

Our ref: Sample

(Date)

Sample copy

Dear (Salutation)

Fund merger for SVS Brooks Macdonald Defensive Capital

Account number: XXXXXX

Your financial adviser: XXXXXX

I am writing to you because you are invested in the SVS Brooks Macdonald Defensive Capital fund, provided by Evelyn Partners Fund Solutions Limited.

Evelyn has informed us that the SVS Brooks Macdonald Defensive Capital fund has merged into the SVS RM Defensive Capital fund on **31 October 2024**. You'll see the new fund on your valuations and statements after that date.

When a fund changes, we normally try to write to you as soon as possible, to give you time to discuss the situation with your financial adviser and decide if you need to take any action. On this occasion, we did not tell you about the event until now because we did not receive sufficient prior notification from Evelyn Partners Fund Solutions Limited. I am sorry that we did not write to you about this change sooner and for any inconvenience or concern that you have experienced because of the delay.

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 merger affected your account

- **The value of your fund holding** – The merger may have affected the value of your fund holding, as explained below under the heading "Will the merger have cost me anything?"

- **Direct Debits** – If you were paying into the fund by Direct Debit:
 - 1) payments up to and including 30 October 2024 will have been allocated to the SVS Brooks Macdonald Defensive Capital fund.
 - 2) any payments which were due to be collected whilst the merger was taking place will buy units proportionally across the other assets in your Direct Debit instruction. If the merging fund was 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 merger will be allocated to the SVS RM Defensive Capital fund.
- **Phasing and Rebalancing** – Any **phased investment** or **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.
- **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 **won't have changed the fund's risk profile**. You can see more information about the new fund in its Key Investor Information document, available online at XXXXXX. 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 has changed 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 & OCF/TER of the fund.

	AMC %	OCF/TER %
Current	0.75	0.79
New	0.73	0.80

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

Will the merger have cost me anything?

The legal costs associated with the merger were borne by the fund. Evelyn estimated these to be less than 0.01% of the fund's value.

Why the funds merged

Following a strategic review, Evelyn concluded that the merging fund was the only single-strategy fund in the Brooks Macdonald group's UK operations. They believed that the merging fund was better suited if it were managed and offered to investors by RM Capital Markets Limited, who have strong capability and experience with such single-strategy funds, as their research capability would help minimise losses and lead to better outcomes for investors.

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

The next steps

You do not need to take any action unless you would like to choose a new asset from our extensive range. 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 Client Services

Fund objectives

Current fund SVS Brooks Macdonald Defensive Capital	New fund SVS RM Defensive Capital
<p>Fund objective:</p> <p>To provide capital growth over the long term (at least five years) and positive absolute returns over rolling three year periods. Returns are not guaranteed over any time period therefore capital is at risk.</p> <p>The fund will be actively managed and will invest in a combination of assets directly or indirectly gaining exposure to a diversified portfolio of investments.</p> <p>The assets in which the fund will invest include investment trusts, transferable securities including structured notes, convertible bonds and zero-dividend preference shares (although the fund will not otherwise typically invest in shares of operating companies) and other collective investment schemes. The investment trusts in which the fund invests may be used to obtain exposure to alternative assets such as real assets, specialist lending and structured credit.</p>	<p>Fund objective:</p> <p>To preserve capital whilst looking for capital growth opportunities over the long term (at least five years) and positive absolute returns in any market conditions over rolling three year periods, net of fees. Returns are not guaranteed over any time period therefore capital is at risk.</p> <p>The fund will be actively managed and will invest in a combination of assets directly or indirectly gaining exposure to a portfolio of diversified investments, prioritising capital preservation, as such investments do not require market growth to provide a positive absolute return.</p> <p>In line with the fund's strategy to invest in a defensive range of assets, the fund will invest in transferable securities including investment trusts, structured notes, government securities, corporate bonds, convertible bonds, preference shares and zero-dividend preference shares and other collective investment schemes and exchange traded funds. The investment trusts in which the fund invests may be used to obtain exposure to alternative assets such as real assets, specialist lending and structured credit.</p>