

Our ref: Sample

(Date)

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Dear (Salutation)

Fund merger for Ninety One UK Smaller Companies

Account number: XXXXXX

Your financial adviser: XXXXXX

The Ninety One UK Smaller Companies fund that you invest in as part of a model portfolio set up by your financial adviser is due to merge into the Ninety One UK Special Situations fund. The merger will take place on **07 March 2025**. 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.

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 cost of changing the composition of its portfolio to fit the receiving fund is expected to be approximately 0.44% of the value of the current fund.
- **Rebalancing** – Any **rebalancing** 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.
- **Direct Debits** – If you are paying into the fund by Direct Debit future payments 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.
- **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. Your financial adviser will take any action that needs to be taken and help to answer any questions you may have.

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 **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 XXXXXX. Please note, it may not reflect the charges applicable when accessing the fund through us.

Why the funds are merging

Over the last three years, the fund has significantly reduced in size (in assets under management ('AuM') terms). Future demand for the fund is expected to be low and Ninety One Fund Managers UK Limited expect it to continue to reduce in size, which would put increasing pressure on costs. On the other hand, the receiving fund's AuM has been more consistent and has grown over the last three years.

Rather than terminating your current fund, which would incur liquidation costs and have potential tax consequences for investors, Ninety One believe that it is in the interests of investors for the current fund to be merged into the receiving fund.

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 Client Services

Fund objectives

Current fund Ninety One UK Smaller Companies	New fund Ninety One UK Special Situations
<p>Fund objective: To provide capital growth (to grow the value of your investment) over at least five years.</p> <p>The fund invests primarily (at least two-thirds) in the shares of UK smaller companies and in related derivatives (financial contracts whose value is linked to the price of the shares of such UK companies).</p>	<p>Fund objective: To provide capital growth (to grow the value of your investment) and income over at least five years.</p> <p>The fund invests primarily (at least two-thirds) in the shares of UK companies (those incorporated in, domiciled in, or that have significant economic exposure to, the UK) and in related derivatives (financial contracts whose value is linked to the price of the shares of such UK companies).</p>