

# SHAREHOLDER CIRCULAR

## RELATING TO THE FOLLOWING PROPOSED CROSS-BORDER MERGER (INCORPORATING COMMON DRAFT TERMS OF MERGER)<sup>1</sup>:

Existing Funds		Lux Funds
European Corporate Bond Fund	into	Threadneedle (Lux) – European Corporate Bond
European High Yield Bond Fund	into	Threadneedle (Lux) – European High Yield Bond
Pan European Fund	into	Threadneedle (Lux) – Pan European Equities
Pan European Smaller Companies Fund	into	Threadneedle (Lux) – Pan European Smaller Companies
Pan European Equity Dividend Fund	into	Threadneedle (Lux) – Pan European Equity Dividend
Credit Opportunities Fund <sup>2</sup>	into	Threadneedle (Lux) – Credit Opportunities
(each, an “Existing Fund, and together the “Existing Funds”)	into	(each a “Lux Fund”, and together the “Lux Funds”)

### EXISTING FUNDS:

The European Corporate Bond Fund, European High Yield Bond Fund, Pan European Fund and Pan European Smaller Companies Fund are sub-funds of Threadneedle Investment Funds ICVC, a UCITS umbrella open-ended investment company established in the United Kingdom.

The Pan European Equity Dividend Fund is a sub-fund of Threadneedle Specialist Investment Funds ICVC, a UCITS umbrella open-ended investment company established in the United Kingdom.

The Credit Opportunities Fund is a sub-fund of Threadneedle Focus Investment Funds ICVC, a UCITS umbrella open-ended investment company established in the United Kingdom.

### LUX FUNDS:

The Lux Funds are sub-funds of Threadneedle (Lux), a Société Anonyme qualifying as a *Société d’investissement à capital variable* established in the Grand Duchy of Luxembourg.

## THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

**If you are in any doubt about the contents of this document and the action to be taken you should consult your financial adviser. If you are unclear about the contents of this letter, have any further questions, or would like a copy of the new key investor information document (KIID) for the Lux Funds, please call us on 0800 953 0134 (calls may be recorded) for shareholders located within the UK or on 00352 46 40 10 7020 (calls may be recorded) for shareholders located outside of the UK. The new KIIDs are also available on our website at [www.columbiathreadneedle.com/changes](http://www.columbiathreadneedle.com/changes) and are enclosed with this circular<sup>3</sup>.**

- This document contains a Notice of Meeting of Shareholders in respect of each of the Existing Funds (the “Meetings”).
- The Meetings will be held at the offices of Columbia Threadneedle Investments at Cannon Place, 78 Cannon Street, London EC4N 6AG, United Kingdom at the time set out in the relevant notice and in the section of this letter with the heading “Timetable”.
- Please complete and return the Form of Proxy for the Fund(s) in the pre-paid return envelope provided to Electoral Reform Services, The Election Centre, 33 Clarendon Road, London N8 0NW, United Kingdom in accordance with the instructions printed on the Form of Proxy as soon as possible and in any event so that it arrives at least 48 hours before the time fixed for the Meeting. The Forms of Proxy for the Existing Funds are enclosed with this document.
- Completion of Forms of Proxy will not prevent Shareholders from attending and voting at the Meetings or any adjourned meeting, in person.

<sup>1</sup> In accordance with the merger technique provided for in Article 2(1)(p)(iii) of the Directive 2009/65/EC.

<sup>2</sup> The full name of this fund is Threadneedle Credit Opportunities Fund.

<sup>3</sup> Please note that the KIIDs we have enclosed show one share class of each of the Lux Funds, and are provided as an example. Note that they may show a share class that is different from the one that you hold. As a result, the ongoing charges figure and performance may be different from the share class you are invested in.

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# TIMETABLE

Below is our proposed timetable for the scheme of arrangement in relation to the Existing Fund.

Action	Date
Qualification date for Shareholder voting	12th July 2018
Documentation to be sent to Shareholders	27th July 2018
Forms of Proxy to be returned by Shareholders	by no less than 48 hours before the time of the Meeting
<b>Meeting of the European Corporate Bond Fund</b>	11:00am Luxembourg time (10:00 am UK time) on 24th August 2018
<b>Meeting of the European High Yield Bond Fund</b>	11:20am Luxembourg time (10:20 am UK time) on 24th August 2018
<b>Meeting of the Pan European Fund</b>	11.40am Luxembourg time (10:40 am UK time) on 24th August 2018
<b>Meeting of the Pan European Smaller Companies Fund</b>	12:00 noon Luxembourg time (11:00 am UK time) on 24th August 2018
<b>Meeting of the Pan European Equity Dividend Fund</b>	12:20pm Luxembourg time (11:20 am UK time) on 24th August 2018
<b>Meeting of the Credit Opportunities Fund</b>	12:40pm Luxembourg time (11:40 am UK time) on 24th August 2018
<b>If the resolution for a scheme of arrangement is passed at the Meeting for the Existing Fund, the timetable for the Merger is as set out for each Existing Fund below:</b>	

## For the European Corporate Bond Fund

Action	Date
Last Dealing Day of the European Corporate Bond Fund before the Effective Date	20th September 2018
Suspend dealing in Shares in the European Corporate Bond Fund	1:00pm Luxembourg time (12 noon UK time) on 20th September 2018
Valuation of the European Corporate Bond Fund and end of accounting period for final distribution of income in relation to the European Corporate Bond Fund	01:01am Luxembourg time (00:01am London time) on 22nd September 2018
Effective Date of the Merger <sup>4</sup>	Immediately after 01:01am Luxembourg time (00:01am London time) on 22nd September 2018
First day of dealing in New Shares in Threadneedle (Lux) – European Corporate Bond	24th September 2018
Dispatch confirmation of number of New Shares	By 5th October 2018
Final distribution payment for income paying Existing Shares	Within 3 months of the Merger

<sup>4</sup> Note that this will also be the date for calculating the exchange ratio of shares.

**For the European High Yield Bond Fund**

<b>Action</b>	<b>Date</b>
Launch of Threadneedle (Lux) – European High Yield Bond	Threadneedle (Lux) – European High Yield Bond will launch in advance of the Merger on 29th August 2018
Last Dealing Day of the European High Yield Bond Fund before the Effective Date	4th October 2018
Suspend dealing in Shares in the European High Yield Bond Fund	1:00pm Luxembourg time (12 noon UK time) on 4th October 2018
Valuation of the European High Yield Bond Fund and end of accounting period for final distribution of income in relation to the European High Yield Bond Fund	01:01am Luxembourg time (00:01am London time) on 6th October 2018
Effective Date of the Merger <sup>5</sup>	Immediately after 01:01am Luxembourg time (00:01am London time) on 6th October 2018
First day of dealing in New Shares in Threadneedle (Lux) – European High Yield Bond	8th October 2018
Dispatch confirmation of number of New Shares	By 19th October 2018
Final distribution payment for income paying Existing Shares	Within 3 months of the Merger

**For the Pan European Fund**

<b>Action</b>	<b>Date</b>
Last Dealing Day of the Pan European Fund before the Effective Date	4th October 2018
Suspend dealing in Shares in the Pan European Fund	1:00pm Luxembourg time (12 noon UK time) on 4th October 2018
Valuation of the Pan European Fund and end of accounting period for final distribution of income in relation to the Pan European Fund	01:01am Luxembourg time (00:01am London time) on 6th October 2018
Effective Date of the Merger <sup>6</sup>	Immediately after 01:01am Luxembourg time (00:01am London time) on 6th October 2018
First day of dealing in New Shares in Threadneedle (Lux) – Pan European Equities	8th October 2018
Dispatch confirmation of number of New Shares	By 19th October 2018
Final distribution payment for income paying Existing Shares	Within 3 months of the Merger

<sup>5</sup> Note that this will also be the date for calculating the exchange ratio of shares.

<sup>6</sup> Note that this will also be the date for calculating the exchange ratio of shares.

**For the Pan European Smaller Companies Fund**

Action	Date
Launch of Threadneedle (Lux) – Pan European Smaller Companies	Threadneedle (Lux) – Pan European Smaller Companies will launch in advance of the Merger on 29th August 2018
Last Dealing Day of the Pan European Smaller Companies Fund before the Effective Date	4th October 2018
Suspend dealing in Shares in the Pan European Smaller Companies Fund	01:01am Luxembourg time (00:01am London time) Luxembourg time (12 noon UK time) on 4th October 2018
Valuation of the Pan European Smaller Companies Fund and end of accounting period for final distribution of income in relation to the Pan European Smaller Companies Fund	01:01am Luxembourg time (00:01am London time) on 6th October 2018
Effective Date of the Merger <sup>7</sup>	Immediately after 01:01am Luxembourg time (00:01am London time) on 6th October 2018
First day of dealing in New Shares in Threadneedle (Lux) – Pan European Smaller Companies	8th October 2018
Dispatch confirmation of number of New Shares	By 19th October 2018
Final distribution payment for income paying Existing Shares	Within 3 months of the Merger

**For the Pan European Equity Dividend Fund**

Action	Date
Last Dealing Day of the Pan European Equity Dividend Fund before the Effective Date	4th October 2018
Suspend dealing in Shares in the Pan European Equity Dividend Fund	1:00pm Luxembourg time (12 noon UK time) on 4th October 2018
Valuation of the Pan European Equity Dividend Fund and end of accounting period for final distribution of income in relation to the Pan European Equity Dividend Fund	01:01am Luxembourg time (00:01am London time) on 6th October 2018
Effective Date of the Merger <sup>8</sup>	Immediately after 01:01am Luxembourg time (00:01am London time) on 6th October 2018
First day of dealing in New Shares in Threadneedle (Lux) – Pan European Equity Dividend	8th October 2018
Dispatch confirmation of number of New Shares	By 19th October 2018
Final distribution payment for income paying Existing Shares	Within 3 months of the Merger

<sup>7</sup> Note that this will also be the date for calculating the exchange ratio of shares.

<sup>8</sup> Note that this will also be the date for calculating the exchange ratio of shares.

**For the Credit Opportunities Fund**

<b>Action</b>	<b>Date</b>
Launch of Threadneedle (Lux) – Credit Opportunities Threadneedle (Lux)	Credit Opportunities will launch in advance of the Merger on 29th August 2018
Last Dealing Day of the Credit Opportunities Fund before the Effective Date	16th October 2018
Suspend dealing in Shares in the Credit Opportunities Fund	1:00pm Luxembourg time (12 noon UK time) on 18th October 2018
Valuation of the Credit Opportunities Fund and end of accounting period for final distribution of income in relation to the Threadneedle Credit Opportunities Fund	01:01am Luxembourg time (00:01am London time) on 20th October 2018
Effective Date of the Merger <sup>9</sup>	Immediately after 01:01am Luxembourg time (00:01am London time) on 20th October 2018
First day of dealing in New Shares in Threadneedle (Lux) – Credit Opportunities	22nd October 2018
Dispatch confirmation of number of New Shares	By 2nd November 2018
Final distribution payment for income paying Existing Shares	Within 3 months of the Merger

The Effective Dates are subject to change at the discretion of the ACD, with the agreement of Citibank UK. In the event of any of the Effective Dates being other than the above-mentioned dates for any of the Funds, we may make some changes to these dates. See Appendices 2 and 4 for further details.

<sup>9</sup> Note that this will also be the date for calculating the exchange ratio of shares.

# GLOSSARY OF TERMS

The following definitions apply throughout this document unless the context otherwise requires.

<b>Articles</b>	The articles of incorporation of the Lux Company
<b>Authorised Corporate Director (ACD)</b>	TISL is the authorised corporate director (ACD) of TFIF, TIF and TSIF
<b>Business Day</b>	For the Existing Funds: Monday to Friday excluding public holidays and bank holidays in England and Wales and any other days at TISL's discretion  For the Lux Funds: any day on which banks are open for normal banking business in Luxembourg and when the directors of the Lux Company believe that sufficient markets in which the Fund invested are also open and permit sufficient trading and liquidity to enable such Lux Fund to be managed efficiently
<b>Citibank Luxembourg</b>	Citibank Europe plc, Luxembourg Branch, the depositary of the Lux Company
<b>Citibank UK</b>	Citibank Europe plc, UK Branch, the depositary of the Company
<b>COLL</b>	the Collective Investment Schemes Sourcebook which forms part of the FCA Rules
<b>Company or Companies</b>	TFIF, TIF and/or TSIF, as the case may be
<b>Dealing Day</b>	Monday to Friday excluding public holidays and bank holidays in England and Wales and any other days at TISL's discretion
<b>CSSF</b>	The <i>Commission de Surveillance du Secteur Financier</i> , the financial services regulator in the Grand Duchy of Luxembourg
<b>Effective Date</b>	The effective date of the relevant Scheme, which shall be the date set out in the Timetable for the relevant Fund, or such other date as may be agreed in accordance with paragraph 12 (contained in Appendix 2 of this document) of the Scheme
<b>Existing Fund(s)</b>	European Corporate Bond Fund, a sub-fund of TIF European High Yield Bond Fund, a sub-fund of TIF Pan European Fund, a sub-fund of TIF Pan European Smaller Companies Fund, a sub-fund of TIF Pan European Equity Dividend Fund, a sub-fund of TSIF Threadneedle Credit Opportunities Fund, a sub-fund of TFIF
<b>Existing Fund's Value</b>	The value of the property of the Existing Fund calculated in accordance with the Instrument on the Effective Date, less the Retained Amount
<b>Extraordinary Resolution(s)</b>	An extraordinary resolution set out in a Notice of Meeting for the relevant Existing Fund (contained in Appendix 5 of this document) approving the Scheme
<b>FCA</b>	The Financial Conduct Authority, the financial services regulator for funds in the United Kingdom
<b>FCA Rules</b>	The FCA Handbook of Rules and Guidance (as amended)

<b>Form of Proxy</b>	The form enclosed with this Shareholder circular, which are to be completed by Shareholders and returned to TISL
<b>Funds</b>	The Existing Funds and the Lux Funds
<b>Global Close</b>	A Valuation Point that determines a Fund's valuation based upon the last available prices pertaining to the relevant date. For equities, this will be the last exchange price in the relevant market at the time of closure of the market
<b>ICVC</b>	Investment Company with Variable Capital
<b>Instrument</b>	The instrument of incorporation of the relevant Company
<b>Investment Manager</b>	Threadneedle Asset Management Limited, the investment manager of the Existing Funds and the Lux Funds
<b>KIID</b>	Key Investor Information Document
<b>Lux Company</b>	Threadneedle (Lux), a UCITS umbrella open-ended investment company
<b>Lux Fund(s)</b>	Threadneedle (Lux) – European Corporate Bond Threadneedle (Lux) – European High Yield Bond Threadneedle (Lux) – Pan European Equities Threadneedle (Lux) – Pan European Smaller Companies Threadneedle (Lux) – Pan European Equity Dividend Threadneedle (Lux) – Credit Opportunities
<b>Luxembourg Regulations</b>	The Law of 17 December 2010 relating to undertakings for collective investment, as amended and the law of 10 August 1915 on commercial companies as amended from time to time
<b>Meeting(s)</b>	The extraordinary general meetings of Shareholders of the Existing Funds to be held on 24th August 2018 to consider and vote on the proposal for the Scheme (or any adjourned meeting for those purposes)
<b>Merger</b>	The merger of the Existing Funds into the Lux Funds as detailed in this Circular. Each is classified as a cross-border merger to be carried out by a scheme of arrangement in accordance with Part 4 of the UCITS Regulations and in accordance with the Scheme
<b>New Shares</b>	Shares in the Lux Funds to be issued to Shareholders pursuant to the transfer of the Existing Funds on the terms set out in the Scheme
<b>OEIC Regulations</b>	The Open-Ended Investment Companies Regulations 2001 (as amended)
<b>Prospectus</b>	The current prospectus of the relevant Company or the Lux Company as appropriate



<b>Retained Amount</b>	A retention from the value of the Existing Funds, which is a sum estimated by TISL and agreed with Citibank UK to be necessary to meet all the actual and contingent liabilities of that Existing Fund. The retention is to be retained by Citibank UK as attributable to the relevant Existing Fund for the purposes of discharging such liabilities
<b>Scheme</b>	The scheme of arrangement for the transfer of the Existing Funds to the Lux Funds as set out in Appendix 2 in this document
<b>Shareholder</b>	A holder of Shares
<b>Shares</b>	Shares in the Existing Funds and/or the Lux Funds
<b>TFIF</b>	Threadneedle Focus Investment Funds ICVC
<b>TIF</b>	Threadneedle Investment Funds ICVC
<b>TSIF</b>	Threadneedle Specialist Investment Funds ICVC
<b>TISL</b>	Threadneedle Investment Services Limited, the authorised corporate director (ACD) of the Companies
<b>TML S.A.</b>	Threadneedle Management Luxembourg S.A., the management company of the Lux Company
<b>UCITS</b>	An undertaking for collective investment in transferable securities under Article 1(2) of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009
<b>UCITS Regulations</b>	The Undertakings for Collective Investment in Transferable Securities Regulations 2011
<b>UK Regulations</b>	The FCA Rules, the Financial Services and Markets Act 2000, the UCITS Regulations and/or the Open-Ended Investment Companies Regulations 2001 as amended
<b>Valuation Point</b>	The point at which the valuation of a Fund is determined for the purposes of determining the price at which Shares of a Class may be issued, cancelled, sold, redeemed, or transferred

In addition, where relevant in the context, terms which are defined in the UK Regulations have the same meaning in this document and the Scheme.



