

Our ref: Sample

(Date)

# Sample copy

Dear (Salutation)

## Fund conversion for Schroder Blended Portfolio funds

Account number: XXXXXX

Your financial adviser: XXXXX

I am writing to you because you are invested in one or more of the below Schroder Blended Portfolio Funds (Share Class Z), provided by Schroder Units Trusts Limited.

Schroder will convert each fund into the F share class of the same fund on 22 November 2023. You'll see the new fund(s) on your valuations and statements after that date.

Current fund (share class)	New fund (share class)
Schroder Blended Portfolio 3 (Share Class Z)	Schroder Blended Portfolio 3 (Share Class F)
Schroder Blended Portfolio 4 (Share Class Z)	Schroder Blended Portfolio 4 (Share Class F)
Schroder Blended Portfolio 5 (Share Class Z)	Schroder Blended Portfolio 5 (Share Class F)
Schroder Blended Portfolio 6 (Share Class Z)	Schroder Blended Portfolio 6 (Share Class F)
Schroder Blended Portfolio 7 (Share Class Z)	Schroder Blended Portfolio 7 (Share Class F)
Schroder Blended Portfolio 8 (Share Class Z)	Schroder Blended Portfolio 8 (Share Class F)

You may want to speak to your financial adviser about the impact of the conversion. 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 funds before the conversion will be 11:00am on 22 November 2023.

## How the conversion 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 funds by Direct Debit:
  - 1) payments up to and including 22 November 2023 will be allocated to the Schroder Blended Portfolio (Share Class Z) funds.
  - 2) any payments which are due to be collected whilst the conversion is taking place will buy units proportionally across the other assets in your Direct Debit instruction. If the converting 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 conversion will be allocated to the Schroder Blended Portfolio (Share Class F) funds.
- **Phasing and Rebalancing** – Any **phased investment** or **rebalancing** instructions using the funds 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.

Cash may not be suitable for your long-term investment needs.

- The conversion **won't change the fund's risk profile.**
- **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.

	Current AMC%	New AMC %	Current OCF/TER %	New OCF/TER %
Schroder Blended Portfolio 3	0.20%	0.20%	0.53%	0.53%
Schroder Blended Portfolio 4	0.20%	0.20%	0.59%	0.59%
Schroder Blended Portfolio 5	0.20%	0.20%	0.61%	0.61%
Schroder Blended Portfolio 6	0.20%	0.20%	0.64%	0.64%
Schroder Blended Portfolio 7	0.20%	0.20%	0.65%	0.65%
Schroder Blended Portfolio 8	0.20%	0.20%	0.65%	0.65%

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

## Why the funds are converting

Schroder are making the changes to rationalise the share classes available to investors. The F share class have a longer track record than the Z share class, so the conversion will ensure that the track record is maintained. Schroder believes this will better enable investors to evaluate performance over time.

With effect from 1 December 2023, Schroder will change the share class from F accumulation to Z accumulation for consistency with the rest of their UK funds.

### Next steps and avoiding the conversion

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 Schroder Blended Portfolio (Share Class Z) funds at any time up until **11:00 am on 22 November 2023**. 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,

A handwritten signature in black ink that reads "Callum Earl". The signature is written in a cursive, slightly slanted style.

**Callum Earl**

*Head of Customer Operations*