

Our ref: 8494

Fund merger for ARC TIME Property Income Feeder Trust

The ARC TIME Property Income Feeder Trust fund that you invest in as part of a model portfolio set up by your financial adviser is due to merge into the ARC TIME Property Long Income & Growth Feeder Trust.

The merger will be conducted over four separate tranches as follows:

1st tranche: expected to be in Q1 2026 representing approximately 34% of the fund
2nd tranche: expected to be in Q2 2026 representing approximately 20% of the fund
3rd tranche: expected to be in Q3 2026 representing approximately 20% of the fund
4th tranche (being the final merger tranche): expected to be in Q4 2026 representing approximately 26% of the fund

At each tranche, a percentage of your shareholding in the merging fund will be cancelled and you will receive the equivalent amount of the receiving fund's shares. Consequently, you'll continue to see holdings in the old fund on your valuations and statements as well as in the new fund until the final tranche has been completed.

We will provide updates regarding the tranches as and when further notifications are received from TIME Investments.

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

Your financial adviser will take any action that needs to be taken and, if necessary, help to address any questions you may have.

How the merger will affect your account

The merging funds were suspended by TIME Investments in March 2025 and will remain suspended during the merger process.

- **The value of your fund holding** – The merger may affect the value of your fund holding. The costs of preparing and implementing the merger including the legal costs, accounting costs and any adjourned meeting costs will be borne by the merging fund and is not expected to exceed 0.02% of the fund's value.
- **Phased investment and Rebalancing** – Any instructions using the fund will have automatically continued following the fund's suspension. These will either have bought units in your other assets proportionally, or gone into cash, depending on how your adviser set up the model portfolio. Alternatively, we would have updated the instruction if your financial adviser had provided a revised asset choice at the time following the suspension.
- **Direct Debits** – Since the fund remains suspended, Direct Debits will continue to buy units in your other assets proportionally, or go into cash, depending on how your adviser set up the model portfolio. Alternatively, we will update the instruction if your financial adviser provides a revised asset choice.
- **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. Your financial adviser will take any action that needs to be taken and help to answer any questions you may have.

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 **may 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/time-investments. Please note, it may not reflect the charges applicable when accessing the fund through us.

Why the funds are merging

In March 2025, the merging fund was temporary suspended due to higher than usual net redemptions, which were deemed unsustainable given the existing cash resources and expected timeline for disposal of assets.

Shareholders also at the time unanimously approved a resolution to amend the investment objective and policy. The changes aimed to materially reduce the fund's direct exposure to physical property assets and increase exposure to real estate investment trusts (REITs) and other more liquid property-related investments. The receiving fund already follows a similar investment objective and policy.

To date, the fund remains suspended for dealing, as there is insufficient liquidity to lift the suspension. The asset sales programme continues to seek both individual assets and portfolio sales, however ARC TIME advises that market conditions remain challenging, which has resulted in fewer buyers and those active in the market are taking longer than usual to complete transactions.

The merger has been proposed in order to expedite the transition to the revised investment strategy and address the current suspension.

Shares in the receiving fund will be available for daily dealing following the completion of each tranche, allowing investors to redeem should they wish to do so.

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

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 ARC TIME Property Income Feeder Trust	New fund ARC TIME Property Long Income & Growth Feeder Trust
<p>Fund objective: The Trust is the feeder fund to the ARC TIME Property Income PAIF, a property authorised investment fund (PAIF) whose aim is to offer Shareholders a consistent income stream with some capital growth prospects through acquiring property with long leases including commercial freehold ground rents and commercial freehold property which benefit from long leases.</p> <p>In accordance with the investment objective of the fund, capital will be invested through acquiring commercial direct property with long leases, listed property companies - including real estate investment trusts (REITS) - and other property related assets such as exchange traded funds and share of companies engaged in property and property related services.</p> <p>The fund's investment in commercial property with long leases, REITs and property-related assets is typically expected to be in the region of 80% - 90% of the fund's total assets, although this may vary as a result of factors such as market conditions.</p> <p>The fund may obtain its exposure through a combination of direct and indirect holdings with exposure across industry sectors (including but not limited to industrial, leisure, healthcare, offices and residential) and geographies.</p> <p>The fund's direct property holdings, which will typically consist of around 35% - 45% of the fund's assets, will be in property located in the UK.</p> <p>Indirect property holdings typically being listed equities, REITs and other property-related assets is expected to typically consist of around 45% of the Net Asset Value of the Fund and such investments may be in the UK or international. At least 15% of the Net Asset Value (i.e. one third of this element) of these indirect property holdings shall be held in REITs.</p> <p>The fund may invest in collective investment schemes but the ACD will not invest more than 15% of the Net Asset Value in collective investment schemes (regulated or unregulated).</p>	<p>Fund objective: The Trust is the feeder fund to the ARC TIME Property Long Income & Growth PAIF, a property authorised investment fund (PAIF) whose aim is to offer Shareholders an income return stream with some capital growth prospects.</p> <p>It is intended for around 70% of the portfolio to be invested in direct UK freehold property (which benefit from long leases) and listed UK REITs.</p> <p>The fund may also invest in other real asset backed listed UK equities and collective investment schemes but not more than 15% of the portfolio will be invested in collective investment schemes.</p> <p>The fund may also invest in non-UK securities listed on eligible securities markets.</p>