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27th July 2018

To: Investors in the Existing Funds

Dear Shareholder

**Proposed scheme of arrangement for the mergers of the Existing Funds into the Lux Funds.**

*In this document, unless the context requires otherwise, the terms used shall have the meaning set out in the Glossary on pages 5 to 7.*

I am writing to you as a Shareholder in one or more of the Existing Funds, to explain our proposal to merge the Existing Funds into the Lux Funds as follows:

Existing Fund		Lux Fund
European Corporate Bond Fund	into	Threadneedle (Lux) – European Corporate Bond
European High Yield Bond Fund	into	Threadneedle (Lux) – European High Yield Bond
Pan European Fund	into	Threadneedle (Lux) – Pan European Equities
Pan European Smaller Companies Fund	into	Threadneedle (Lux) – Pan European Smaller Companies
Pan European Equity Dividend Fund	into	Threadneedle (Lux) – Pan European Equity Dividend
Credit Opportunities Fund	into	Threadneedle (Lux) – Credit Opportunities
(each an “Existing Fund”, and together the “Existing Funds”)	into	(each a “Lux Fund”, and together the “Lux Funds”)

The proposal is to merge the Existing Funds into the Lux Funds by way of schemes of arrangement (each a “**Scheme**”), which is set out in detail in Appendix 2. The proposed Mergers each require the passing of an Extraordinary Resolution at an extraordinary general meeting of Shareholders of the relevant Existing Fund (the “**Meeting**”). To be passed, each Extraordinary Resolution requires a majority in favour of not less than 75% of the votes cast. The notices of the Meetings and resolution for each of the Existing Funds are set out in Appendix 5.

Threadneedle (Lux) – European Corporate Bond and Threadneedle (Lux) – Pan European Equity Dividend will be launched on the Effective Date set out in the Timetable.

Threadneedle (Lux) – European High Yield Bond, Threadneedle (Lux) – Pan European Smaller Companies and Threadneedle (Lux) – Credit Opportunities will be launched before the Effective Date for the Mergers on the dates set out in the Timetable.

The Threadneedle (Lux) – Pan European Equities is already a sub-fund of the Lux Company and is managed in the same way as the Existing Fund.

The Lux Funds will be managed in the same way as their corresponding Existing Fund.

The Existing Funds will be terminated once the Mergers have taken place.

\*Calls may be recorded.

This document describes the background to the mergers, the procedure by which the proposed Scheme will be carried out, the options available to you, and the implications of the proposal for you as a Shareholder.

We would encourage you to read the key investor information document(s) (KIID) (enclosed with this Circular<sup>10</sup>) for the Lux Fund(s) that correspond to the Existing Fund(s) you are invested in. KIIDs for the Lux Funds are also available from Columbia Threadneedle Investments on request, by calling us on 0800 953 0134 for shareholders located within the UK or on 0044 1268 444 321 (calls may be recorded). The new KIIDs are also available on our website at [www.columbiathreadneedle.com/changes](http://www.columbiathreadneedle.com/changes).

### **How to Vote:**

You can vote for or against these proposals for the Funds you are invested in, either in person at the Meeting or by completing the enclosed proxy form.

If you wish to vote, but do not plan to vote in person, please complete the Form of Proxy, and return it/them in the pre-paid return envelope enclosed with this document, to enable your vote to be counted. Your proxy can be a person you choose or the chair of the Meeting and you can instruct them how you wish to cast your vote or allow them to choose.

You should return the completed Form of Proxy in the pre-paid return envelope provided to Electoral Reform Services, The Election Centre, 33 Clarendon Road, London N8 0NW, United Kingdom to reach us no less than 48 hours before the time of the relevant Meeting. The Form of Proxy can be found enclosed with this document.

You can attend and vote at the Meeting(s) for the Existing Fund(s) you hold Shares in (and any adjourned meeting(s)) regardless of whether you have completed and returned the Form of Proxy (we will simply disregard the Form of Proxy if you vote in person).

Failure to return the Form of Proxy by the required time will result in it being void so that your proxy will not be entitled to vote on your behalf as directed.

## **1. WHY ARE WE PROPOSING THE MERGERS?**

As UK-based funds, the Existing Funds currently enjoy UCITS<sup>11</sup> status within the European Union. This means that funds in one EU country can be accessed by investors in other EU countries, with those investors benefitting from common investment restrictions and regulatory supervision. However, when the UK leaves the EU, it is likely that UK-based funds will lose this status.

As well as managing UK-based funds, Columbia Threadneedle Investments offers a broad range of funds based in Luxembourg. By assets under management, Luxembourg is the largest fund domicile in Europe, and the second largest in the world after the United States. Many of our customers invest in both our UK and Luxembourg fund ranges. We are planning to merge the assets of each Existing fund into an equivalent fund within our established Luxembourg fund range.

By merging the assets of the Existing Funds to an equivalent Luxembourg-based fund, we can provide certainty for investors and ensure you will remain in a UCITS-compliant fund, regardless of the final agreement between the UK and the EU. Our aim is to provide continuity and certainty for investors in our funds. For EU investors, the merger will remove uncertainty regarding the future status of your investment in your home country.

Following the merger, your investment in our funds in Luxembourg will continue to benefit from UCITS status and regulatory supervision by the Commission Surveillance du Secteur Financier ("CSSF"). Importantly, the level of regulatory supervision provided by the CSSF is equivalent to that of the Financial Conduct Authority in the UK.

<sup>10</sup> Please note that the KIIDs we have enclosed show one share class of each of the Lux Funds, and are provided as an example. Note that they may show a share class that is different from the one that you hold. As a result, the ongoing charges figure and performance may be different from the share class you are invested in.

<sup>11</sup> UCITS stands for Undertakings for Collective Investment in Transferable Securities. UCITS provides a harmonised regulatory regime for the management and sale of mutual funds within the European Union.

The proposed mergers are shown in the following table:

Existing Fund		Lux Fund
European Corporate Bond Fund	into	Threadneedle (Lux) – European Corporate Bond
European High Yield Bond Fund	into	Threadneedle (Lux) – European High Yield Bond
Pan European Fund	into	Threadneedle (Lux) – Pan European Equities
Pan European Smaller Companies Fund	into	Threadneedle (Lux) – Pan European Smaller Companies
Pan European Equity Dividend	into	Threadneedle (Lux) – Pan European Equity Dividend
Credit Opportunities Fund	into	Threadneedle (Lux) – Credit Opportunities

The Existing Funds and the Lux Funds are very similar, and will be managed in the same way by the same investment manager. The fees payable by you in the Lux Fund will remain at a similar level to your Existing Fund. For these reasons, we consider the merging of the Existing Funds with the Lux Funds to be in the best interests of Shareholders in the Existing Funds.

There are, however, some changes resulting from the mergers. They are explained in the next section, which you should read carefully.

## 2. WHAT ARE THE MAIN SIMILARITIES AND DIFFERENCES BETWEEN THE EXISTING FUNDS AND THE LUX FUNDS?

The Existing Funds are subject to UK regulations under the supervision of the Financial Conduct Authority (FCA). The Lux Funds will be overseen by the Commission de Surveillance du Secteur Financier (CSSF) in the Grand Duchy of Luxembourg. This means there will be many similarities and some differences as a result of slightly different fund structures and their respective regulators. Importantly, the level of regulatory supervision provided by the CSSF is considered equivalent to that of the FCA. For a comparison of the features and regulations of the two types of fund in the United Kingdom and the Grand Duchy of Luxembourg please refer to Appendix 1.

The Lux Funds will follow the same or a very similar investment process to that currently used to manage your investment. However, despite having the same investment strategy, process and associated risks as the Existing Funds, the Lux Funds do have some differently worded investment objectives and policies. The most significant changes are:

- Additional information about the instruments that the fund manager will use and their investment limits;
- Information about a reference index that the fund manager uses as part of the investment process;
- The removal of references to investment in assets other than equities for Threadneedle (Lux) – Pan European Equity Dividend, and in assets other than bonds for Threadneedle (Lux) – European Corporate Bond and Threadneedle (Lux) – European High Yield Bond.

The revised wording provides additional information about the way the Lux Funds will be managed, but does not affect the way they will be managed in practice.

There are also some differences between the operational and administrative features of the Existing Funds and the Lux Funds. These are described below.

There will be no re-balancing of the Funds as a result of the Mergers. For a detailed comparison of the Existing Funds and the Lux Funds, please refer to the relevant section of Appendix 1.

## 2.1 COMPARISON OF INVESTMENT OBJECTIVES AND POLICIES

The investment objective and policy for each of the Existing Funds and the Lux Funds are set out in Appendix 1.

The revised wording provides additional information about the way the Lux Funds will be managed, but does not affect the way they will be managed in practice.

Please refer to Appendix 1 for the full investment objectives and policies of the Existing Funds and the Lux Funds.

## 2.2 RISK FACTORS

The risks relating to the Existing Funds are largely the same as the risks relating to their corresponding Lux Funds. As evidence of this, the Lux Funds will have the same Synthetic Risk Reward Indicator (SRRI) as the Existing Funds. Any additional risks in the Lux Funds that we consider to be potentially significant are set out in the draft Key Investor Information Document (KIID) for the Lux Funds.

## 2.3 COMPARISON OF OPERATIONAL FEATURES

### 2.3.1 Fee structure

The Annual Management Charge for your New Shares will be the same as it was for your Existing Shares. However, there is a different charging structure for the Existing Funds and the Lux Funds.

For the Existing Funds, in addition to the Annual Management Charge, a limited number of fees and expenses may also be paid out of the Existing Funds' property. With the Lux Funds, fees and expenses over and above the Annual Management Charge are not paid out of the Lux Funds' property. Instead, those funds charge fixed operating expenses.

Investors should note that a subscription tax (*taxe d'abonnement*) of 0.05% per annum applies to retail share classes in funds based in Luxembourg and this will be included in the Lux Funds' operating expenses. For qualifying institutional investors investing into an institutional share class (as defined under the Luxembourg Regulations) this tax reduces to 0.01% per annum. As a result, the ongoing charges figure for the Lux Funds will be correspondingly higher than the current ongoing charges figure for the Existing Funds. Please refer to Appendix 1 for further information.

Please contact us if you believe that you qualify as an institutional investor according to the Luxembourg Regulations and would like to move your investment into an institutional share class. We will need you to complete the appropriate declaration, so you can instruct us to transfer your investment into an institutional share class if the Mergers are approved.

### 2.3.2 Dealing cut-off

For both the Existing Funds and the Lux Funds, all subscriptions, redemptions or exchanges will be applied using the Net Asset Value calculated after the order is received (e.g. an unknown Net Asset Value). For the Existing Funds, if we receive your instructions before 1:00pm Luxembourg time (12 noon UK time) on a Business Day, we will process your order using the price for Shares for that day. This is known as the "Dealing Cut-Off Time". For the Lux Funds, the Dealing Cut-Off Time is 3:00pm Luxembourg time (2:00pm UK time) on each Business Day.

### 2.3.3 Valuation Point

Shares of the Funds (and their underlying assets) are valued at different times each day. The price for the shares of each Fund is determined using that Fund's "Valuation Point".

The Valuation Point for the Existing Funds is 1:00pm Luxembourg time (12 noon UK time). The Valuation Point for the Lux Funds is Global Close.

### 2.3.4 Accounting dates and income allocation dates

There will be different accounting dates and dates on which income will be paid for the Lux Fund, as set out below:

Existing Fund				Lux Fund		
Fund name	Accounting dates	XD dates	Income payment	Fund name	Accounting dates	Income payment
European Corporate Bond Fund	7 March	8 March	7 May	Threadneedle (Lux) – European Corporate Bond	31 March	March and September, one Business Day before month-end.
	(annual)	(annual)	(annual)		(annual)	
European High Yield Bond Fund	7 March	8 March	7 May	Threadneedle (Lux) – European High Yield Bond	31 March	March and September, one Business Day before month-end.
	7 September	8 September	7 November		30 September	
Pan European Fund	7 March	8 March	7 May	Threadneedle (Lux) – Pan European Equities	31 March	March and September, one Business Day before month-end.
	(annual)	(annual)	(annual)		(annual)	
Pan European Smaller Companies Fund	7 March	8 March	7 May	Threadneedle (Lux) – Pan European Smaller Companies	31 March	March and September, one Business Day before month-end.
	7 September				30 September	
Pan European Equity Dividend Fund	30 April	1 May	30 June	Threadneedle (Lux) – Pan European Equity Dividend	31 March	March and September, one Business Day before month-end.
	(annual)	(annual)	(annual)		(annual)	
Credit Opportunities Fund	21 January	22 January	21 March	Threadneedle (Lux) – Credit Opportunities	31 March	March and September, one Business Day before month-end.
	21 July				30 September	
	(semi-annual)				(semi-annual)	

### 2.3.5 Base currency

The base currency (the currency in which the sub-funds are accounted) of the Existing Funds is pounds sterling, except for Credit Opportunities Fund where the base currency is euros. The base currency of the Lux Funds is different for each of the funds and is set out in Appendix 1. However, the fund managers of each of the Existing Funds and their corresponding Lux Fund refer to the same investment currency when they make investments so there is no significant change to the currency movement risks in each Existing Fund and the Lux Funds.

### 2.3.6 Settlement periods

Trades for the Existing Funds settle four Business Days after we receive your instructions, whereas trades for the Lux Funds settle after three Business Days. This means that you will receive your money from us more quickly if you sell your Shares in the Lux Funds, but we will need to receive money from you more quickly if you buy new Shares in the Lux Funds after the Mergers have taken place.

### 2.3.7 Regular savings and withdrawals

Regular savings and withdrawals are not available in the Lux Funds. Any Direct Debit mandates or other instructions which you have given in relation to your Existing Shares will, after the relevant Effective Date, cease to be effective.

### 2.3.8 ISA investments

If you are a UK investor investing through an ISA, you should note that the Lux Funds will not be available through a Threadneedle ISA. However, to keep your ISA status you can either:

- (i) switch your investment into another UK-based Threadneedle fund or
- (ii) you may be able to retain your ISA status in the Lux Funds via a third-party ISA manager, and further information has been provided to you with this circular.

