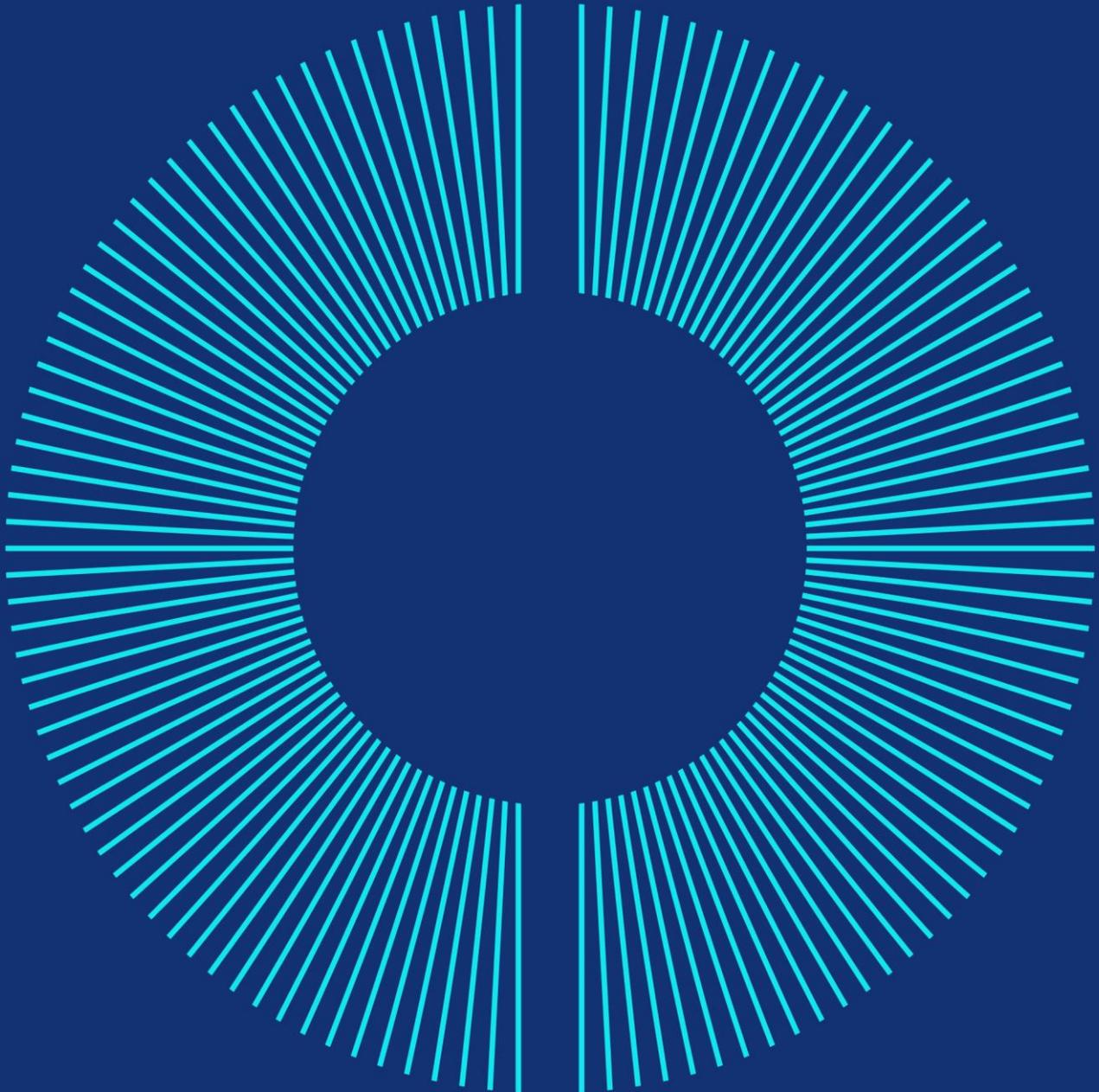


# Broombriggs Fund

Proposal for changes to the Broombriggs Fund (amending the investment objective and policy, changing the benchmarks, charging fees to capital rather than income fees, and changing the name of the Fund)



**This document is important and requires your immediate attention**

If there is anything in this document that you do not understand or if you are in any doubt as to what action to take, you should consult your professional adviser.

You are requested to complete and return the enclosed written Unitholder resolution in accordance with the instructions in Appendix 2, via email no later than 09:00 GMT on 25 May 2022. To facilitate this, the written Unitholder resolution must be sent to [sebastian.pitt@schroders.com](mailto:sebastian.pitt@schroders.com).

