

Our ref: Sample

(Date)

# Sample copy

Dear (Salutation)

## Fund merger for TM CRUX European

**Account number:**

**Your financial adviser:**

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

Thesis has informed us that the TM CRUX European fund will merge into the TM Lansdowne European Special Situations fund on 19 July 2024. 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.

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](https://quilter.com/financial-advice/find-an-adviser).

The last date we can sell from the fund before the merger will be 11:00 on 19 July 2024.

## 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?"
- **Rebalancing** – Any **rebalancing** 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.

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](https://quilter.com/login) or by sending us a switch form in the post.

- 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 . 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 fund.

|         | AMC % | OCF/TER % |
|---------|-------|-----------|
| Current | 0.75  | 0.94      |
| New     | 0.75  | 0.89      |

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

### Will the merger cost me anything?

The anticipated realignment costs will be borne by the fund and are estimated to be approximately 0.19% of the fund value.

### Why the funds are merging

The current investment managers of both the merging and receiving funds are in the same group, with CRUX Asset Management being the investment manager of the merging fund, and Lansdowne Partners (UK) LLP the investment manager of the receiving fund. Lansdowne acquired 100% of CRUX in August 2023.

Thesis have been reviewing with CRUX and Lansdowne the funds they operate as authorised corporate director (ACD) where Lansdowne and CRUX are the investment managers. They believe that it would be in the investors' best interests to amalgamate the funds, which have similar investment objectives and policies, to create a larger more viable fund. All Shareholders will also benefit from a lower ongoing charges figure (OCF).

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 CRUX European fund at any time up until **11:00 on 19 July 2024**. 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 Customer Operations*

## Fund objectives

| <b>Current fund<br/>TM CRUX European</b>   | <b>New fund<br/>TM Lansdowne European Special Situations</b>  |
|--|---|
| <p><b>Fund objective:</b><br/>To achieve long-term capital growth by investing primarily in equities of European companies.</p> <p>The fund will achieve the investment objective by primarily investing in European (excluding UK) domiciled companies listed on regulated European stock exchanges. The investments will be ordinary shares and other transferable securities including, but not limited to, preference shares and debt securities convertible into ordinary stocks and shares. The fund may also invest in cash, money-market instruments and deposits.</p> <p>The fund will be managed on a concentrated basis in Europe and may also invest outside of Europe if the Investment Manager believes that it should be beneficial for the fund.</p> | <p><b>Fund objective:</b><br/>To achieve capital growth, net of fees, over 5 year rolling periods by investing in equities of European (excluding the UK) companies in special situations (which may also provide an element of income).</p> <p>The fund aims to achieve the investment objective by investing 80% or more in European listed equities ((ordinary or preference shares) of which up to 5% may be in UK companies (defined as companies incorporated or domiciled in the UK) and which are in special situations). The fund may also invest in debt securities convertible into ordinary stocks and shares, cash, near cash, money-market instruments and deposits. The exposure to European listed equities may fall below 80% under difficult market conditions in which the Investment Manager believes that markets are expensive or when higher volatility is anticipated. This could include (but is not limited to) markets resulting from, or anticipating, extreme events (for example, the 2008 global financial crisis).</p> <p>The fund's portfolio will be managed on a concentrated basis, meaning the fund will hold typically between 20-40 holdings. The fund will be able to invest without restriction by market cap or sector.</p> |