

## INVESTMENT ADVISER NOTIFICATION

**THIS IS A NOTIFICATION THAT AFFECTS UNIT LINKED PLANS FOR WHICH YOUR COMPANY IS APPOINTED IN THE CAPACITY OF INVESTMENT ADVISER. PLEASE PASS THIS NOTIFICATION TO THE SPECIFIC INVESTMENT ADVISER IN YOUR COMPANY WHO MANAGES THE INVESTMENT CHOICES ON RL360 PLANS, AS THEY MAY WISH TO TAKE SOME ACTION.**

**PRODUCTS AFFECTED - REGULAR SAVINGS PLAN, ORACLE, PARAGON AND QUANTUM.**

3 November 2023

Dear Investment adviser

### **CLOSURE OF THE JPMORGAN FUNDS - EMERGING EUROPE EQUITY II FUND AND IMPACT ON RL360 PLANS**

We have been informed by JPMorgan Funds ("JPMorgan") that it will be closing its **JPMorgan Funds – Emerging Europe Equity II Fund** (the "Merging Fund") and merging the value into its **JPMorgan Funds - Middle East, Africa and Emerging Europe Opportunities Fund** (the "Proposed Receiving Fund") on 14 December 2023 (the "Merger Date").

You have clients who invest in the Merging Fund through a RL360 plan, so we wanted to make you aware of the alternative action we will be taking following JPMorgan's notification and explain your options for switching to a different fund if you prefer.

The plans advised by you and impacted by this notification are available on request. We have not written directly to the owners of the affected plans. As each plan owner has appointed your company in the capacity of investment adviser to manage the investment choices on their behalf, you should contact them as necessary to discuss the details of this notification and any recommended course of action.

#### **Background to the merger**

The JPMorgan Board believes that the Merging Fund has limited prospects for growth in the future and it would be in shareholders' interests to merge it into the Proposed Receiving Fund, which has stronger growth potential. The Merging Fund invests in primarily in companies of the emerging markets of Europe only, whilst the Proposed Receiving Fund invests primarily in companies of the Middle East, Africa and emerging markets of Europe. The Proposed Receiving Fund was launched in January 2023 and is currently around USD 5million in size.

#### **JPMorgan action happening ahead of the Merger Date**

JPMorgan has advised that while there is some overlap between the Merging Fund and Proposed Receiving Fund, there is a portion of the Merging Fund's portfolio which does not resemble that of the Proposed Receiving Fund. Therefore rebalancing of the assets in the Merging Fund will be required in preparation of the merger. All or part of the Merging Fund's assets may be held in cash for a short period in preparation for the merger, resulting in the Merging Fund having less market exposure which may have a positive or negative impact on performance. It is expected that such portfolio rebalancing will commence no earlier than 15 business days prior to the Merger Date.

With effect from 1.30pm (UK time) on 11 December 2023, JPMorgan will stop accepting subscriptions and redemptions for the Merging Fund.

### Action RL360 will be taking in regard to the merger

The Proposed Receiving Fund is not available in our Savings and Investments fund range for your clients' plan(s). Therefore, just ahead of the Merger Date we will instead switch your clients' holdings into the **Aberdeen Standard Liquidity Fund - (Lux) Euro Fund** (the "Alternative Receiving Fund") which is a Currency/Money Market fund denominated in Euro. The Alternative Receiving Fund has been selected as we do not feature an alternative Emerging Europe Equity fund in the fund range that we can switch your clients into.

Please note that as the Alternative Receiving Fund is a Currency/Money Market fund it is important for you to be aware that it has a very different risk/reward profile to the Merging Fund, which is an Equity fund. Because it carries less risk than an Equity fund, potential growth is expected to be lower. Details of the Merging Fund and the Alternative Receiving Fund are set out in the Appendix at the end of this letter. Please refer to the Appendix for further information.

We have now closed the Merging Fund to new business and switches in with immediate effect. However, existing investors can continue to invest in the Merging Fund until 7 December 2023. On 8 December 2023 (the "Switch Date"), any holdings in the Merging Fund will be automatically switched, and any regular premium allocation redirected (if applicable), into the Alternative Receiving Fund.

Please note that although the switch value from the Merging Fund to the Alternative Receiving Fund will be the same, your clients will receive a different number of units in the Alternative Receiving Fund, as the unit price is different to the Merging Fund. Details of the switch will be available to view via the transaction screen for your clients' plans on our Online Service Centre. If you are not already registered to manage your client's plans online, you can sign-up at [www.rl360.com](http://www.rl360.com).

### Your options

If you are happy for your clients to invest in the **Aberdeen Standard Liquidity Fund - (Lux) Euro Fund** you don't need to do anything.