Copies of this document may be obtained from us by contacting Schroder Investor Services, PO Box 1402, Sunderland SR43 4AF (Tel: 0800 182 2399 Fax: 0333 207 4504) or can be downloaded direct from our website <https://www.schroders.com/en/uk/private-investor/fund-centre/changes-to-funds>

Name Surname

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## Glossary of Terms

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Terms shall be as defined below or as defined in the prospectus of the Fund.

<b>COLL</b>	the Collective Investment Schemes Sourcebook, as amended from time to time and forming part of the FCA Rules;
<b>Effective Date</b>	10 June 2022, assuming Unitholder approval by the Written Resolution is obtained;
<b>FCA</b>	the Financial Conduct Authority;
<b>FCA Rules</b>	the FCA's Handbook of Rules and Guidance;
<b>Fund</b>	Broombriggs Fund;
<b>Manager</b>	Schroder Unit Trusts Limited, as the manager of the Fund;
<b>Proposal</b>	This document setting out the changes to the Fund and the Written Resolution;
<b>Trustee</b>	J.P. Morgan Europe Limited;
<b>Unit</b>	a unit in the Fund; and
<b>Unitholder</b>	a holder of Units in the Fund.
<b>Written Resolution</b>	a written resolution of the Unitholders in the Fund required to approve the changes set out in this document;

## Expected timetable for the proposed changes

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<b>Date and time at which investors must hold Units in order to be eligible to return a Written Resolution (or otherwise)</b>	12:00 GMT on 28 April 2022
<b>Despatch Proposal to Unitholders</b>	28 April 2022 (Mailing date)
<b>Last date and time for receipt of Written Resolutions</b>	25 May 2022
<b>Date on which the Manager will determine whether the Written Resolution passed</b>	27 May 2022

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<b>Result of Written Resolution posted on website</b>	30 May 2022
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**If the Written Resolution is passed**

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<b>Effective Date</b>	10 June 2022
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## Schroder Unit Trusts Limited

Registered No. 04191730

1 London Wall Place London  
EC2Y 5AU

Telephone: 0800 182 2399 Fax: 0333 207 4504

Authorised and regulated by the FCA

28 April 2022 (Mailing date)

### To the Unitholders of the Broombriggs Fund (the Fund)

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Dear Unitholder

#### **Proposal for certain changes to the Broombriggs Fund (amending the investment objective and policy, changing the benchmarks, charging fees to capital rather than income , and changing the name)**

We, Schroder Unit Trusts Limited, are writing to you as the Manager of the Fund to tell you of our Proposal to make certain changes to the Fund as detailed below. These amendments require the approval of Unitholders, and you will be asked to approve them by way of the Written Resolution. The Written Resolution and instructions for completing this are set out in Appendix 2.

The proposed changes are:

- i. to change the name of the Fund to the Hoheria Fund.
- ii. fund fees to be taken from the capital account instead of the income account.
- iii. target benchmark to be changed from UK CPI+4% to UK CPI+3% which will be reflected in a change to the investment objective and the comparator benchmark from ARC Growth to ARC Balanced.
- iv. investment policy for the Hoheria Fund is changed by replacing the sentence 'The Fund invests at least 50% of its assets in collective investment schemes (including Schroder funds)' with 'The Fund can invest up to 100% of its assets in collective investment schemes (including Schroder funds)'.

If these changes are approved by the required majority by Written Resolution they will be effective from the Effective Date.

If you are a Unitholder on the date seven days before the Proposal is sent out, you will be entitled to return a Written Resolution by emailing [sebastian.pitt@schroders.com](mailto:sebastian.pitt@schroders.com). Please consider the Proposal carefully and return the enclosed Written Resolution to us by 25 May 2022.

Subject to the passing of the Written Resolution, the current Prospectus of the Fund will be amended and reissued.

The costs of the changes are detailed in Section 2 below entitled "Costs and expenses".

#### **1. Proposed changes**

##### ***a) Change in the name of the Fund***

On the Effective Date, the Fund's name will be changed from the Broombriggs Fund to the Hoheria Fund. The change of name reflects the change in underlying unitholders where by Hoheria better reflects the new family of investors.

***b) Change in the account from which Fund fees are taken***

Currently Fund fees are taken from the income account. From the Effective Date, the Fund's fees will be taken from the capital account. In a low interest rate environment this change will allow a greater level of distributable income to be paid to the unitholder.

***c) Change in the Fund's investment objective and target and comparator benchmark***

The target benchmark will be changed from UK CPI +4% to UKI CPI +3% and will be stated in the investment objective. The comparator benchmark will be changed from the Asset Risk Consultants (ARC) Sterling Steady Growth Private Client Index (PCI) to the Asset Risk Consultants (ARC) Sterling Balanced Asset Private Client Index (PCI). This change reflects the Unitholders' desire to reduce risk in the Fund and to target a lower return objective. The change in comparator from ARC Growth to ARC Balanced will bring the Fund in-line with other Funds in the range, where ARC Balanced is a more appropriate comparator for a Fund targeting UK CPI+3%. It is proposed that the investment objective of the Fund is therefore amended to reflect this change of target benchmark.

