

Our ref: Sample

(Date)

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Dear (Salutation)

Fund merger for Federated Hermes Multi-Strategy Credit

Account number: <<Account_Number>>

Your financial adviser: <<BRKName>>

The Federated Hermes Multi-Strategy Credit fund that you invest in as part of a model portfolio set up by your financial adviser is due to merge into the Federated Hermes Unconstrained Credit fund. The merger will take place on **23 May 2024**. You'll see the new fund on your valuations and statements after that date.

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 value of your fund holding** – the merger may affect the value of your fund holding. The merging fund may incur transaction costs associated with realigning the fund's current portfolio. The costs will be borne by the merging fund and Hermes expects these costs to be minimal.
- **Rebalancing** – Any instructions using the fund will automatically continue. These will either 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.

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.

- 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 [. Please note, it may not reflect the charges applicable when accessing the fund through us.](#)

Why the funds are merging

Following a strategic review, Hermes has determined that the merging fund has struggled to maintain economies of scale through additional inflows. According to Hermes, given the similarity in investment strategies of both the merging and receiving funds and, in light of the merging fund's smaller size, the merger would benefit investors by moving into a fund with a reduced ongoing charges figure.

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

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

Current fund Federated Hermes Multi-Strategy Credit	New fund Federated Hermes Unconstrained Credit
<p>Fund objective: The investment objective of the fund is to generate a high level of income targeting a high proportion of high yield returns while exhibiting lower volatility relative to the global high yield market.</p> <p>The fund will seek to achieve its objective over a rolling period of any five years, by investing at least 80% in a diversified portfolio of debt securities.</p>	<p>Fund objective: The investment objective of the fund is to generate capital growth and a high level of income over the long term.</p> <p>The fund will seek to achieve its objective over a rolling period of any five years, by investing at least 80% in a diversified portfolio of debt securities.</p>