

QUESTIONS & ANSWERS

IMPORTANT CHANGES TO THE CT UK PROPERTY
AUTHORISED INVESTMENT FUND, AND THE
CT UK PROPERTY AUTHORISED TRUST

With effect from 2 October 2023, changes will be made to the liquidity management arrangements of the CT UK Property Authorised Investment Fund (which has related implications for its Feeder Fund, CT UK Property Authorised Trust), as detailed below.

1. Which funds are affected by these changes?

Changes are being made to the liquidity management¹ arrangements for the CT UK Property Authorised Investment Fund (**the Fund**), with related implication for the CT UK Property Authorised Trust (**the Trust**), which invests solely in the Fund.

2. When will the changes take place?

The changes will be effective from 2 October 2023 (the “**Effective Date**”).

3. What changes are you making?

The Fund invests in commercial property such as warehouses, offices, and retail buildings around the UK. Until now, the Fund has also aimed to hold up to 15% cash² in normal circumstances. However, from the Effective Date, the proportion of the Fund that may be held in cash will rise, allowing the Fund to normally hold between 15-25% in cash.

4. Why are you making the changes?

The Fund holds cash for various reasons: to fund ongoing property expenses; to be able to buy new properties; to finance improvements to properties (to improve opportunities for capital and income growth) and to continue to offer daily dealing³ to shareholders who may wish to sell their shares in the Fund.

In October 2022, dealing in the Fund and Trust was suspended temporarily due to unusually high demand from investors to redeem their holdings. However, following an orderly sale of property assets by the Fund, both the Fund and Trust re-opened for dealing on 1 March 2023.

Since re-opening, the Fund has held a higher proportion of its assets in cash. By permanently holding more cash, Columbia Threadneedle Investments can be more confident of meeting daily redemption requests and avoiding a temporary suspension of dealing in the future (although this cannot be guaranteed).

5. What is the current cash balance in the Fund?

The Fund held 20.4% in cash as at 8 September 2023.

6. Does cash in the Fund earn interest?

Yes. Cash management is considered an important discipline, and the Fund actively looks to receive a competitive rate of interest on cash deposits, or similar investments (for the benefit of investors).

¹ Liquidity Management is the proactive process of making sure there is sufficient cash on hand to meet the Fund’s financial needs and obligations.

² The reference to “cash” in this context includes “near cash” as defined in the prospectus (which includes money, deposits and investments that are highly liquid in nature i.e., easily converted to cash).

³ Daily dealing allows the option for investors to put money in and take it out on each business day.

7. What does this change mean for my investment?

Both the Trust and the Fund will continue to be managed in broadly the same way, and the changes will not impact their risk profile. The value of your investments and the number of units you hold will not be affected. Whilst income returns will continue to be driven from a combination of property (rental) income and interest received on cash deposits, the property income proportion may become lower because of the higher cash weighting and the recent rises in the interest rates earned on cash.

8. Will there be any cost to me as an investor?

No, there will be no cost to you as a result of the changes. All administrative costs associated with making the changes will be met by Columbia Threadneedle Investments.

9. Will the changes affect the risk profile of the funds?

No, there will be no change to the risk profile.

10. What are the relevant share classes (and ISINs) of the funds?

Fund Name	Share Class Name	ISIN
CT UK Property Authorised Investment Fund	Retail Gross Accumulation GBP	GB00BQ1YHN40
CT UK Property Authorised Investment Fund	Retail Gross Income GBP	GB00BQ1YHP63
CT UK Property Authorised Investment Fund	Retail Net Accumulation GBP	GB00BQ1YHQ70
CT UK Property Authorised Investment Fund	Retail Net Income GBP	GB00BQ1YHR87
CT UK Property Authorised Investment Fund	Institutional Gross Accumulation GBP	GB00BQ1YHS94
CT UK Property Authorised Investment Fund	Institutional Gross Income GBP	GB00BQ1YHT02
CT UK Property Authorised Investment Fund	Institutional Net Accumulation GBP	GB00BQ1YHV24
CT UK Property Authorised Investment Fund	Institutional Net Income GBP	GB00BQ1YHW31
CT UK Property Authorised Trust	Retail Income GBP	GB00BQ3G0X98
CT UK Property Authorised Trust	Institutional Accumulation GBP	GB00BQ3G0Y06
CT UK Property Authorised Trust	Institutional Income GBP	GB00BQ3G0Z13
CT UK Property Authorised Trust	Retail Accumulation GBP	GB00BQ3G1143

11. Do I need to take any action?

No, you do not need to do anything as a result of these changes. These changes will take effect automatically on the Effective Date, 2 October 2023.

12. What can I do if I disagree with the changes?

You have a number of options. Should you disagree with the changes you can choose to redeem your shares or units, or you can switch your investment, free of charge, into another fund(s) in our UK range*.

Should you decide to redeem or switch your investment, it may trigger a taxable event⁴. We are unable to provide tax advice and we therefore suggest you seek advice from your tax adviser about any potential tax implications before you take any action.

* Only funds managed by Threadneedle Investment Services Limited (TISL) (part of the Columbia Threadneedle group of companies), are currently available for this purpose. A fund's prospectus or Key Information Document (KIID) (available on our website) will provide this information, or please contact us on 0800 953 0134 if you require help establishing the alternative funds available to you.

⁴ Investments held within a tax efficient wrapper such as an Individual Savings Account (ISA) or Self-Invested Personal Pension Plan (SIIPP), are not expected to trigger a taxable event in these circumstances.