### 2.3.9 Financial Ombudsman Service and Financial Services Compensation Scheme

The Lux Funds are covered by the Lux Company's formal complaint process. Investments in the Lux Funds are not covered by the UK Financial Services Compensation Scheme, and compensation arrangements may be different from the Existing Funds. Complaints regarding the Lux Funds will not come under the remit of the UK Financial Ombudsman Service, however complaints can be referred to the CSSF if the response of the Lux Company is not considered to be satisfactory.

### 2.3.10 Income equalisation

The Existing Funds operate income equalisation, whereas the Lux Funds do not.

Where income equalisation is applied, investors who buy Shares during a distribution period will have their first distribution on those shares split between an income amount and an equalisation amount. The equalisation amount represents an estimate of the income that has been accrued in the relevant fund before the investor purchased the Shares. As such, this income has not been "earned" by the investor.

The equalisation portion of the distribution is not treated as income that may be subject to income tax. Instead it is considered as a return of capital for UK capital gains tax purposes. Where investors have held their Shares for the entire distribution period, they will receive the same amount of distribution as those who bought their Shares during the distribution period. However, the entire amount of their distribution will be treated as income for UK tax purposes, and no portion of it will be treated as capital.

Additionally, when income equalisation is not applied, your distribution may go up or down as a result of Shareholders buying or selling Shares in the relevant Fund.

### 2.3.11 Share classes

There are some differences to note between the share class names for the Existing Funds and the Lux Funds.

The Existing Funds issue:

- Class 1 Shares (same in the Lux Company) – available to retail and institutional investors
- Class 2 Shares (Class 8 in the Lux Company) – available to institutional investors
- Class N Shares (Class 3 in the Lux Company) – available to eligible distributors that have entered into separate fee arrangements with their clients
- Class Z Shares (Class 3 in the Lux Company) – available to eligible distributors that have entered into separate fee arrangements with their clients
- Class X Shares (Class 4 in the Lux Company) – available to Eligible Investors (as defined in the prospectus of the Lux Company)
- Class M Shares (Class 1 in the Lux Company) – available to retail and institutional investors.

Both the Existing Funds and the Lux Funds issue income and accumulation Shares, except for European Corporate Bond Fund and Threadneedle (Lux) – European Corporate Bond, both of which only issue accumulation Shares.

Shareholders in the Existing Funds will receive New Shares as set out in the following table:

Existing Shares (share class type)		New Shares (share class type)	
<b>European Corporate Bond Fund</b>	Class 1 Accumulation EUR	<b>Threadneedle (Lux) – European Corporate Bond</b>	1E – Class 1 Accumulation EUR
	Class 1 Accumulation GBP		1G – Class 1 Accumulation GBP
	Class 2 Accumulation EUR		8E – Class 8 Accumulation EUR
	Class 2 Accumulation GBP		8G – Class 8 Accumulation GBP
	Class Z Accumulation GBP		3G – Class 3 Accumulation GBP
<b>European High Yield Bond Fund</b>	Class 1 Accumulation EUR	<b>Threadneedle (Lux) – European High Yield Bond</b>	1E – Class 1 Accumulation EUR
	Class 1 Accumulation GBP		1G – Class 1 Accumulation GBP
	Class 1 Income EUR		1EP – Class 1 Income EUR
	Class 1 Income GBP		1GP – Class 1 Income GBP
	Class M Income USD Hedged		1UT – Class 1 Income USD Hedged
	Class 2 Accumulation EUR		8E – Class 8 Accumulation EUR
	Class 2 Income EUR		8EP – Class 8 Income EUR
	Class 2 Accumulation CHF Hedged		8FH – Class 8 Accumulation CHF Hedged
	Class 2 Accumulation GBP		8G – Class 8 Accumulation GBP
	Class 2 Income GBP		8GP – Class 8 Income GBP
	Class Z Accumulation EUR		3E – Class 3 Accumulation EUR
	Class Z Income EUR		3EP – Class 3 Income EUR
	Class Z Income CHF Hedged		3FC – Class 3 Income CHF Hedged
	Class Z Accumulation CHF Hedged		3FH – Class 3 Accumulation CHF Hedged
	Class Z Income GBP		3GP – Class 3 Income GBP
	Class Z Accumulation GBP		3G – Class 3 Accumulation GBP
	Class N Income USD Hedged		3GT – Class 3 Income USD Hedged
	Class Z Accumulation USD H		3UH – Class 3 Accumulation USD Hedged
	Class X Accumulation EUR		4E – Class 4 Accumulation EUR
	Class X Accumulation GBP		4G – Class 4 Accumulation GBP
Class X Income GBP	4GP – Class 4 Income GBP		
<b>Pan European Fund</b>	Class 1 Accumulation EUR	<b>Threadneedle (Lux) – Pan European Equities</b>	1E – Class 1 Accumulation EUR
	Class 1 Income EUR		1EP – Class 1 Income EUR
	Class 1 Accumulation GBP		1G – Class 1 Accumulation GBP
	Class 1 Income GBP		1GP – Class 1 Income GBP
	Class 2 Accumulation USD		8U – Class 8 Accumulation USD
	Class 2 Accumulation EUR		8E – Class 8 Accumulation EUR
	Class 2 Accumulation GBP		8G – Class 8 Accumulation GBP
	Class Z Accumulation EUR		3E – Class 3 Accumulation EUR
	Class Z Accumulation GBP		3G – Class 3 Accumulation GBP
	Class Z Income GBP		3GP – Class 3 Income GBP
	Class X Accumulation GBP		4G – Class 4 Accumulation GBP
	Class X Accumulation EUR		4E – Class 4 Accumulation EUR



Existing Shares (share class type)		New Shares (share class type)	
<b>Pan European Smaller Companies Fund</b>	Class 1 Accumulation EUR	<b>Threadneedle (Lux) – Pan European Smaller Companies</b>	1E – Class 1 Accumulation EUR
	Class 1 Income EUR		1EP – Class 1 Income EUR
	Class 1 Accumulation CHF Hedged		1FH – Class 1 Accumulation CHF Hedged
	Class 1 Accumulation GBP		1G – Class 1 Accumulation GBP
	Class 1 Income GBP		1GP – Class 1 Income GBP
	Class 1 Accumulation USD Hedged		1UH – Class 1 Accumulation USD Hedged
	Class 2 Accumulation EUR		8E – Class 8 Accumulation EUR
	Class 2 Accumulation GBP		8G – Class 8 Accumulation GBP
	Class Z Accumulation EUR		3E – Class 3 Accumulation EUR
	Class Z Income EUR		3EP – Class 3 Income EUR
	Class Z Accumulation CHF Hedged		3FH – Class 3 Accumulation CHF Hedged
	Class Z Accumulation GBP		3G – Class 3 Accumulation GBP
	Class Z Income GBP		3GP – Class 3 Income GBP
	Class Z Accumulation USD Hedged		3UH – Class 3 Income USD Hedged
	Class X Accumulation EUR		4E – Class 4 Accumulation EUR
	Class X Accumulation GBP		4G – Class 4 Accumulation GBP
<b>Pan European Equity Dividend Fund</b>	Class 1 Accumulation EUR	<b>Threadneedle (Lux) – Pan European Equity Dividend</b>	1E – Class 1 Accumulation EUR
	Class 1 Income EUR		1EP – Class 1 Income EUR
	Class 1 Accumulation GBP		1G – Class 1 Accumulation GBP
	Class 1 Income GBP		1GP – Class 1 Income GBP
	Class 2 Accumulation EUR		8E – Class 8 Accumulation EUR
	Class 2 Income EUR		8EP – Class 8 Income EUR
	Class 2 Accumulation GBP		8G – Class 8 Accumulation GBP
	Class 2 Income GBP		8GP – Class 8 Income GBP
	Class Z Accumulation EUR		3E – Class 3 Accumulation EUR
	Class Z Income EUR		3EP – Class 3 Income EUR
	Class Z Accumulation GBP		3G – Class 3 Accumulation GBP
	Class Z Income GBP		3GP – Class 3 Income GBP
	Class X Accumulation EUR		4E – Class 4 Accumulation EUR
	Class X Accumulation GBP		4G – Class 4 Accumulation GBP
<b>Credit Opportunities Fund</b>	Class 1 Accumulation GBP Hedged	<b>Threadneedle (Lux) – Credit Opportunities</b>	1GH – Class 1 Accumulation GBP Hedged
	Class 1 Accumulation EUR		1E – Class 1 Accumulation EUR
	Class 1 Income EUR		1EP – Class 1 Income EUR
	Class 1 Accumulation GBP Hedged		1GH – Class 1 Accumulation GBP Hedged
	Class 2 Accumulation EUR		8E – Class 8 Accumulation EUR
	Class 2 Income EUR		8EP – Class 8 Income EUR
	Class 2 Income GBP Hedged		8GC – Class 8 Income GBP Hedged
	Class 2 Accumulation GBP Hedged		8GH – Class 8 Accumulation GBP Hedged
Class X Accumulation GBP Hedged	4GH – Class 4 Accumulation GBP Hedged		

### 2.3.12 Share class codes

There are some differences in the share class codes of the Existing Funds and the Lux Funds, as set out in the appendix.

## 2.4 COMPARISON OF SERVICE PROVIDERS AND ADMINISTRATIVE FEATURES

Following the change, the management company will be changed from TISL to TML S.A.

TISL is a UK incorporated company. TML S.A. is a Luxembourg company. TISL and TML S.A. both have the same ultimate parent company.

The transfer agent for the Lux Funds will be International Financial Data Services (Luxembourg) S.A. ("IFDS") rather than DST Financial Services Europe Limited ("DST"). This means that, following the merger, you will need to use a different correspondence address to buy or sell Shares or to obtain information about your investments. The new contact details for the transfer agent is 47, avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg. DST and IFDS are in the same group of companies. For any queries, please contact your usual client service representative.

As a result of the proposal, the depository of the Lux Company is Citibank Europe plc, Luxembourg Branch rather than Citibank Europe plc, UK Branch.

## 3. TERMS OF THE PROPOSAL

Each Merger will only take place if the relevant Extraordinary Resolution in the respective Existing Funds is approved. The Scheme is set out in full in Appendix 2 to this letter. If the resolution is passed at a Meeting for any of the Existing Funds, it is intended that the relevant Merger will be implemented in accordance with the terms of the Scheme. If the proposal is not approved by the requisite majority of votes the Scheme will not go ahead in respect of that Existing Fund and it will continue to operate as it does currently.

If the proposals are approved, Shareholders in the Existing Funds will receive New Shares in the relevant Lux Funds in exchange for the transfer of the assets of the Existing Fund to the Lux Fund on the terms set out in the Scheme. No initial charge or switching charge will be applied on the issue of New Shares as part of the transfer.

Shares in the relevant Existing Fund will then be deemed to have been cancelled and will cease to be of any value and the Existing Fund will be terminated. New Shares will be issued in place of Existing Shares.

There will be an ad hoc Valuation Point for each of the Existing Funds, as detailed in the proposed timetable for the relevant Merger, to facilitate the transfer of assets. Any income available for allocation to income Shares from the end of the previous accounting period to the Effective Date will be transferred to the distribution account of the relevant Existing Fund and will be distributed to holders of income shares within 3 months. In the case of accumulation shares, income allocated will be accumulated and reflected in the value of those shares before the transfer is implemented.

Shares of the Lux Company will be valued in accordance with the Articles of the Lux Company.

The share exchange ratio in respect of each Share Class of the Existing Funds will be determined by dividing the net asset value per share calculated as of the Effective Date by the net asset value per share of the relevant share class of the Lux Fund as at the same date. In order for these to be expressed in the same base currency a foreign currency exchange rate will be applied to the Existing Fund to match the Lux Fund's base currency, using the appropriate WM 16:00 GMT exchange rate, which is used in the Global Close price.

## 4. TAX CONSEQUENCES OF THE PROPOSAL

Based on our understanding of the tax legislation and the tax clearances that have been obtained from HM Revenue & Customs, for UK resident investors the Scheme will not involve a disposal of Shares for capital gains tax purposes, whatever the size of your holding.

It is our understanding that no stamp duty reserve tax ("SDRT") should be payable in respect of the transfer of the property of the Existing Fund to the Lux Fund under the Scheme. If any SDRT or foreign transfer tax should be payable, it will be borne by Columbia Threadneedle Investments.

The above reflects our understanding of current UK legislation and HM Revenue & Customs practice relevant to UK resident investors regarding the issue of New Shares under the Scheme. It may be subject to change. The tax consequences of implementation of the Scheme may vary depending on the law and regulations of your country of residence, citizenship or domicile. If you are in any doubt about your potential liability to tax you should seek professional advice.

For details on the taxation of the Existing Fund and the Lux Fund, please see Appendix 1.

## 5. PROCEDURE FOR THE MEETING

The procedure for the Meeting is set out in Appendix 3. Details of the various consents, clearances and a list of the documents relating to the proposals which are available for inspection are set out in Appendix 4.

The extraordinary resolution proposed for the Existing Fund in relation to the Scheme is set out in the Notice of Meeting of Shareholders in Appendix 5. If the resolution is passed at a Meeting for an Existing Fund, it is intended that the transfer will be implemented in accordance with the terms of the Scheme. If the proposal is not approved by the requisite majority of votes the Scheme will not go ahead in respect of the Existing Fund and the Existing Fund will continue to operate as it does currently.

## 6. COSTS

The costs of convening and holding the Meetings and any adjourned meetings, and of implementing the proposal, will be met by Threadneedle Investment Services Limited, and not the Existing Funds. We will also cover the costs associated with the subsequent termination of the Existing Funds. There will be no initial charge or switching charge applied as part of the Mergers.

## 7. REMINDER OF THE ACTION TO BE TAKEN

If you have any queries concerning the proposal, or would like to receive a copy of the Depositary's report following the Mergers, please contact us on 0044 1268 444 321 for shareholders located outside of the UK between 9.00 am and 7.00 pm (Luxembourg time, Monday to Friday) or on 0800 953 0134\* for UK shareholders. You may also wish to consult your professional adviser if you are uncertain about the contents of this document.

The extraordinary resolution requires at least 75% of the votes cast at the Meeting to be in favour of the resolution in order to be passed, so it is important that you exercise your right to vote.

Please note that if you choose not to exercise your vote, and the extraordinary resolution is passed, your Existing Shares will automatically transfer to the relevant Lux Fund on the Effective Date.

Please complete and return the enclosed Form of Proxy in the pre-paid return envelope provided to arrive by no later than 48 hours prior to the time of the relevant EGM on 24th August 2018.

You can attend and vote at the relevant Meeting (and any adjourned meeting(s)) regardless of whether or not you have completed and returned the Form of Proxy.

Please note that we cannot accept returns by fax or email.

Yours sincerely



**Michelle Scrimgeour,**  
**Director**

For and on behalf of

**Threadneedle Investment Services Limited**

(as authorised corporate director of Threadneedle Focus Investment Funds ICVC, Threadneedle Investment Funds ICVC and Threadneedle Specialist Investment Funds ICVC).

# APPENDIX 1

## COMPARISON BETWEEN THE EXISTING FUNDS AND THE LUX FUNDS

The Existing Funds are structured as sub-funds of an umbrella UK Investment Company with Variable Capital (“**ICVC**”), a type of investment company sometimes also known as Open-Ended Investment Companies (“**OEIC**”) authorised and regulated by the FCA. The Lux Funds are structured as sub-funds of a Luxembourg-authorized *Société Anonyme* qualifying as a Société d’investissement à Capital Variable (“**SICAV**”) regulated by the CSSF. They are similar in terms of structure, in the way they operate and their investment and borrowing powers, in particular because both are established as UCITS funds. This is a reference to funds which are established in member states of the European Union under the European Union Directive known as the UCITS (Undertakings for Collective Investment in Transferable Securities) Directive. There are, however, some relatively minor differences in the way they the Existing Funds and the Lux Funds operate.