***d) Change in the Funds' investment policy***

We propose that the investment policy for the Fund is changed by replacing the sentence 'The Fund invests at least 50% of its assets in collective investment schemes (including Schroder funds)' with 'The Fund can invest up to 100% of its assets in collective investment schemes (including Schroder funds)'. The Fund is a multi-asset fund that invests across a range of asset classes accessed through collective investment schemes (CIS) and direct investments. We currently have to invest at least 50% in CIS. The Manager would like greater flexibility to get exposure to equities and alternatives directly so we propose to remove the 50% minimum investment level. The change in the investment policy of the Fund will provide greater flexibility for the Manager to invest through direct investments when appropriate.

## **2. Costs and Expenses**

The costs and expenses of the proposed changes will be paid for by the Manager.

## **3. Consents and Approval**

The Trustee has confirmed in writing to the Manager that whilst making no recommendations nor offering any opinion on the fairness or merits of the proposed changes as such (which is a matter for each Unitholder), it consents to the references to it in this letter and the attached Written Resolution in the form and context in which they appear.

Implementation of the proposed changes is conditional upon passing of the Written Resolution. The FCA has confirmed that, subject to the passing of the Written Resolution, the changes in the Proposal will not affect the ongoing authorisation of the Fund.

## **4. Procedure**

The Written Resolution and instructions for its completion are at Appendix 2

### ***Threshold for passage of the Written Resolution and implementation of the Proposal***

To be passed, the Written Resolution requires the written consent of Unitholders representing 75% or more, of the Units in issue, so it is important that you respond.

Persons who are Unitholders on the date seven days before the Proposal is sent out are entitled to respond to the Proposal. Once passed, the Written Resolution is binding on all Unitholders in the Fund whether or not they have responded, and shall be carried into effect accordingly.

### **Joint Holders**

In the case of joint holders, the Written Resolution of the senior holder on the register who responds shall be accepted to the exclusion of the responses of any other joint holders. Seniority is determined by the order in which the names stand on the register of Unitholders.

### **5. Documents available for inspection**

Copies of the following documents are available on request from the following email address [schrodersinvestor@hsbc.com](mailto:schrodersinvestor@hsbc.com) until the date on which the Manager will determine whether the Written Resolution has passed (27 May 2022):

- (a) the Fund's Trust Deed and Prospectus and the draft Supplemental Trust Deed and revised Prospectus incorporating the proposed changes;
- (b) the Fund's Key Investor Information Document (KIID) for each Unit class including revised KIIDs which incorporate the proposed changes;
- (c) the latest interim and annual short report and accounts for the Fund; and
- (d) the FCA's Collective Investment Schemes Sourcebook.

### **6. Recommendation and action to be taken**

We believe that the proposed changes are in the best interests of Unitholders and we recommend that you return a Written Resolution in favour of the Proposal. If the proposed changes are not approved by Unitholders of the Fund it will continue to be managed in its current form. Please note, however, that in these circumstances it is likely that we will review the on-going position of the Fund in our wider fund range and this may lead to us proposing further changes in due course.

Before you make your decision, we recommend that you read the rest of this Proposal and, in particular, Appendix 2 which contains the Written Resolution.

The outcome will be published on 30 May 2022 on our website at <https://www.schroders.com/en/uk/private-investor/fund-centre/changes-to-funds>.

If you are unclear about any information provided or have any questions concerning the Proposal, please contact Schroder Investor Services on: 0800 182 2399. For your security and to improve the quality of our service, calls may be recorded. Please be aware that we are not able to give you investment advice on the proposed changes. If you are uncertain as to how to respond to this document, you should consult your professional adviser.

You are requested to complete and return the enclosed written Unitholder resolution in accordance with the instructions in Appendix 2, via email no later than 09:00 GMT on 25 May 2022. To facilitate this, the written Unitholder resolution must be sent to [sebastian.pitt@schroders.com](mailto:sebastian.pitt@schroders.com).

