

Our ref: 8494

Fund merger for ARC TIME Property Income PAIF / Feeder Trust

I am writing to you because you are invested in one or both of the ARC TIME Property Income PAIF / Feeder Trust funds, provided by TIME Investments.

TIME Investments has informed us that the funds will merge into new funds as per the below table.

Merging fund	Receiving fund
ARC TIME Property Income PAIF	ARC TIME Property Long Income & Growth PAIF
ARC TIME Property Income Feeder Trust	ARC TIME Property Long Income & Growth Feeder Trust

The mergers 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.

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 mergers 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, as explained below under the heading "Will the merger cost me anything?"

- **Direct Debits** – If you were previously paying into the funds by Direct Debit:
 - 1) since the funds remain suspended, Direct Debits will continue to buy units in your other assets in your Direct Debit instruction. If the merging fund is the only fund in your instruction, these payments will continue to be allocated to cash. They will stay in cash unless you choose to switch them to another asset in future.
 - 2) payments after the merger (following the fourth tranche) will be allocated to the ARC TIME Property Long Income & Growth PAIF / Feeder Trust fund.

- **Phased investment** – Any instructions using the fund will have automatically continued following the funds' suspension. Unless you gave us an alternative choice at the time, future transactions will continue to be reapportioned across the other assets in your instruction, or cash if the merging fund was 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 **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.

- **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 funds.

	AMC %	OCF/TER %
Current	0.90	1.87*
New	0.85	1.43*

*This figure includes the current Property Expense Ratio

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

Will the merger cost me anything?

The costs of preparing and implementing the mergers including the legal costs, accounting costs and any adjourned meeting costs will be borne by the merging funds and is not expected to exceed 0.02% of the funds' value.

Why the funds are merging

In March 2025, both the merging funds were 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, both the PAIF and Feeder Trust funds remain 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 suspensions.

Shares in the receiving funds 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

<p>Current fund ARC TIME Property Income PAIF / Feeder Trust</p>	<p>New fund ARC TIME Property Long Income & Growth PAIF / Feeder Trust</p>
<p>Fund objective: Its investment objective is to carry on property Investment Business and to manage cash raised for investment in the Property Investment Business.</p> <p>The aim of the fund 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: Its investment objective is to carry on property Investment Business and to manage cash raised for investment in the Property Investment Business.</p> <p>The aim of the fund is to offer Shareholders an income return 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>