### Part A – Differences between OEICs and SICAVs

We set out a comparison of the main features of OEICs and SICAVs in the table below.

LEGAL STRUCTURE AND REGULATION		
	OEIC	SICAV
Structure	Open-ended investment company established in the UK	Société d’investissement à capital variable (investment company with variable capital) established in Luxembourg
General information about the structure	OEICs are the UK version of open-ended investment companies	SICAVs are the Luxembourg version of open-ended investment companies
Legal structure	An OEIC can be established as an umbrella company with a number of sub-funds, or as a stand-alone fund. The Existing Funds are sub-funds of Threadneedle Focus Investment Funds ICVC, Threadneedle Investment Funds ICVC and Threadneedle Specialist Investment Funds ICVC. Can issue a range of share class types which may be differentiated by fee structure, distributions and currency; including currency hedged or unhedged shares	A SICAV can be established as an umbrella company with a number of sub-funds, or as a stand-alone fund. The Lux Funds are established as sub-funds of Threadneedle (Lux) Can issue a range of share class types which may be differentiated by fee structure, distributions and currency; including currency hedged or unhedged shares
UCITS status	Can be established, like Threadneedle Focus Investment Funds ICVC, Threadneedle Investment Funds ICVC and Threadneedle Specialist Investment Funds ICVC, as a UCITS (Undertakings for Collective Investment in Transferable Securities) or retail non-UCITS	Can be established, like Threadneedle (Lux), as a UCITS (Undertakings for Collective Investment in Transferable Securities) or retail non-UCITS
Regulatory authority	Financial Conduct Authority (FCA), in the UK	Commission de Surveillance du Secteur Financier (CSSF), in Luxembourg
Main relevant local regulations	The Open-Ended Investment Companies regulations 2001 and the FCA Handbook, and in particular the Collective Investment Schemes Sourcebook (“COLL”)	The Law of 17 December 2010 relating to undertakings for collective investment, as amended (the “2010 Law”)
Corporate governance	The Authorised Corporate Director (ACD) has management responsibility and is also responsible for the day-to-day operation of the OEIC	A SICAV has a Board of Directors, which can delegate management responsibility to a management company
Role of Depositary	A Depositary (UK-based) is responsible for the custody of fund assets and must act solely in the interests of the UCITS and its investors The Depositary is also responsible for oversight of the ACD to ensure the interests of investors are protected The Depositary and ACD must be completely independent	A Depositary (Luxembourg-based) is responsible for the custody of fund assets and ensuring the interests of investors are maintained The Depositary is also responsible for oversight of the management company to ensure the interests of investors are protected The Depositary is subject to rules as to its independence
Segregation of liability between sub-funds	Legislation to allow the segregation of liability between sub-funds in an umbrella OEIC is provided for under UK law This means that assets in each sub-fund are ring-fenced from others in the range	Segregation of liability between sub-funds is provided for under Luxembourg law This means that assets in each sub-fund are ring-fenced from others in the range

<b>LEGAL STRUCTURE AND REGULATION</b>		
	<b>OEIC</b>	<b>SICAV</b>
<b>Financial Reporting and Accounting Standards</b>	Follows UK generally accepted accounting practice ("UK GAAP"), the Investment Association Statement of Recommended Practice ("IA SORP") and COLL	Follows Luxembourg generally accepted accounting practice ("Lux GAAP") and the 2010 Law
<b>Investment and borrowing powers</b>	For a UCITS, these derive from the UCITS Directive, but a sub-fund need not take advantage of all the available investment and borrowing powers. Please see Part B of this Appendix below	For a UCITS, these derive from the UCITS Directive, but a sub-fund need not take advantage of all the available investment and borrowing powers. Please see Part B of this Appendix below

<b>FUND TAXATION</b>		
	<b>OEIC</b>	<b>SICAV</b>
<b>Fund Level</b>	Each sub-fund of an OEIC is treated as a separate company for UK tax purposes. They are exempt from tax on dividends received (both UK and non-UK). While OEICs are, in principle, liable to UK corporation tax at 20% on interest and any other investment income they receive, their expenses are tax-deductible so equity funds do not typically pay any UK tax. Where a sub-fund pays interest distributions these are also tax-deductible so again bond funds typically do not pay any UK tax. Capital gains realised by sub-funds are exempt from UK tax	The sub-funds of a SICAV are exempt from Luxembourg tax on income and capital gains
<b>Investment Level</b>	Sub-funds of OEICs may suffer foreign tax on their foreign income and gains, which is levied by the country where the income or gains arise  The UK has an extensive number of double tax agreements with other countries which almost all benefit OEICs with the result that the foreign tax on investment income and gains is generally reduced	Sub-funds of SICAVs may also suffer foreign tax on their foreign income and gains, which is levied by the country where the income or gains arise  Luxembourg has a number of double tax agreements with other countries some of which benefit SICAVs with the result that the foreign tax on investment income and gains is sometimes reduced. Depending on the portfolio composition and strategy of the Sub-fund, there may therefore be some differences in the post-tax return between an OEIC structure and a SICAV structure due to their different access to double tax treaties
<b>Other fund taxes</b>	None	Taxe d'abonnement of 0.05% each year for investors in retail share classes and 0.01% for investors in institutional share classes, based on the net asset value of the relevant share class

<b>INVESTOR TAXATION</b>		
	<b>OEIC</b>	<b>SICAV</b>
<b>Income and capital gains</b>	Non-UK resident taxpaying investors are not subject to any capital gains or income tax in the UK except for those who maintain a permanent establishment in the UK. They are however liable to local income tax and capital gains tax in their country of tax residence.  If you have any other questions, please consult your own professional tax adviser.	Non-Luxembourg resident taxpaying investors are not subject to any capital gains or income tax in Luxembourg except for those who maintain a permanent establishment in Luxembourg. They are however liable to local income tax and capital gains tax in their country of tax residence.  If you have any other questions, please consult your own professional tax adviser.
<b>Withholding tax on distributions</b>	There is no withholding tax on distributions from an OEIC invested in securities	There is no withholding tax on distributions from a SICAV

# COMPARISON BETWEEN THE EXISTING FUNDS AND THE LUX FUNDS

## Part B – Comparison of the main features of the Existing Funds and Lux Funds

### THREADNEEDLE EUROPEAN CORPORATE BOND FUND INTO THREADNEEDLE (LUX) – EUROPEAN CORPORATE BOND

Threadneedle (Lux) – European Corporate Bond is a newly established sub-fund of Threadneedle (Lux), a Luxembourg-authorized SICAV, and will launch on 29th August 2018.

The table below provides a comparison of the main features of the European Corporate Bond Fund and Threadneedle (Lux) – European Corporate Bond.

For further details of the European Corporate Bond Fund, please refer to the Key Investor Information Document. The prospectus of Threadneedle Investment Funds ICVC and Threadneedle (Lux) is also available free of charge upon request to TISL or at [columbiathreadneedle.com](http://columbiathreadneedle.com).

	<b>EXISTING FUND</b>	<b>LUX FUND</b>
	<b>Threadneedle European Corporate Bond Fund</b>	<b>Threadneedle (Lux) – European Corporate Bond</b>
<b>Investment objective</b>	To achieve total return.	The European Corporate Bond Portfolio seeks to achieve a total return from income and capital appreciation by investing in fixed income securities that are primarily denominated in Euro.
<b>Investment policy</b>	The ACD's investment policy is to invest the assets of the Fund in a managed portfolio of fixed interest securities which are primarily Euro denominated. The portfolio will consist primarily of a broad range of investment grade corporate fixed interest investments in companies domiciled in Europe or which have significant European operations. From time to time, it may also invest in securities issued by investment grade sovereign and supranational borrowers. However, it is intended that the portfolio will not be more than 25% invested in securities rated AAA (Standard & Poor's) or equivalent rating by another leading rating agency. A maximum of 10% of the portfolio can be invested in below investment grade securities. Where securities are non-Euro denominated it is intended that they will typically be hedged into Euro.	The Portfolio will invest in a broad range of Investment Grade fixed income securities issued by companies domiciled in Europe or which have significant European operations. It may also invest in Investment Grade securities that are issued by sovereign and supranational borrowers. However, it is intended that the Portfolio will not invest more than 25% of its net assets in securities that are rated AAA (Standard & Poor's) or an equivalent rating from another leading rating agency. A maximum of 10% of the Portfolio's net assets can be invested in securities that are rated below Investment Grade. The Portfolio may invest in mortgage and asset-backed securities (the mortgage and asset-backed securities not exceeding 10% of the Portfolio's Net Asset Value) and CoCos (not exceeding 10% of the Portfolio's Net Asset Value). The Portfolio may use financial derivative instruments for hedging purposes. Typically, where securities are denominated in a currency other than Euro it is intended that they will typically be hedged back into Euro. The Sub-Advisor will make reference to the iBoxx Euro Corporate Bond Index as part of the investment process. The Portfolio does not aim to track the index, and will not hold every security in the index. The Portfolio may also invest in securities that are not in the index.
<b>Use of derivatives</b>	For efficient portfolio management.	For efficient portfolio management.
<b>Fees charged to capital</b>	No.	N/A, no distinction between income and capital.
<b>Ongoing charges figure (as at 7th March 2018)</b>	Class 1: 1.14% Class 2: 0.57% Class Z: 0.64%	Class 1: 1.19% Class 8: 0.62% Class 3: 0.69%

	<b>EXISTING FUND</b>	<b>LUX FUND</b>
	<b>Threadneedle European Corporate Bond Fund</b>	<b>Threadneedle (Lux) – European Corporate Bond</b>
<b>Charges, fees and expenses</b>		
Redemption charge	None	None
Switching charge	None	None
Initial charge	Class 1 UK: Up to 3% of the gross amount invested. Class 1 Non-UK: Up to 5% of the gross amount invested. Class 2 Shares: 0% Class Z Shares: Up to 3% of the gross amount invested.	Class 1: Up to 5% of the gross amount invested. Class 3: Shares: Up to 3% of the gross amount invested. Class 8: Shares: 0%
Annual management charge	Class 1: 1.00% per annum Class 2: 0.50% per annum Class Z: 0.50% per annum	Class 1: 1.00% per annum Class 8: 0.50% per annum Class 3: 0.50% per annum
Depository charge	0.01%	Included in the fixed operating expenses.
Registrar's fee/ Operating Expenses	Class 1 Shares and Class Z Shares: 0.11% per annum Class 2 Shares: 0.035% per annum	Class 1: 0.19% Class 3: 0.19% Class 8: 0.12%
Charges taken from income?	Yes	N/A, no distinction between income and capital.
Classes of Shares offered	Class 1 Accumulation Shares Class 2 Accumulation Shares Class Z Accumulation Shares	Class 1 Accumulation Shares Class 8 Accumulation Shares Class 3 Accumulation Shares
<b>Minimum investment amounts</b>		
Lump sum	Class 1: GBP 2,000, EUR 2,500, USD 3,000 Class 2: GBP 0.5 million, EUR 0.75 million, USD 0.8 million Class Z: GBP 1 million, EUR 1.5 million, USD 1.5 million	N/A
Holding	Class 1: GBP 500, EUR 750, USD 750 Class 2: GBP 25,000, EUR 40,000, USD 40,000 Class Z: GBP 50,000, EUR 75,000, USD 75,000	N/A
Top-up	Class 1: GBP 1,000, EUR 750, USD 750 Class 2: GBP 25,000, EUR 40,000, USD 40,000 Class Z: GBP 500,000, EUR 75,000, USD 750,000	N/A
Regular Savings	Minimum – £50 Maximum – None By Direct Debit	Unavailable
Regular Withdrawals	Subject to £50 minimum, and fund holding value being not less than £500	Unavailable
Deal cut off	12.00 noon each Dealing Day	3:00pm Luxembourg time each Dealing Day
Valuation point	12.00 noon each Dealing Day	Global Close each Dealing Day
<b>Accounting periods end</b>		
Annual	7 March	31 March
Interim	7 September	30 September
<b>Income payment dates</b>		
Annual	7 May (annual) 7 November (semi-annual)	For distributing share classes, distributions are made at least annually, and more frequently for certain share classes.
<b>XD dates</b>		
Annual	8 March (annual) 8 September (semi-annual)	At least annually, and more frequently for certain share classes.
<b>Service providers</b>		
Authorised Corporate Director/Management Company	Threadneedle Investment Services Limited	Threadneedle Management Luxembourg S.A.
Depository	Citibank Europe plc, UK branch	Citibank Europe plc, Luxembourg branch
Custodian	Citibank N.A.	Citibank N.A.
Administrator	Citibank N.A.	Citibank N.A.
Investment Manager	Threadneedle Asset Management Limited	Threadneedle Asset Management Limited
Registrar	Threadneedle Investment Services Limited, delegated to DST Financial Services Europe Limited	International Financial Data Services (Luxembourg) S.A.
Auditor	PricewaterhouseCoopers LLP	PricewaterhouseCoopers, <i>société coopérative</i>

# COMPARISON OF THE MAIN FEATURES OF THE EXISTING FUNDS AND LUX FUNDS

## THREADNEEDLE EUROPEAN HIGH YIELD BOND FUND INTO THREADNEEDLE (LUX) – EUROPEAN HIGH YIELD BOND

Threadneedle (Lux) – European High Yield Bond is a newly established sub-fund of Threadneedle (Lux), a Luxembourg-authorized SICAV, and will launch on 29th August 2018.

The below table provides a comparison of the main features of the European High Yield Bond Fund and Threadneedle (Lux) – European High Yield Bond.

For further details of the European High Yield Bond Fund, please refer to the Key Investor Information Document. The prospectus of Threadneedle Investment Funds ICVC and Threadneedle (Lux) is also available free of charge upon request to TISL or at [columbiathreadneedle.com](http://columbiathreadneedle.com).