**Please note that there will not be any opportunity to withdraw your Written Resolution in favour of the proposal once it has been returned.**

Yours faithfully



Paul Truscott

**Director**  
**Schroder Unit Trusts Limited**

## Appendix 1: Comparison of the existing and proposed investment objective, policy and benchmarks of the Fund

Current Investment Objective	Proposed Investment Objective
<p>The Fund aims to provide capital growth and income of inflation (as measured by the UK Consumer Price Index) plus 4% per annum (after fees have been deducted) over a five to seven year period by investing in a diversified range of assets and markets worldwide. This cannot be guaranteed and your capital is at risk.</p>	<p>The Fund aims to provide capital growth and income of inflation (as measured by the UK Consumer Price Index) plus 3% per annum (after fees have been deducted) over a five to seven year period by investing in a diversified range of assets and markets worldwide. This cannot be guaranteed and your capital is at risk.</p>
Current Investment Policy	Proposed Investment Policy
<p>The Fund is actively managed and invests its assets directly or indirectly through collective investment schemes, exchange traded funds, real estate investment trusts, or closed ended funds in equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. Alternative assets may include funds that use absolute return strategies or funds that invest indirectly in private equity, real estate and commodities.</p>	<p>The Fund is actively managed and invests its assets directly or indirectly through collective investment schemes, exchange traded funds, real estate investment trusts, or closed ended funds in equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. Alternative assets may include funds that use absolute return strategies or funds that invest indirectly in private equity, real estate and commodities.</p>
<p>The Fund can invest up to 50% of its assets in collective investment schemes (including Schroder funds).</p>	<p>The Fund can invest up to 100% of its assets in collective investment schemes (including Schroder funds).</p>
<p>The Fund seeks to increase returns and reduce downside risk by making tactical adjustments to its holdings based on market conditions. The Fund will invest within the following ranges:</p>	<p>The Fund seeks to increase returns and reduce downside risk by making tactical adjustments to its holdings based on market conditions. The Fund will invest within the following ranges:</p>
<p>Cash and Fixed Income 0% – 50% Equities 50% – 80% Alternative investments 0% – 30%</p>	<p>Cash and Fixed Income 0% – 50% Equities 50% – 80% Alternative investments 0% – 30%</p>
<p>The Fund may also invest in warrants and money market instruments, and hold cash.</p>	<p>The Fund may also invest in warrants and money market instruments, and hold cash.</p>
<p>The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently (for more information please refer the Derivatives and Forward Transactions section of the Investment Powers and Restrictions section of the Prospectus).</p>	<p>The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently (for more information please refer the Derivatives and Forward Transactions section of the Investment Powers and Restrictions section of the Prospectus).</p>
Current Benchmarks	Proposed Benchmarks

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The Fund's performance should be assessed against its target benchmark of the UK Consumer Price Index plus 4%, and compared against the Asset Risk Consultants (ARC) Sterling Steady Growth Private Client Index (PCI)

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The Fund's performance should be assessed against its target benchmark of the UK Consumer Price Index plus 3%, and compared against the Asset Risk Consultants (ARC) Balanced Private Client Index (PCI).

## Appendix 2: Written Resolution

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The unitholders of the Broombriggs Fund (the "Fund") are asked to consider, and, if thought fit, to pass the following resolution which will be proposed as an Written Resolution:

We, the undersigned, support the following resolution:

### Written Resolution

#### That:

- a) the changes to the Fund set out in the Proposal dated 28 April 2022 (Mailing date) from Schroder Unit Trusts Limited (the Manager) to the Unitholders of the Fund, be and are hereby approved; and
- b) the Manager and J.P. Morgan Europe Limited, as trustee of the Fund, are hereby authorised and directed to do all things necessary to effect the Proposal and in connection therewith to make such amendments to the Trust Deed and Prospectus of the Fund as they deem necessary to implement the changes approved in this Written Resolution.

Name of Unitholder .....

Authorised signature .....

Date of signature .....

### Notes

1. The vote is organised as an Written Resolution of the unitholders of Broombriggs Fund and to be passed requires the written consent of Unitholders representing 75% or more, of the units in issue
2. The voting rights attached to each Unit shall be such proportion of the voting rights attached to all of the Units in issue as the price of the Unit bears to the aggregate price(s) of all the Units in issue on the date on 12:00 GMT on 28 April 2022. Please note that the changes may become effective even if you don't respond.
3. Unitholders may sign different copies of the resolution as necessary (including physical copies or digital copies that are signed electronically).
4. Where the Unitholder is a corporate body, the resolution must be signed by a director of the Unitholder or by any other duly authorised signatory of the Unitholder, with proof of such authority to be included.
5. Please return this resolution by 25 May 2022.
6. The Manager will determine the outcome of this resolution and, if approved, take steps to carry out the resolution and implement the proposed changes from 10 June 2022 or on the date when all Unitholders have returned the resolution, if sooner.



EST. 1804

**Schroders**

 [schroders.com](https://www.schroders.com)

 [@schroders](https://twitter.com/schroders)

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