However, it is important that you consider the option of switching to a different fund from the fund range should you want your clients to continue investing in an Equity fund.

Should you prefer to switch holdings and/or redirect any regular payment allocation (if applicable) to a different fund available to your clients' plans, it's free of charge and very easy to do. If you would like this to happen before the Switch Date, we must receive instructions by 5.00pm UK time on 6 December 2023.

### Switching funds is easy

Visit the fund centre for your clients' product at [www.rl360adviser.com/fundcentres](http://www.rl360adviser.com/fundcentres) to help you decide on a new fund, or funds. After that choose one of the following options:

Switch online	Send us your changes
If you are a registered user of our Online Service Centre and have signed up for online switching, log into your account at <a href="http://www.rl360.com">www.rl360.com</a> and submit your switch online fast and efficiently.	Download a copy of our <b>Fund Switch Instruction Form</b> , which you will find on the product fund centre page, complete it and email, fax or post it back to us using the details on the form.

### Getting in touch

If you have any questions regarding this letter or any general queries, please get in touch.

Call our Customer Service Team on +44 (0)1624 681682 or send an email to [csc@rl360.com](mailto:csc@rl360.com) and one of our team will be happy to help.

Kind regards



Chris Corkish  
Investment Marketing Manager

## APPENDIX - Comparison of the Merging Fund and the Alternative Receiving Fund

	Merging Fund details	Alternative Receiving Fund details
<b>Fund Name</b>	JPMorgan Funds – Emerging Europe Equity II Fund	Aberdeen Standard Liquidity Fund (Lux) - Euro Fund
<b>Share Class Name</b>	JPM Emerging Europe Equity II A Acc EUR	Aberdeen Standard Liquidity (Lux) EUR A2 Acc
<b>ISIN</b>	LU2549520950	LU0090865873
<b>Domicile</b>	Luxembourg	Luxembourg
<b>Launch Date</b>	17/02/2023 (see Important note overleaf)	23/07/1990
<b>Currency</b>	Euro	Euro
<b>Investment Objective and Policy</b>	The Fund invests primarily in companies in European emerging market countries excluding Russia and Belarus and other sanctioned countries (the “Emerging European Countries ex Sanctioned Countries”). The Fund is therefore exposed to risks related to equity, emerging markets, concentration, smaller companies, currency, liquidity, high volatility and regulatory policies of certain equity markets in Emerging European Countries ex Sanctioned Countries, derivative, hedging, and class currency.	The Fund's investment objective is to preserve capital and provide liquidity whilst aiming to deliver a return in line with prevailing short term money market rates for which the benchmark - Euro Short Term Rate, has been chosen as the performance comparator. The Fund invests in high quality Euro denominated money market instruments. The Fund invests in securities with an outstanding term to maturity of no more than 397 Days. The entire Fund must have a weighted average maturity (WAM) of no more than 60 days and a weighted average life (WAL) of no more than 120 days. The Fund may have exposure to assets which have zero or negative yields depending upon the market conditions
<b>Morningstar Sector</b>	Emerging Europe Equity	EUR Money Market – Short Term
<b>Risk and Reward Rating (1 being low, 7 being high)</b>	7	1
<b>Annual Management Charge</b>	1.50%	0.15%
<b>Ongoing Charge *</b>	1.80%	0.17%
<b>Performance from 18/02/23 to 31/10/23 (based on launch date of the Merging Fund)</b>	18.77%	2.27%

Notes: Information within this table is sourced from Morningstar® and is correct as at 31 October 2023.

\* Ongoing Charge includes the Annual Management Charge plus other operational expenses, so better reflects the total costs applied to the fund.

**Important note**

The Merging Fund was launched on 17 February 2023 following the transfer of the liquid assets of JPMorgan Funds – Emerging Europe Equity Fund into the Merging Fund.

On 28 February 2022, JPMorgan Funds published a website Shareholder Notification informing shareholders of the decision to temporarily suspend the calculation of the Net Asset Value of the fund JPMorgan Funds – Emerging Europe Equity Fund (the ‘Suspended Fund’).

This temporary suspension remains in force as normal market trading conditions continue to be significantly impaired due to the ongoing conflict between Russia and Ukraine. This suspension was the first step to protect the best interests of shareholders in the Suspended Fund. JPMorgan believe the Merger is the next step to protecting shareholder interests.

If your clients were an existing investor in the Suspended Fund on 28 February 2022, they will continue to retain an interest in the Suspended Fund and any applicable value that JPMorgan is able to return to shareholders, should they be able to sell the Russian assets in the future, once sanctions are lifted.