	EXISTING FUND	LUX FUND
	Threadneedle European High Yield Bond Fund	Threadneedle (Lux) – European High Yield Bond
<b>Investment objective</b>	To achieve total return. Over time this will be predominantly by way of income.	The European High Yield Bond Portfolio seeks to achieve a total return from income and capital appreciation by investing principally in Euro or Sterling denominated fixed income securities that are rated below Investment Grade.
<b>Investment policy</b>	The ACD's investment policy is to invest the assets of the Fund primarily in corporate fixed interest securities of corporates with higher risk (that is non-investment grade credit) issued predominantly in Euro or Sterling. Where securities are non-Euro denominated it is intended they will typically be hedged into Euro. The ACD will invest predominantly in issues issued by companies domiciled in Europe, or with significant European operations. If the ACD considers it desirable it may further invest in other securities (including fixed interest securities, other equities and money market securities).	The Portfolio will invest in bonds issued by companies domiciled in Europe, or with significant European operations. The Portfolio may invest in CoCos (not exceeding 10% of the Portfolio's Net Asset Value). The Portfolio may use financial derivative instruments for hedging purposes. Typically, where securities are denominated in a currency other than Euro it is intended that they will typically be hedged back into Euro. The weighted average credit rating is expected to be BB- as rated by S&P or Fitch or the Moody's equivalent of Ba3. The Sub-Advisor will make reference to the Merrill Lynch European Currency High Yield (3%) Constrained Index ex-Subordinated Financials (Hedged to Euro) as part of the investment process. The Portfolio does not aim to track the index, and will not hold every security in the index. The Portfolio may also invest in securities that are not in the index.
<b>Use of derivatives</b>	For efficient portfolio management.	For efficient portfolio management.
<b>Fees charged to capital</b>	Yes	N/A, no distinction between income and capital.
<b>Ongoing charges figure (as at 7th March 2018)</b>	Class 1: 1.33% Class 2: 0.81% Class M: 1.42% Class N: 0.72% Class Z: 0.72% Class X: 0.06% Note: Separate fees are payable to the ACD under an agreement between the relevant investor and the ACD.	Class 1: 1.38% Class 8: 0.86% Class 3: 0.77% Class 4: 0.07%



	<b>EXISTING FUND</b>	<b>LUX FUND</b>
	<b>Threadneedle European High Yield Bond Fund</b>	<b>Threadneedle (Lux) – European High Yield Bond</b>
<b>Charges, fees and expenses</b>		
<b>Redemption charge</b>	None	None
<b>Switching charge</b>	None	None
<b>Initial charge</b>	Class 1 Shares and Class M Shares UK: Up to 3.75% of the gross amount invested. Class 1 Shares and Class M Shares Non-UK: Up to 5% of the gross amount invested. Class 2 Shares and Class X Shares: 0% Class Z Shares and Class N Shares: Up to 3% of the gross amount invested.	Class 1: Up to 5% of the gross amount invested. Class 3: Shares: Up to 3% of the gross amount invested. Class 4: 0% Class 4 Shares and Class 8 Shares: 0%
<b>Annual management charge</b>	Class 1 Shares: 1.20% per annum Class M Shares: 1.25% per annum Class 2: 0.75% per annum Class Z Shares: 0.60% per annum Class N Shares: 0.60% per annum	Class 1: 1.20% Class 8: 0.75% Class 3: 0.60%
<b>Depository charge</b>	0.01%	Included in the fixed operating expenses.
<b>Registrar's fee/ Operating Expenses</b>	Class 1 Shares: 0.11% per annum Class 2 Shares and Class X Shares: 0.035% per annum Class M Shares: 0.15% per annum Class Z Shares and Class N Shares: 0.11% per annum	Class 1: 0.18% Class 8: 0.11% Class 3: 0.17% Class 4: 0.07%
<b>Charges taken from income?</b>	Yes	N/A, no distinction between income and capital.
<b>Classes of Shares offered</b>	Class 1 Accumulation Shares Class 1 Income Shares Class 2 Accumulation Shares Class 2 Income Shares Class M Income Shares Class N Income Shares Class Z Accumulation Shares Class Z Income Shares Class X Accumulation Shares Class X Income Shares	Class 1 Accumulation Shares Class 1 Income Shares Class 8 Accumulation Shares Class 8 Income Shares Class 3 Accumulation Shares Class 3 Income Shares Class 4 Accumulation Shares Class 4 Income Shares
<b>Minimum investment amounts</b>		
<b>Lump sum</b>	Class 1: GBP 2,000, EUR 2,500, USD 3,000 Class 2: GBP 0.5 million, EUR 0.75 million, USD 0.8 million, CHF: 1.2 million Class M: USD 3,000 Class N: USD 1.5 million Class Z: GBP 1 million, EUR 1.5 million, USD 1.5 million, CHF 1.5 million Class X: GBP 3 million, EUR 5 million, USD 5 million	N/A
<b>Holding</b>	Class 1: GBP 500, EUR 750, USD 750 Class 2: GBP 25,000, EUR 40,000, USD 40,000, CHF 60,000 Class M: USD 750 Class N: USD 750,000 Class Z: GBP 50,000, EUR 75,000, USD 75,000, CHF 75,000 Class X: GBP 25,000, EUR 40,000, USD 40,000	N/A
<b>Top-up</b>	Class 1: GBP 1,000, EUR 750, USD 750 Class 2: GBP 25,000, EUR 40,000, USD 40,000 Class M: USD 750 Class N: 75,000 Class Z: GBP 500,000, EUR 1.5 million, USD 1.5 million, CHF 1.5 million Class X: GBP 25,000, EUR 40,000, USD 40,000	N/A
<b>Regular Savings</b>	Minimum – £50 Maximum – None By Direct Debit	Unavailable

	<b>EXISTING FUND</b>	<b>LUX FUND</b>
	<b>Threadneedle European High Yield Bond Fund</b>	<b>Threadneedle (Lux) – European High Yield Bond</b>
<b>Regular Withdrawals</b>	Subject to £50 minimum, and fund holding value being not less than £500	Unavailable
<b>Deal cut off</b>	12.00 noon each Dealing Day	3:00pm Luxembourg time each Dealing Day
<b>Valuation point</b>	12.00 noon each Dealing Day	Global Close each Dealing Day
<b>Accounting periods end</b>		
<b>Annual</b>	7 March	31 March
<b>Interim</b>	7 September	30 September
<b>Income payment dates</b>		
<b>Annual</b>	7 May (except for Class M Shares and Class N Shares which pay monthly on the 4th Business Day)	For distributing share classes, distributions are made at least annually, and more frequently for certain share classes.
<b>XD dates</b>		
<b>Annual</b>	8 Mar (except for Class M Shares and Class N Shares which has a monthly XD on 8th Business Day)	At least annually, and more frequently for certain share classes.
<b>Service providers</b>		
<b>Authorised Corporate Director/Management Company</b>	Threadneedle Investment Services Limited	Threadneedle Management Luxembourg S.A.
<b>Depository</b>	Citibank Europe plc, UK branch	Citibank Europe plc, Luxembourg branch
<b>Custodian</b>	Citibank N.A.	Citibank N.A.
<b>Administrator</b>	Citibank N.A.	Citibank N.A.
<b>Investment Manager</b>	Threadneedle Asset Management Limited	Threadneedle Asset Management Limited
<b>Advisor to the Investment Manager</b>	Columbia Management Investment Advisers, LLC	Columbia Management Investment Advisers, LLC
<b>Registrar</b>	Threadneedle Investment Services Limited, delegated to DST Financial Services Europe Limited	International Financial Data Services (Luxembourg) S.A.
<b>Auditor</b>	PricewaterhouseCoopers LLP	PricewaterhouseCoopers, <i>société coopérative</i>

# COMPARISON OF THE MAIN FEATURES OF THE EXISTING FUNDS AND LUX FUNDS

## PAN EUROPEAN FUND INTO THREADNEEDLE (LUX) – PAN EUROPEAN EQUITIES

Threadneedle (Lux) – Pan European Equities is an existing sub-fund of Threadneedle (Lux), a Luxembourg-authorized SICAV, which is already available for investment.

The below table provides a comparison of the main features of the Pan European Fund and Threadneedle (Lux) – Pan European Equities.

For further details of the Pan European Fund, please refer to the Key Investor Information Document. The prospectus of Threadneedle Investment Funds ICVC and Threadneedle (Lux) is also available free of charge upon request to TISL or at [columbiathreadneedle.com](http://columbiathreadneedle.com).

	EXISTING FUND	LUX FUND
	Threadneedle Pan European Fund	Threadneedle (Lux) – Pan European Equities
Investment objective	To achieve capital growth.	To achieve capital appreciation.
Investment policy	The ACD's investment policy is to invest the assets of the Fund primarily in the equity of large companies domiciled in Continental Europe or the UK or with significant Continental European or UK activities. The ACD may, however, invest in the equity of smaller companies.	The Pan European Equities Portfolio seeks to achieve capital appreciation by investing principally in the equity of large companies domiciled in Europe or with significant European activities. The Portfolio may further invest in the equity securities of European Smaller Companies and other securities (including fixed income securities, other equities and Money Market Instruments). The Net Asset Value of the Portfolio shall be expressed in Euro and investment decisions will be made from a Euro perspective.
Use of derivatives	For efficient portfolio management.	For efficient portfolio management.
Fees charged to capital	No.	N/A, no distinction between income and capital.
Ongoing charges figure (as at 7th March 2018)	Class 1: 1.68% Class 2: 1.07% Class Z: 0.89% Class X: 0.07% Note: Separate fees are payable to the ACD for Class Z Shares under an agreement between the relevant investor and the ACD.	Class 1: 1.73% Class 8: 1.12% Class 3: 0.94% Class 4: 0.08% Note: Separate fees are payable to the ACD for Class 4 Shares under an agreement between the relevant investor and TML S.A..

	<b>EXISTING FUND</b>	<b>LUX FUND</b>
	<b>Threadneedle Pan European Fund</b>	<b>Threadneedle (Lux) – Pan European Equities</b>
<b>Charges, fees and expenses</b>		
Redemption charge	None	None
Switching charge	None	None
Initial charge	Class 1 UK: Up to 3% of the gross amount invested. Class 1 Non-UK: Up to 5% of the gross amount invested. Class 2 Shares and Class X Shares: 0% Class Z Shares: Up to 3% of the gross amount invested.	Class 1: Up to 5% of the gross amount invested. Class 3: Shares: Up to 3% of the gross amount invested. Class 4 Shares and Class 8 Shares: 0%
Annual management charge	Class 1: 1.5% per annum Class 2: 1.0% per annum Class Z: 0.75% per annum	Class 1: 1.5% per annum Class 8: 1.0% per annum Class 3: 0.75% per annum
Depositary charge	0.01%	Included in the fixed operating expenses.
Registrar's fee/ Operating Expenses	Class 1 Shares: 0.15% per annum Class 2 Shares and Class X Shares: 0.035% per annum Class Z Shares: 0.11% per annum	Class 1: 0.23% Class 8: 0.12% Class 3: 0.19% Class 4: 0.08%
Charges taken from income?	Yes	N/A, no distinction between income and capital.
Classes of Shares offered	Class 1 Accumulation Shares Class 1 Income Shares Class 2 Accumulation Shares Class Z Accumulation Shares Class Z Income Shares Class X Accumulation Shares	Class 1 Accumulation Shares Class 1 Income Shares Class 8 Accumulation Shares Class 3 Accumulation Shares Class 3 Income Shares Class 4 Accumulation Shares
<b>Minimum investment amounts</b>		
Lump sum	Class 1: GBP 2,000, EUR 2,500, USD 3,000 Class 2: GBP 0.5 million, EUR 0.75 million, USD 0.8 million Class Z: GBP 1 million, EUR 1.5 million, USD 1.5 million Class X: GBP 3 million, EUR 5 million, USD 5 million	N/A
Holding	Class 1: GBP 500, EUR 750, USD 750 Class 2: GBP 25,000, EUR 40,000, USD 40,000 Class Z: GBP 50,000, EUR 75,000, USD 75,000 Class X: GBP 25,000, EUR 40,000, USD 40,000	N/A
Top-up	Class 1: GBP 1,000, EUR 750, USD 750 Class 2: GBP 25,000, EUR 40,000, USD 40,000 Class Z: GBP 500,000, EUR 750,000, USD 750,000 Class X: GBP 25,000, EUR 40,000, USD 40,000	N/A
Regular Savings	Minimum – £50 Maximum – None By Direct Debit	Unavailable
Regular Withdrawals	Subject to £50 minimum, and fund holding value being not less than £500	Unavailable
Deal cut off	12.00 noon each Dealing Day	3:00pm Luxembourg time each Dealing Day
Valuation point	12.00 noon each Dealing Day	Global Close each Dealing Day
<b>Accounting periods end</b>		
Annual	7 March	31 March
Interim	7 September	30 September
<b>Income payment dates</b>		
Annual	7 May	For distributing share classes, distributions are made at least annually, and more frequently for certain share classes.
<b>XD dates</b>		
Annual	8 Mar	At least annually, and more frequently for certain share classes.

	<b>EXISTING FUND</b>	<b>LUX FUND</b>
	<b>Threadneedle Pan European Fund</b>	<b>Threadneedle (Lux) – Pan European Equities</b>
<b>Service providers</b>		
<b>Authorised Corporate Director/Management Company</b>	Threadneedle Investment Services Limited	Threadneedle Management Luxembourg S.A.
<b>Depository</b>	Citibank Europe plc, UK branch	Citibank Europe plc, Luxembourg branch
<b>Custodian</b>	Citibank N.A.	Citibank N.A.
<b>Administrator</b>	Citibank N.A.	Citibank N.A.
<b>Investment Manager</b>	Threadneedle Asset Management Limited	Threadneedle Asset Management Limited
<b>Advisor to the Investment Manager</b>	Columbia Management Investment Advisers, LLC	Columbia Management Investment Advisers, LLC
<b>Registrar</b>	Threadneedle Investment Services Limited, delegated to DST Financial Services Europe Limited	International Financial Data Services (Luxembourg) S.A.
<b>Auditor</b>	PricewaterhouseCoopers LLP	PricewaterhouseCoopers, <i>société coopérative</i>

# COMPARISON OF THE MAIN FEATURES OF THE EXISTING FUNDS AND LUX FUNDS

## PAN EUROPEAN SMALLER COMPANIES FUND INTO THREADNEEDLE (LUX) – PAN EUROPEAN SMALLER COMPANIES

Threadneedle (Lux) – Pan European Smaller Companies is a newly established sub-fund of Threadneedle (Lux), a Luxembourg-authorized SICAV, and will launch on 29th August 2018.

The below table provides a comparison of the main features of the Pan European Smaller Companies Fund and Threadneedle (Lux) – Pan European Smaller Companies.

For further details of the Pan European Smaller Companies Fund, please refer to the Key Investor Information Document. The prospectus of Threadneedle Investment Funds ICVC and Threadneedle (Lux) is also available free of charge upon request to TISL or at [columbiathreadneedle.com](http://columbiathreadneedle.com).

	<b>EXISTING FUND</b>	<b>LUX FUND</b>
	<b>Threadneedle Pan European Smaller Companies Fund</b>	<b>Threadneedle (Lux) – Pan European Smaller Companies</b>
<b>Investment objective</b>	To achieve capital growth.	To achieve capital appreciation.
<b>Investment policy</b>	The ACD's investment policy is to invest the assets of the Fund primarily in the equities of smaller companies domiciled in Continental Europe and the UK, or, with significant Continental European or UK operations. If the ACD considers it desirable it may further invest in other securities (including fixed interest securities, other equities and money market securities).	The Pan European Smaller Companies Portfolio seeks to achieve capital appreciation by investing principally in the equity securities of European Smaller Companies. The Sub-Advisor will typically favour investments in companies at the higher end of the smaller companies capitalisation scale. The Portfolio may use financial derivative instruments for hedging purposes. The Sub-Advisor will make reference to the EMIX Smaller European Companies Index as part of the investment process. The Portfolio does not aim to track the index, and will not hold every security in the index. The Portfolio may also invest in securities that are not in the index.
<b>Use of derivatives</b>	For efficient portfolio management.	For efficient portfolio management.
<b>Fees charged to capital</b>	No.	N/A, no distinction between income and capital.
<b>Ongoing charges figure (as at 7th March 2018)</b>	Class 1: 1.67% Class 2: 1.06% Class Z: 0.86% Class X: 0.06% Note: Separate fees are payable to the ACD for Class X Shares under an agreement between the relevant investor and the ACD.	Class 1: 1.72% Class 8: 1.11% Class 3: 0.91% Class 4: 0.07% Note: Separate fees are payable to the ACD for Class 4 Shares under an agreement between the relevant investor and TML S.A..

