ensure we can pass on further distributions, if any, as and when the Russian Assets can be sold and realised.

The fund will liquidate in line with the fund group's timeframe, which could mean it will take some time for the proceeds to appear on your account.

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.

Capital gains tax – Collective Investment Account only

This is a disposal for capital gains tax purposes. Please speak to your financial adviser to understand how this may affect you.

If you have any questions about this letter, please speak to your financial adviser who will be able to help you. **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.

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