

Our ref: Sample

(Date)

# Sample copy

Dear (Salutation)

## Fund name, investment policy and Fund Manager Fee changes

**Account number:**

**Your financial adviser:**

I am writing to you because you are invested in one or more of the following abrDn MyFolio Managed funds, provided by abrDn Fund Managers Limited.

abrDn will make amendments to the names and investment policy of the funds from 01 April 2025.

You'll see the new fund name(s) on our valuations and statements after this date.

Old fund names	New fund names
abrDn MyFolio Managed I	abrDn MyFolio Core I
abrDn MyFolio Managed II	abrDn MyFolio Core II
abrDn MyFolio Managed III	abrDn MyFolio Core III
abrDn MyFolio Managed IV	abrDn MyFolio Core IV
abrDn MyFolio Managed V	abrDn MyFolio Core V

You may want to speak to your financial adviser about the impact of these changes. Please speak to them before making any investment decisions, or if you have any questions about the 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).

### How this will affect your account

- **The value of your holding** – The changes may affect the value of your fund holding. From the effective date investments in the portfolios will begin to be bought and sold in line with the portfolio management team's views of where improved returns can be achieved by way of rebalancing the portfolios. The total cost of this rebalance will be borne by the funds.

The estimated costs of this rebalancing are detailed in the table below.

Old fund names	Estimated transaction costs as a percentage of the fund value
abrdn MyFolio Managed I	0.12%
abrdn MyFolio Managed II	0.15%
abrdn MyFolio Managed III	0.18%
abrdn MyFolio Managed IV	0.20%
abrdn MyFolio Managed V	0.24%

- **Risk profile** – The funds’ risk profiles will not change.
- **Ongoing Charge Figure (OCF) / Total Expense Ratio (TER)** - The OCF/TER for each fund will become fixed i.e. the charges will remain at the specified level until abrdn inform investors otherwise. The outcome of these changes will be a reduction in the OCF/TER for each fund, meaning the total charges investors will pay will reduce.

The OCF/TER represents the ongoing charges for the fund, expressed as a percentage. It is the sum of the Annual Management Charge (AMC) and all other running costs of the fund. The figure shown is normally the ongoing charges figure (OCF), which is increasingly replacing the total expense ratio (TER). You can find more information about how the changes will affect the OCF / TERs on the last page of this letter.

### Why the funds are changing

abrdn are making changes to the investment policy of the funds by introducing greater flexibility in relation to their asset allocation, and as a result, lowering the ongoing costs to investors.

The portfolio selection criteria as set out in the funds’ investment policy will be amended to remove (i) the limitation of a minimum of 60% investment in actively managed abrdn funds; and (ii) 40% maximum investment in passively managed funds. abrdn believes the update will allow more flexibility to the portfolio managers, who will have additional ability to allocate the funds’ assets to external funds where they see opportunities to enhance returns.

Furthermore, the removal of the maximum investment limit for investments in passively managed funds allows the portfolio management team to allocate passively where there is a view that actively managed funds are unlikely to provide better returns for investors in comparison to passively managed funds on a consistent basis.

The name changes reflect the fact that the updated investment policy will offer the broadest investment opportunity set with flexibility to invest, without any limit, in active and passive funds, which are both abrdn and externally managed funds. The funds are abrdn’s core ‘MyFolio’ offering in the context of the other MyFolio fund ranges which are tailored versions of this core offering; for example, investing mainly in passively managed funds or investing in funds with sustainability characteristics.

### The next steps

You don’t need to take any action unless you would like to choose a new asset from our extensive range. Please speak to your financial adviser before making any investment decisions or if you have any questions about this change.

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 information

This table shows the current and the new OCF/TERs once the changes have completed.

Fund Name	Current OCF/TER %	New OCF/TER %
abrdn MyFolio Managed I	0.70	0.56
abrdn MyFolio Managed II	0.69	0.59
abrdn MyFolio Managed III	0.73	0.61
abrdn MyFolio Managed IV	0.75	0.65
abrdn MyFolio Managed V	0.75	0.65

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