	<b>EXISTING FUND</b>	<b>LUX FUND</b>
	<b>Threadneedle Pan European Smaller Companies Fund</b>	<b>Threadneedle (Lux) – Pan European Smaller Companies</b>
<b>Charges, fees and expenses</b>		
Redemption charge	None	None
Switching charge	None	None
Initial charge	Class 1 UK: Up to 3% of the gross amount invested. Class 1 Non-UK: Up to 5% of the gross amount invested. Class 2 Shares and Class X Shares: 0% Class Z Shares: Up to 3% of the gross amount invested.	Class 1: Up to 5% of the gross amount invested. Class 8 Shares and Class 4 Shares: 0% Class 3 Shares: Up to 3% of the gross amount invested.
Annual management charge	Class 1: 1.5% per annum Class 2: 1.0% per annum Class Z: 0.75% per annum	Class 1: 1.5% per annum Class 8: 1.0% per annum Class 3: 0.75% per annum
Depositary charge	0.01%	Included in the fixed operating expenses.
Registrar's fee/ Operating Expenses	Class 1 Shares: 0.15% per annum Class 2 Shares and Class X Shares: 0.035% per annum Class Z Shares: 0.11% per annum	Class 1: 0.22% per annum Class 8: 0.11% per annum Class 3: 0.16% per annum Class 4: 0.07%
Charges taken from income?	Yes	N/A, no distinction between income and capital.
Classes of Shares offered	Class 1 Accumulation Shares Class 1 Income Shares Class 2 Accumulation Shares Class 2 Income Shares Class Z Accumulation Shares Class Z Income Shares Class X Accumulation Shares	Class 1 Accumulation Shares Class 1 Income Shares Class 8 Accumulation Shares Class 8 Income Shares Class 3 Accumulation Shares Class 3 Income Shares Class 4 Accumulation Shares
<b>Minimum investment amounts</b>		
Lump sum	Class 1: GBP 2,000, EUR 2,500, USD 3,000, CHF 3,000 Class 2: GBP 0.5 million, EUR 0.75 million, USD 0.8 million Class Z: GBP 1 million, EUR 1.5 million, USD 1.5 million, CHF 1.5 million Class X: GBP 3 million, EUR 5 million, USD 5 million	N/A
Holding	Class 1: GBP 500, EUR 750, USD 750, CHF 750 Class 2: GBP 25,000, EUR 40,000, USD 40,000 Class Z: GBP 50,000, EUR 75,000, USD 75,000, CHF 75,000 Class X: GBP 25,000, EUR 40,000, USD 40,000	N/A
Top-up	Class 1: GBP 1,000, EUR 750, USD 750, CHF 750 Class 2: GBP 25,000, EUR 40,000, USD 40,000 Class Z: GBP 500,000, EUR 750,000, USD 75,000, CHF 750,000 Class X: GBP 25,000, EUR 40,000, USD 40,000	N/A
Regular Savings	Minimum – £50 Maximum – None By Direct Debit	Unavailable
Regular Withdrawals	Subject to £50 minimum, and fund holding value being not less than £500	Unavailable
Deal cut off	12.00 noon each Dealing Day	3:00pm Luxembourg time each Dealing Day
Valuation point	12.00 noon each Dealing Day	Global Close each Dealing Day
<b>Accounting periods end</b>		
Annual	7 March	31 March
Interim	7 September	30 September
<b>Income payment dates</b>		
Annual	8 March	For distributing share classes, distributions are made at least annually, and more frequently for certain share classes.

	<b>EXISTING FUND</b>	<b>LUX FUND</b>
	<b>Threadneedle Pan European Smaller Companies Fund</b>	<b>Threadneedle (Lux) – Pan European Smaller Companies</b>
<b>XD dates</b>		
<b>Annual</b>	7 May	At least annually, and more frequently for certain share classes.
<b>Service providers</b>		
<b>Authorised Corporate Director/Management Company</b>	Threadneedle Investment Services Limited	Threadneedle Management Luxembourg S.A.
<b>Depository</b>	Citibank Europe plc, UK branch	Citibank Europe plc, Luxembourg branch
<b>Custodian</b>	Citibank N.A.	Citibank N.A.
<b>Administrator</b>	Citibank N.A.	Citibank N.A.
<b>Investment Manager</b>	Threadneedle Asset Management Limited	Threadneedle Asset Management Limited
<b>Advisor to the Investment Manager</b>	Columbia Management Investment Advisers, LLC	Columbia Management Investment Advisers, LLC
<b>Registrar</b>	Threadneedle Investment Services Limited, delegated to DST Financial Services Europe Limited	International Financial Data Services (Luxembourg) S.A.
<b>Auditor</b>	PricewaterhouseCoopers LLP	PricewaterhouseCoopers, <i>société coopérative</i>



# COMPARISON OF THE MAIN FEATURES OF THE EXISTING FUNDS AND LUX FUNDS

## PAN EUROPEAN EQUITY DIVIDEND FUND INTO THREADNEEDLE (LUX) – PAN EUROPEAN EQUITY DIVIDEND

Threadneedle (Lux) – Pan European Equity Dividend is a newly established sub-fund of Threadneedle (Lux), a Luxembourg-authorized SICAV, and will launch on 29th August 2018.

The below table provides a comparison of the main features of the Pan European Equity Dividend Fund and Threadneedle (Lux) – Pan European Equity Dividend.

For further details of the Pan European Equity Dividend Fund, please refer to the Key Investor Information Document. The prospectus of Threadneedle Specialist Investment Funds ICVC and Threadneedle (Lux) is also available free of charge upon request to TISL or at **columbiathreadneedle.com**.

	EXISTING FUND	LUX FUND
	Threadneedle Pan European Equity Dividend Fund	Threadneedle (Lux) – Pan European Equity Dividend
Investment objective	The investment objective of the Pan European Equity Dividend Fund is to achieve a growing income combined with prospects for capital growth from a portfolio of Pan European equities.	The Pan European Equity Dividend Portfolio seeks to achieve an income combined with prospects for capital appreciation from a portfolio of shares issued by companies in Europe.
Investment policy	The ACD's investment policy is to invest the assets of the Fund primarily in the equities of companies domiciled in Continental Europe and the UK or with significant Continental European and UK activities. The ACD will look to invest in companies that exhibit a high potential for paying above average dividends. If the ACD considers it desirable it may further invest up to one third of the total assets of the Fund in other securities (including fixed interest securities, other equities money market securities, cash and near cash).	The Portfolio will invest principally in equity securities of companies domiciled in Europe or with significant operations in Europe. The Portfolio may use financial derivative instruments for hedging purposes. The Net Asset Value of the Portfolio shall be expressed in Euro and investment decisions will be made from a Euro perspective. The Sub-Advisor will make reference to the MSCI Europe Index as part of the investment process. The Portfolio does not aim to track the index, and will not hold every security in the index. The Portfolio may also invest in securities that are not in the index.
Use of derivatives	For efficient portfolio management.	For efficient portfolio management.
Fees charged to capital	No.	N/A, no distinction between income and capital.
Ongoing charges figure (as at 31st October 2017)	Class 1: 1.65% Class 2: 1.08% Class Z: 0.90% Class X: 0.08% Note: Separate fees are payable to the ACD for Class X Shares under an agreement between the relevant investor and the ACD.	Class 1: 1.70% Class 8: 1.13% Class 3: 0.95% Class 4: 0.09% Note: Separate fees are payable to the ACD for Class 4 Shares under an agreement between the relevant investor and TML S.A..

	<b>EXISTING FUND</b>	<b>LUX FUND</b>
	<b>Threadneedle Pan European Equity Dividend Fund</b>	<b>Threadneedle (Lux) – Pan European Equity Dividend</b>
<b>Charges, fees and expenses</b>		
Redemption charge	None	None
Switching charge	None	None
Initial charge	Class 1 UK: Up to 3% of the gross amount invested. Class 1 Non-UK: Up to 5% of the gross amount invested. Class 2 Shares and Class X Shares: 0% Class Z Shares: Up to 3% of the gross amount invested.	Class 1: Up to 5% of the gross amount invested. Class 8 Shares and Class 4 Shares: 0% Class 3 Shares: Up to 3% of the gross amount invested.
Annual management charge	Class 1: 1.50% per annum Class 2: 1.0% per annum Class Z: 0.75% per annum	Class 1: 1.50% per annum Class 8: 1.0% per annum Class 3: 0.75% per annum
Depository charge	0.01%	Included in the fixed operating expenses.
Registrar's fee/ Operating Expenses	Class 1 Shares and Class Z Shares: 0.11% per annum Class 2 Shares and Class X Shares: 0.035% per annum	Class 1: 0.20% Class 8: 0.13% Class 3: 0.20% Class 4: 0.09%
Charges taken from income?	Yes	N/A, no distinction between income and capital.
Classes of Shares offered	Class 1 Accumulation Shares Class 1 Income Shares Class 2 Accumulation Shares Class 2 Income Shares Class Z Accumulation Shares Class Z Income Shares Class X Accumulation Shares Class X Income Shares	Class 1 Accumulation Shares Class 1 Income Shares Class 8 Accumulation Shares Class 8 Income Shares Class 3 Accumulation Shares Class 3 Income Shares Class 4 Accumulation Shares Class 4 Income Shares
<b>Minimum investment amounts</b>		
Lump sum	Class 1: GBP 2,000, EUR 2,500 Class 2: GBP 0.5 million, EUR 0.75 million Class Z: GBP 1 million, EUR 1.5 million Class X: GBP 3 million, EUR 5 million	N/A
Holding	Class 1: GBP 500, EUR 750 Class 2: GBP 25,000, EUR 40,000 Class Z: GBP 50,000, EUR 75,000 Class X: GBP 25,000, EUR 40,000	N/A
Top-up	Class 1: GBP 1,000, EUR 750 Class 2: GBP 25,000, EUR 40,000 Class Z: GBP 500,000, EUR 750,000 Class X: GBP 25,000, EUR 40,000	N/A
Regular Savings	Minimum – £50 Maximum – None By Direct Debit	Unavailable
Regular Withdrawals	Subject to £50 minimum, and fund holding value being not less than £500	Unavailable
Deal cut off	12.00 noon each Dealing Day	3:00pm Luxembourg time each Dealing Day
Valuation point	12.00 noon each Dealing Day	Global Close each Dealing Day
<b>Accounting periods end</b>		
Annual	30 April	31 March
Interim	31 October	30 September
<b>Income payment dates</b>		
Annual	30 June (annual) 31 December (interim)	For distributing share classes, distributions are made at least annually, and more frequently for certain share classes.
<b>XD dates</b>		
Annual	1 May (annual) 1 November (interim)	At least annually, and more frequently for certain share classes.

	<b>EXISTING FUND</b>	<b>LUX FUND</b>
	<b>Threadneedle Pan European Equity Dividend Fund</b>	<b>Threadneedle (Lux) – Pan European Equity Dividend</b>
<b>Service providers</b>		
<b>Authorised Corporate Director/Management Company</b>	Threadneedle Investment Services Limited	Threadneedle Management Luxembourg S.A.
<b>Depository</b>	Citibank Europe plc, UK branch	Citibank Europe plc, Luxembourg branch
<b>Custodian</b>	Citibank N.A.	Citibank N.A.
<b>Administrator</b>	Citibank N.A.	Citibank N.A.
<b>Investment Manager</b>	Threadneedle Asset Management Limited	Threadneedle Asset Management Limited
<b>Advisor to the Investment Manager</b>	Columbia Management Investment Advisers, LLC	Columbia Management Investment Advisers, LLC
<b>Registrar</b>	Threadneedle Investment Services Limited, delegated to DST Financial Services Europe Limited	International Financial Data Services (Luxembourg) S.A.
<b>Auditor</b>	PricewaterhouseCoopers LLP	PricewaterhouseCoopers, <i>société coopérative</i>

# COMPARISON OF THE MAIN FEATURES OF THE EXISTING FUNDS AND LUX FUNDS

## THREADNEEDLE CREDIT OPPORTUNITIES FUND INTO THREADNEEDLE (LUX) – CREDIT OPPORTUNITIES FUND

Threadneedle (Lux) – Credit Opportunities is a newly established sub-fund of Threadneedle (Lux), a Luxembourg-authorized SICAV, and will launch on 29th August 2018.

The below table provides a comparison of the main features of the Threadneedle Credit Opportunities Fund and Threadneedle (Lux) – Credit Opportunities.

For further details of the Threadneedle Credit Opportunities Fund, please refer to the enclosed Key Investor Information Document. The prospectus of Threadneedle Focus Investment Funds ICVC is also available free of charge upon request to TISL or at [columbiathreadneedle.com](http://columbiathreadneedle.com).

	<b>EXISTING FUND</b>	<b>LUX FUND</b>
	<b>Threadneedle Credit Opportunities Fund</b>	<b>Threadneedle (Lux) – Credit Opportunities</b>
<b>Investment objective</b>	The investment objective of the Threadneedle Credit Opportunities Fund is to achieve a total positive return over an 18-24 month period in all market conditions. There is a risk to capital, and there is no guarantee that such a return will be achieved in 18-24 months or any other timescale.	The Credit Opportunities Portfolio seeks to achieve an absolute return from income and capital appreciation.
<b>Investment policy</b>	<p>The ACD's investment policy is to invest the assets of the Fund to gain exposure to a range of credit related instruments, by investing directly or indirectly in such securities. These instruments generate returns from contracted income flows and changes in credit worthiness. The ACD will invest primarily in corporate bonds, sovereign bonds and other debt securities including money market securities.</p> <p>If the ACD considers it desirable it may further invest up to one third of the total assets of the Fund in other securities and deposits. For liquidity purposes it may further invest in cash and near cash.</p> <p>In addition, the ACD may use derivatives and forward transactions.</p> <p>The ACD may take long and short positions through derivatives.</p>	<p>The Portfolio will invest principally, either directly or indirectly through derivatives or other UCIs, in global government bonds, corporate bonds and other credit related instruments (including CoCos) that are either Investment Grade or Below Investment Grade. Not more than 10% of the Portfolio's net assets may be invested in other UCIs.</p> <p>Secondarily, the Portfolio may also invest in other debt securities including, but not limited to, index linked securities, Money Market Instruments, and up to 20% of its net assets in asset-backed and/or mortgage-backed Transferable Securities.</p> <p>The Portfolio may also invest up to 20% of its net assets in CoCos.</p> <p>The Portfolio may take a significant exposure to high yield securities, including investment of up to 10% in securities rated CCC- or lower by S&amp;P or Fitch Ratings, Inc., or Caa3 or lower by Moody's. In relation to securities held directly, the credit rating will be determined by the Basel rating i.e., the median rating (the lowest of the two highest ratings available from the three main rating agencies, Fitch Ratings Inc., Moody's and S&amp;P). If only two of the three main rating agencies have an available long term credit rating then the lower of the two available ratings will apply. If only one of the three main rating agencies has an available long term credit rating, then that rating will apply. The weighted average credit rating is expected to range between B and BBB- as rated by S&amp;P or Fitch or the Moody's equivalent range of B2 to Baa3.</p>

	<b>EXISTING FUND</b>	<b>LUX FUND</b>
	<b>Threadneedle Credit Opportunities Fund</b>	<b>Threadneedle (Lux) – Credit Opportunities</b>
<b>Investment policy</b>		<p>Certain positions will be taken by the use of financial derivative instruments including, but not limited to, swaps (incl. total return swaps as described below), forward positions, futures and options related to the instruments above in accordance with section A(7)(i) in Appendix A “Investment Restrictions”.</p> <p>The Portfolio may take long and short positions to achieve its investment objective.</p> <p>The Portfolio may enter into total return swaps (a general description of total/excess return swaps is available in Appendix B.I) on high yield instruments or cash credit indices for hedging and/or investment purposes, to gain market exposure and liquidity or as part of a leveraged long strategy. For further information on counterparties, please refer to Appendix B.I of the Prospectus and to the SICAV’s annual report.</p> <p>It is expected that any of the assets of the Portfolio may be subject to total return swaps under the following proportions:</p> <p>Maximum proportion of Net Asset Value: 100% Expected proportion of Net Asset Value: 25%</p>
<b>Use of derivatives</b>	For investment purposes as well as efficient portfolio management.	For investment purposes as well as efficient portfolio management.
<b>Fees charged to capital</b>	No.	N/A, no distinction between income and capital.
<b>Ongoing charges figure (as at 21st January 2018)</b>	Class 1 (unhedged): 1.12% Class 1 (hedged): 1.37% Class 2 (unhedged): 0.55% Class 2 (hedged): 0.70% Class X: 0.05% Note: Separate fees are payable to the ACD for Class X Shares under an agreement between the relevant investor and the ACD.	Class 1: 1.17% Class 8: 0.60% Class 4: 0.06% Note: Separate fees are payable to the ACD for Class 4 Shares under an agreement between the relevant investor and TML S.A..
<b>Charges, fees and expenses</b>		
<b>Redemption charge</b>	None	None
<b>Switching charge</b>	None	None
<b>Initial charge</b>	Class 1 UK: Up to 3% of the gross amount invested. Class 1 Non-UK: Up to 5% of the gross amount invested. Class 2 Shares and Class X Shares: 0%	Class 1: Up to 5% of the gross amount invested. Class 8 Shares and Class 4 Shares: 0%
<b>Annual management charge</b>	Class 1 (unhedged): 1.0% per annum Class 1 (hedged): 1.25% per annum Class 2 (unhedged): 0.50% per annum Class 2 (hedged): 0.65% per annum	Class 1: 1.0% per annum Class 8: 0.50% per annum
<b>Performance fee</b>	A performance fee is charged at a rate equal to 20% of the “Excess Return” of the relevant share class	There will be no performance fee payable if the Merger is approved.
<b>Depositary charge</b>	0.01%	Included in the fixed operating expenses.
<b>Registrar’s fee/ Operating Expenses</b>	Class 1 Shares: 0.11% per annum Class 2 Shares and Class X Shares: 0.035% per annum	Class 1: 0.17% Class 8: 0.10% Class 4: 0.06%
<b>Charges taken from income?</b>	Yes	N/A, no distinction between income and capital.
<b>Classes of Shares offered</b>	Class 1 Accumulation Shares Class 1 Income Shares Class 2 Accumulation Shares Class 2 Income Shares Class X Accumulation Shares	Class 1 Accumulation Shares Class 1 Income Shares Class 8 Accumulation Shares Class 8 Income Shares Class 4 Accumulation Shares

	<b>EXISTING FUND</b>	<b>LUX FUND</b>
	<b>Threadneedle Credit Opportunities Fund</b>	<b>Threadneedle (Lux) – Credit Opportunities</b>
<b>Minimum investment amounts</b>		
<b>Lump sum</b>	Class 1: GBP 2,000, EUR 2,500, USD 3,000 Class 2: GBP 0.5 million, EUR 0.75 million, USD 0.8 million Class X: GBP 3 million, EUR 5 million, USD 5 million	N/A
<b>Holding</b>	Class 1: GBP 500, EUR 750, USD 750 Class 2: GBP 25,000, EUR 40,000, USD 40,000 Class X: GBP 25,000, EUR 40,000, USD 40,000	N/A
<b>Top-up</b>	Class 1: GBP 1,000, EUR 750, USD 750 Class 2: GBP 25,000, EUR 40,000, USD 40,000 Class X: GBP 25,000, EUR 40,000, USD 40,000	N/A
<b>Regular Savings</b>	Minimum – £50 Maximum – None By Direct Debit	Unavailable
<b>Regular Withdrawals</b>	Subject to £50 minimum, and fund holding value being not less than £500	Unavailable
<b>Deal cut off</b>	12.00 noon each Dealing Day	3:00pm Luxembourg time each Dealing Day
<b>Valuation point</b>	12.00 noon each Dealing Day	Global Close each Dealing Day
<b>Accounting periods end</b>		
<b>Annual</b>	21 January	31 March
<b>Interim</b>	21 July	30 September
<b>Income payment dates</b>		
<b>Annual</b>	21 March	For distributing share classes, distributions are made at least annually, and more frequently for certain share classes.
<b>XD dates</b>		
<b>Annual</b>	22 January	At least annually, and more frequently for certain share classes.
<b>Service providers</b>		
<b>Authorised Corporate Director/Management Company</b>	Threadneedle Investment Services Limited	Threadneedle Management Luxembourg S.A.
<b>Depositary</b>	Citibank Europe plc, UK branch	Citibank Europe plc, Luxembourg branch
<b>Custodian</b>	Citibank N.A.	Citibank N.A.
<b>Administrator</b>	Citibank N.A.	Citibank N.A.
<b>Investment Manager</b>	Threadneedle Asset Management Limited	Threadneedle Asset Management Limited
<b>Registrar</b>	Threadneedle Investment Services Limited, delegated to DST Financial Services Europe Limited	International Financial Data Services (Luxembourg) S.A.
<b>Auditor</b>	PricewaterhouseCoopers LLP	PricewaterhouseCoopers, <i>société coopérative</i>

# COMPARISON BETWEEN THE EXISTING FUNDS AND THE LUX FUNDS

## Part C – Share class codes

There are some differences in the share class codes of the Existing Funds and the Lux Funds. The full list is provided in the tables below.

Existing Shares (share class type)			New Shares (share class type)		
European Corporate Bond Fund	Class 1 Accumulation EUR	GB00B1FQYB82 GB00B1FQY634	Threadneedle (Lux) – European Corporate Bond	1E – Class 1 Accumulation EUR	LU1829337085
	Class 1 Accumulation GBP	GB0032064296 GB0032133448		1G – Class 1 Accumulation GBP	LU1829337168
	Class 2 Accumulation EUR	GB00B3PR9107		8E – Class 8 Accumulation EUR	LU1829336780
	Class 2 Accumulation GBP	GB00B3N3T326		8G – Class 8 Accumulation GBP	LU1829336863
	Class Z Accumulation GBP	GB00B7MJ0253		3G – Class 3 Accumulation GBP	LU1829336947
European High Yield Bond Fund	Class 1 Accumulation EUR	GB00B42R2118 GB0009692087	Threadneedle (Lux) – European High Yield Bond	1E – Class 1 Accumulation EUR	LU1829334579
	Class 1 Accumulation GBP	GB0002363447 GB00B50MW044		1G – Class 1 Accumulation GBP	LU1829334652
	Class 1 Income EUR	GB00B59MWS34		1EP – Class 1 Income EUR	LU1829332524
	Class 1 Income GBP	GB00B5V6V422		1GP – Class 1 Income GBP	LU1829332797
	Class M Income USD Hedged	GB00BWTW3M30		1UT – Class 1 Income USD Hedged	LU1829332870
	Class 2 Accumulation EUR	GB00B1XK5G42		8E – Class 8 Accumulation EUR	LU1829332953
	Class 2 Income EUR	GB00B2QP8C02		8EP – Class 8 Income EUR	LU1829333092
	Class 2 Accumulation CHF Hedged	GB00B4RG9G75		8FH – Class 8 Accumulation CHF Hedged	LU1829333175
	Class 2 Accumulation GBP	GB00B1XK5971		8G – Class 8 Accumulation GBP	LU1829333258
	Class 2 Income GBP	GB00B2QVTN68		8GP – Class 8 Income GBP	LU1829333332
	Class Z Accumulation EUR	GB00B5M7TV77		3E – Class 3 Accumulation EUR	LU1829333415
	Class Z Income EUR	GB00B8Q7RD27		3EP – Class 3 Income EUR	LU1829333506
	Class Z Accumulation GBP	GB00B6RRFW23 GB00B894NV05		3G – Class 3 Accumulation GBP	LU1829334736
	Class Z Income CHF Hedged	GB00BYNBTT91		3FC – Class 3 Income CHF Hedged	LU1829333688
	Class Z Accumulation CHF Hedged	GB00BYNBTS84		3FH – Class 3 Accumulation CHF Hedged	LU1829333761
	Class Z Income GBP	GB00B8BSMK23		3GP – Class 3 Income GBP	LU1829333845
	Class Z Accumulation USD Hedged	GB00BZ6T5N33		3UH – Class 3 Accumulation USD Hedged	LU1829334066
	Class N Income USD Hedged	GB00BYQFK067		3GT – Class 3 Income USD Hedged	LU1829333928
	Class X Accumulation EUR	GB00B0ZZ7B99		4E – Class 4 Accumulation EUR	LU1829334140
	Class X Accumulation GBP	GB00B0ZWYJ75		4G – Class 4 Accumulation GBP	LU1829334223
Class X Income GBP	GB00BWTW3F62	4GP – Class 4 Income GBP	LU1829334496		

Existing Shares (share class type)			New Shares (share class type)		
Pan European Fund	Class 1 Accumulation EUR	GB0009583252	Threadneedle (Lux) – Pan European Equities	1E – Class 1 Accumulation EUR	LU1832003567
	Class 1 Income EUR	GB00BD5V6W27		1EP – Class 1 Income EUR	LU1832003641
	Class 1 Accumulation GBP	GB0008371238		1G – Class 1 Accumulation GBP	LU1832003724
	Class 1 Income GBP	GB00BD5V6V10		1GP – Class 1 Income GBP	LU1832003997
	Class 2 Accumulation USD	GB00B6TXWM73		8U – Class 8 Accumulation USD	LU1832004029
	Class 2 Accumulation EUR	GB0030810682 GB00B4TC6287		8E – Class 8 Accumulation EUR	LU1832004706
	Class 2 Accumulation GBP	GB0008371345 GB00B6ZRS474		8G – Class 8 Accumulation GBP	LU1832004888
	Class Z Accumulation EUR	GB00B96FNW41		3E – Class 3 Accumulation EUR	LU1832004292
	Class Z Accumulation GBP	GB00B84X6K21		3G – Class 3 Accumulation GBP	LU1832004375
	Class Z Income GBP	GB00B8DTN664		3GP – Class 3 Income GBP	LU1832004458
	Class X Accumulation GBP	GB00B0ZWYG45		4G – Class 4 Accumulation GBP	LU1832004615
	Class X Accumulation EUR	GB00B0ZZ7649		4E – Class 4 Accumulation EUR	LU1832004532
	Pan European Smaller Companies Fund	Class 1 Accumulation EUR		GB00B0PHJS66	Threadneedle (Lux) – Pan European Smaller Companies
Class 1 Income EUR		GB00BD4DLF77	1EP – Class 1 Income EUR	LU1829329900	
Class 1 Accumulation CHF Hedged		GB00BWTW3N47	1FH – Class 1 Accumulation CHF Hedged	LU1829330072	
Class 1 Accumulation GBP		GB00B0PQ4K00	1G – Class 1 Accumulation GBP	LU1829330155	
Class 1 Income GBP		GB00BD4DLG84	1GP – Class 1 Income GBP	LU1829330239	
Class 1 Accumulation USD Hedged		GB00BTN28564	1UH – Class 1 Accumulation USD Hedged	LU1829330312	
Class 2 Accumulation EUR		GB00B0PHJR59	8E – Class 8 Accumulation EUR	LU1829330403	
Class 2 Accumulation GBP		GB00B0PQBK95	8G – Class 8 Accumulation GBP	LU1829330585	
Class Z Accumulation EUR		GB00B84NTW56	3E – Class 3 Accumulation EUR	LU1829330668	
Class Z Income EUR		GB00BYVYR964	3EP – Class 3 Income EUR	LU1829330742	
Class Z Accumulation CHF Hedged		GB00BWTW3P60	3FH – Class 3 Accumulation CHF Hedged	LU1829330825	
Class Z Accumulation GBP		GB00B992G232	3G – Class 3 Accumulation GBP	LU1829331047	
Class Z Income GBP		GB00BYVYR888	3GP – Class 3 Income GBP	LU1829331120	
Class Z Accumulation USD Hedged		GB00BYNBTR77	3UH – Class 3 Accumulation USD Hedged	LU1829331393	
Class X Accumulation EUR		GB00B1DD8Y28	4E – Class 4 Accumulation EUR	LU1829331476	
Class X Accumulation GBP		GB00B19ZCT56	4G – Class 4 Accumulation GBP	LU1829331559	
Pan European Equity Dividend Fund	Class 1 Accumulation EUR	GB00B1324292	Threadneedle (Lux) – Pan European Equity Dividend	1E – Class 1 Accumulation EUR	LU1829334819
	Class 1 Income EUR	GB00B12ZG015		1EP – Class 1 Income EUR	LU1829335030
	Class 1 Accumulation GBP	GB00B131RB65		1G – Class 1 Accumulation GBP	LU1829335113
	Class 1 Income GBP	GB00B12Z0217		1GP – Class 1 Income GBP	LU1829335204
	Class 2 Accumulation EUR	GB00B132X339		8E – Class 8 Accumulation EUR	LU1829335386
	Class 2 Income EUR	GB00B132HH52		8EP – Class 8 Income EUR	LU1829335469
	Class 2 Accumulation GBP	GB00B132M811		8G – Class 8 Accumulation GBP	LU1829335543
	Class 2 Income GBP	GB00B1327S65		8GP – Class 8 Income GBP	LU1829335899
	Class Z Accumulation EUR	GB00BF954J78		3E – Class 3 Accumulation EUR	LU1829335972
	Class Z Income EUR	GB00BWVG2L56		3EP – Class 3 Income EUR	LU1829336194
	Class Z Accumulation GBP	GB00BP8S6020		3G – Class 3 Accumulation GBP	LU1829336277
	Class Z Income GBP	GB00B83HB999		3GP – Class 3 Income GBP	LU1829336350
	Class X Accumulation EUR	GB00B1CWL743		4E – Class 4 Accumulation EUR	LU1829336434
	Class X Accumulation GBP	GB00B1BS7F32		4G – Class 4 Accumulation GBP	LU1829336517
	Class X Income GBP	GB00BNG64996		4GP – Class 4 Income GBP	LU1829336608



Existing Shares (share class type)			New Shares (share class type)		
Credit Opportunities Fund	Class 1 Accumulation GBP Hedged	GB00BYTBR115 GB00B4STTD29	Threadneedle (Lux) – Credit Opportunities	1GH – Class 1 Accumulation GBP Hedged	LU1829332441
	Class 1 Accumulation EUR	GB00B3L0ZS29		1E – Class 1 Accumulation EUR	LU1829331633
	Class 1 Income EUR	GB00B3Z63590		1EP – Class 1 Income EUR	LU1829331716
	Class 1 Accumulation USD Hedged	GB00B3L0ZT36		1UH – Class 1 Accumulation USD Hedged	LU1829331807
	Class 2 Accumulation EUR	GB00B3D8PZ13		8E – Class 8 Accumulation EUR	LU1829331989
	Class 2 Income EUR	GB00BF953N40		8EP – Class 8 Income EUR	LU1829332011
	Class 2 Income GBP Hedged	GB00BRCJMW97		8GC – Class 8 Income GBP Hedged	LU1829332102
	Class 2 Accumulation GBP Hedged	GB00B4V5TL59		8GH – Class 8 Accumulation GBP Hedged	LU1829332284
	Class X Accumulation GBP Hedged	GB00BYX3VK06		4GH – Class 4 Accumulation GBP Hedged	LU1829332367

# APPENDIX 2

## SCHEME OF ARRANGEMENT FOR THE MERGERS OF THE EXISTING FUNDS TO THE LUX FUNDS

### **1. Definition and interpretation**

- 1.1 In this Appendix 2, unless the context otherwise requires, the terms shall have the meaning set out in the Glossary at the beginning of this document.
- 1.2 In addition, where relevant in the context, terms which are defined in the FCA Rules shall have the same meaning in this Scheme.
- 1.3 References to paragraphs are to paragraphs of the Scheme set out in this Appendix.
- 1.4 If there is any conflict between the Scheme and the Instrument or Prospectus of the Company, then the Instrument and Prospectus will prevail. If there is any conflict between the Scheme and the FCA Rules, then the FCA Rules will prevail.
- 1.5 This Scheme applies separately to each Existing Fund.

### **2. Meeting of Shareholders of the Existing Funds**

- 2.1 The Scheme, and the transfer of the assets of the Existing Fund into the Lux Fund that the Scheme involves, is conditional on the passing of the Extraordinary Resolution at the Meeting of Shareholders of the Existing Fund by which the Shareholders approve the Scheme in relation to the Existing Fund and instruct TISL and Citibank UK to implement the Scheme.
- 2.2 If the Extraordinary Resolution is passed at the Meeting, the Scheme will be binding on all Shareholders in the Existing Fund (whether or not they voted in favour of it, or voted at all) and the Scheme will be implemented in relation to the Existing Fund as set out in the following paragraphs.

### **3. Suspension of dealings in the Existing Fund**

- 3.1 To facilitate implementation of the transfer under the Scheme, if the Extraordinary Resolution is passed, dealing in Shares in the Existing Fund will be suspended from immediately after 1:00pm Luxembourg time (12 noon UK time) on the date set out in the Timetable for each of the Existing Funds
- 3.2 On implementation of the Scheme, a Shareholder may transfer or sell all or some of his/her New Shares on and from the first Dealing Day in accordance with the Prospectus of the Lux Company.

### **4. Income allocation arrangements**

- 4.1 Any income available for allocation to income Shares from the end of the previous accounting period to the Effective Date will be transferred to the distribution account of the Existing Fund and will be distributed to holders of income Shares within 3 months. In the case of accumulation shares, income allocated will be accumulated and reflected in the value of those shares before the Merger is implemented.
- 4.2 For Shareholders who have chosen to have their income reinvested rather than being paid out as distributions, the transfer agent will purchase additional shares in the relevant Lux Fund in respect of the income distribution on the pay date.

### **5. Calculation of the value of the Existing Fund**

- 5.1 The Existing Fund's Value shall be calculated as at 01:01am Luxembourg time (00:01am London time) on the Effective Date and in accordance with the basis of valuation set out in the Instrument.
- 5.2 This valuation shall be used in the calculation of the number of New Shares to be issued to each relevant Shareholder under paragraph 6 below.

**6. Transfer of property of the Existing Fund to the Lux Fund and issue of New Shares**

- 6.1 Immediately following Global Close on the Effective Date:
- Citibank UK shall cease to hold the property of the Existing Fund (less the Retained Amount referred to in paragraph 10.2 below) as the depositary of the Existing Fund, and shall transfer that property to Citibank Luxembourg which shall hold it as attributable to the Lux Fund, and Citibank UK shall make or ensure the making of such transfers and re-designations as may be necessary as a result;
  - New Shares will be issued to each Shareholder in the proportion of that Shareholder's individual entitlement to the value of the Existing Fund's Value on the basis set out in paragraph 7 below.
- 6.2 All Shares in the Existing Fund shall be deemed to have been cancelled and shall cease to be of any value.
- 6.3 Shareholders will be treated as exchanging their Shares in the Existing Fund for New Shares free from any initial charge.

**7. Basis for the issue of New Shares**

- 7.1 Shareholders will receive Shares in the Lux Fund in place of the Shares they currently hold in the Existing Fund.
- 7.2 New Shares of the appropriate class and type will be issued to each Shareholder invested in the Existing Fund in proportion to that Shareholder's individual entitlement to the Existing Fund's Value on the Effective Date. The formula used in calculating a Shareholder's entitlement to New Shares is available on request.
- 7.3 The prices of Shares and New Shares may not be identical. Therefore, the number of New Shares received by each Shareholder may be different from the number of Shares previously held in the Existing Fund.

**8. Notification of the New Shares**

- 8.1 Certificates will not be issued in respect of New Shares.
- 8.2 TML S.A. will send details of the number of New Shares issued to each Shareholder (or, in the case of joint holders, the first named of such holders in the register of holders of the Existing Fund) within 14 days of the Effective Date.

**9. Termination of the Existing Fund**

- 9.1 On the Scheme becoming effective, TISL shall proceed to terminate the Existing Fund in accordance with the terms of the Company's Instrument and Prospectus, the Scheme and the Regulations. TISL shall give notice under regulation 21 of the OEIC Regulations to the FCA of the proposal to make the alterations to the Instrument and Prospectus required for the termination of the Existing Fund.
- 9.2 Citibank UK shall hold cash and other assets out of the property of the Existing Fund the Retained Amount, which will be utilised by Citibank UK to pay outstanding liabilities of the Existing Fund in accordance with the provisions of the Instrument and the Regulations.
- 9.3 If there are any surplus monies remaining in the Existing Fund on completion of the termination they, together with any income arising therefrom, shall be transferred to the Lux Fund to be held by Citibank Luxembourg as attributable to that Lux Fund but no further issue of shares in the Lux Fund shall be made as a result.
- 9.4 If the Retained Amount is insufficient to meet all the liabilities of the Existing Fund, such excess liabilities shall be paid in accordance with the Articles of the Lux Company and the Luxembourg Regulations. Any such liabilities which cannot properly be paid out of the property of the Lux Fund shall be paid by Columbia Threadneedle Investments.
- 9.5 On completion of the termination of the Existing Fund, Citibank UK shall be fully discharged from all obligations and liabilities in respect of the Existing Fund (other than those arising from any breach prior to such time).

**10. Costs, charges and expenses of the Scheme**

- 10.1 TISL and Citibank UK shall continue to receive their usual fees and expenses for respectively managing and being depositary of the Company insofar as these are attributable to the Existing Fund out of the property of the Existing Fund which accrues prior to the Effective Date.
- 10.2 The costs of preparing and implementing the transfer under the Scheme, including:
- the costs of convening and holding the Meeting (and any adjourned meetings) of the Existing Fund; the fees and expenses payable to professional advisers in connection with the transfer and the Scheme;
  - any non-UK tax liabilities, including transfer taxes, re-designation and registration fees and transaction costs,
- will be payable by TISL and not by the Existing Fund.
- 10.3 The costs associated with the subsequent termination of the Existing Fund will be borne by TISL.
- 10.4 No initial charge or switching charge shall be taken by TML S.A. on the issue of the New Shares.

**11. TISL, TML S.A. and each depositary to rely on register and certificates**

TISL, TML S.A., Citibank UK and Citibank Luxembourg shall each be entitled to assume that all information contained in the registers of Shareholders of the Existing Fund on and immediately prior to the Effective Date is correct, and to utilise the same in calculating the number of New Shares in the Lux Fund to be issued and registered pursuant to the Scheme. TISL, TML S.A., Citibank UK and Citibank Luxembourg may each act and rely upon any certificate, opinion, evidence or information furnished to it by the other or by its respective professional advisers of the Scheme, and shall not be liable or responsible for any resulting loss.

**12. Alterations to the Scheme**

- 12.1 TISL, TML S.A., Citibank UK and Citibank Luxembourg may agree that the Effective Date is to be a different date than those detailed in this circular and if they do so, such consequential adjustments shall be made to the other elements in the timetable of the Scheme as they consider appropriate.
- 12.2 The terms of the Scheme may be amended as agreed by TISL, TML S.A., Citibank UK and Citibank Luxembourg. If there is any conflict between the Scheme, the terms of the Instrument and/or the Prospectus, then the Scheme will prevail. If there is a conflict between the Regulations governing the Company and the Scheme, then the Regulations shall prevail.

**13. Governing law**

The Scheme shall be governed by and shall be construed in accordance with the law of England and Wales.

Dated: 27th July 2018

# APPENDIX 3

## PROCEDURE FOR THE SHAREHOLDER MEETINGS

The notices of the Meeting (the “**Notice**”) of Shareholders in the Existing Funds setting out the Extraordinary Resolutions to approve the proposed schemes of arrangement in respect of the Existing Funds, is set out in Appendix 5.

The quorum for the Meetings is two Shareholders in the Existing Funds, present in person or by proxy.

Citibank UK has appointed Richard Vincent, Head of Product and Solutions EMEA or other such employee of TISL or person as Citibank UK nominates to be chair of the Meeting.

The resolutions will be proposed as an “extraordinary resolution” and must be carried by a majority in favour of at least 75% of the total number of votes cast at the Meetings. Persons who are Shareholders in the Existing Funds on the date fifteen days before the Notice is sent out, but excluding persons who are known to TISL not to be Shareholders at the time of the Meetings, are entitled to vote and be counted in the quorum.

Once passed, an Extraordinary Resolution is binding on all Shareholders in the Existing Fund.

TISL is only entitled to be counted in the quorum and vote at the Meetings in respect of Shares which it holds on behalf of or jointly with a person who, if himself the registered Shareholder, would be entitled to vote and from whom TISL has received voting instructions.

Associates of TISL are entitled to be counted in a quorum. They may vote at the Meetings in respect of Shares which they hold on behalf of or jointly with a person who, if himself the registered holder, would be entitled to vote and from whom they have received voting instructions.

In view of the importance of the proposal, the chair of the Meeting will order a poll to be taken in respect of the resolutions. On a poll, each Shareholder may vote either in person or by proxy. The voting rights attaching to each Share of the Existing Funds are weighted according to the value of the Shares in issue at the date fifteen days before the Notice is sent out. A Shareholder entitled to more than one vote on a poll need not, if he votes, use all his votes or cast all the votes he uses in the same way.

At any adjourned meeting, one person entitled to be counted in a quorum present at the meeting shall constitute a quorum. Any Forms of Proxy returned as required for the Meeting, will remain valid, unless otherwise instructed for the adjourned meeting.

# APPENDIX 4

## CONSENTS AND CLEARANCES

### THREADNEEDLE INVESTMENT SERVICES LIMITED (TISL)

TISL, as authorised corporate director of the Company, confirms in relation to the Existing Funds that in its opinion the Schemes are not likely to result in any material prejudice to Shareholders in any other sub-funds of the Company.

TML S.A., as the management company of the Lux Company, has confirmed that the receipt of property under the Schemes by the Lux Funds, is consistent with the objectives of the Lux Fund and can be effected without any breach of the relevant legislation.

### THE DEPOSITARIES

Citibank UK and Citibank Luxembourg have informed TISL that, while expressing no opinion as to the merits of the Schemes and not having been responsible for the preparation of this document and not offering any opinion on the fairness or merits of the Schemes, which are matters for the judgement of each Shareholder in the Existing Funds, they consent to the references made to them in this document in the form and context in which they appear.

Citibank UK has verified the contents of the information in this document only to the extent required by Regulation 9 of the UCITS Regulations.

Citibank UK will draw up the Depositary's Report as required by Regulation 11 of the UCITS Regulations.

### FINANCIAL CONDUCT AUTHORITY (FCA)

The FCA has now determined the proposed Mergers for the purposes of Regulation 9(9) of the UCITS Regulations and confirmed that it authorises the Mergers subject to the conditions in Regulation 9(8) of the UCITS Regulations being met.

### TAX CLEARANCES (UNITED KINGDOM)

HM Revenue & Customs has confirmed by letter to TISL that section 103K of the Taxation of Chargeable Gains Act 1992 should not apply to the Schemes and consequently section 103H of that Act may apply whatever the size of holding. Accordingly, the Schemes should not involve a disposal of Shares in the Existing Funds for the purposes of tax on capital gains. The New Shares will have the same acquisition cost and acquisition date for capital gains tax purposes for each UK Shareholder as their Existing Shares.

HM Revenue & Customs has also given clearance by letter under section 701 of the Income Tax Act 2007 and section 748 of the Corporation Tax Act 2010 that the Schemes do not create a tax advantage which should be cancelled.

### DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the offices of TISL, Cannon Place, 78 Cannon Street, London EC4N 6AG, United Kingdom, during normal business hours on weekdays (excluding bank holidays) until the date of the Meeting (or the adjournment of any of them):

1. The Instrument or Articles and the Prospectus of the Company and the Lux Company;
2. The Key Investor Information Documents of the Existing Funds and the Lux Funds and the Supplemental Investor Information Document of the Existing Funds;
3. The letter to TISL from each depositary referred to under "The Depositaries" above; and
4. The letter to TISL from the FCA referred to under "Financial Conduct Authority" above;
5. The letter from HM Revenue & Customs referred to under "Tax Clearances (United Kingdom)" above.

In addition, following the Mergers, Citibank UK's Report will be available on request by contacting TISL on 0044 1268 444 321 (calls may be recorded) for shareholders located outside of the UK between 9.00 am and 6.00 pm (CET, Monday to Friday) or on 0800 953 0134 (calls may be recorded) for UK shareholders.

# APPENDIX 5

## NOTICE OF MEETING

### EUROPEAN CORPORATE BOND FUND

**NOTICE IS HEREBY GIVEN** that a meeting of Shareholders (the “Meeting”) of the European Corporate Bond Fund (the “Existing Fund”), a sub-fund of Threadneedle Investment Funds ICVC will be held at Cannon Place, 78 Cannon Street, London EC4N 6AG, United Kingdom on 24th August 2018 at 11:00am Luxembourg time (10:00 UK time). The meeting will serve as a forum for Shareholders to consider and vote on the following resolution which will be proposed as an **EXTRAORDINARY RESOLUTION**:

#### RESOLUTION

##### THAT:

The scheme of arrangement (the “Scheme”) for the transfer of the Existing Fund into Threadneedle (Lux) – European Corporate Bond, a sub-fund of Threadneedle (Lux), the terms of which are set out in a document dated 27th July 2018 and addressed by Threadneedle Investment Services Limited (“TISL”) to shareholders in the Existing Fund, is hereby approved and that Threadneedle Investment Services Limited, Threadneedle Management Luxembourg S.A., Citibank Europe plc, UK Branch and Citibank Europe plc, Luxembourg Branch are hereby instructed to implement the Scheme in accordance with its terms.



**Michelle Scrimgeour,**  
**Director**

for and on behalf of

**Threadneedle Investment Services Limited**

(as authorised corporate director of Threadneedle Investment Funds ICVC)

27th July 2018

##### NOTES:

- (1) An extraordinary resolution must be carried by a majority in favour of at least 75% of the total votes cast at the Meeting in order to be passed.
- (2) A Shareholder entitled to attend and vote may appoint a proxy, who need not be another Shareholder in the Existing Fund, to attend and vote in their place. To be valid, Forms of Proxy and the power of attorney or other authority under which they are signed (or a notarially certified copy thereof) (if any) must be deposited with Electoral Reform Services, The Election Centre, 33 Clarendon Road, London N8 0NW, United Kingdom. Forms of Proxy should arrive no less than 48 hours before the time of the Meeting.
- (3) On a poll, votes may be given personally or by proxy, and the voting rights attached to each Share shall be such proportion of the voting rights attached to all of the Shares (and fractions of a Share) in issue as the price of the Share (and fractions of a Share) bears to the aggregate price(s) of all the Shares (and fractions of a share) in issue on the date fifteen days before the Notice of Meeting is sent out.
- (4) A Shareholder entitled to vote more than one vote on a poll need not, if they vote, use all their votes or call all the votes they use in the same manner.
- (5) The quorum for the Meeting is two Shareholders present in person or by proxy. The quorum at an adjourned meeting is one Shareholder present.
- (6) The word “Shareholder” in notes (1) to (5) above means persons who were Shareholders in the Existing Fund on the date fifteen days before the Notice concerning the Meeting was sent out but excluding persons who are known to TISL not to be Shareholders in the Existing Fund at the time of the Meeting and the expression “Shareholder” should be construed accordingly.

# NOTICE OF MEETING

## EUROPEAN HIGH YIELD BOND FUND

**NOTICE IS HEREBY GIVEN** that a meeting of Shareholders (the “Meeting”) of the European High Yield Bond Fund (the “Existing Fund”), a sub-fund of Threadneedle Investment Funds ICVC will be held at Cannon Place, 78 Cannon Street, London EC4N 6AG, United Kingdom on 24th August 2018 at 11:20am Luxembourg time (10:20am UK time). The meeting will serve as a forum for Shareholders to consider and vote on the following resolution which will be proposed as an **EXTRAORDINARY RESOLUTION**:

### RESOLUTION

**THAT:**

The scheme of arrangement (the “Scheme”) for the transfer of the Existing Fund into Threadneedle (Lux) – European High Yield Bond, a sub-fund of Threadneedle (Lux), the terms of which are set out in a document dated 27th July 2018 and addressed by Threadneedle Investment Services Limited (“TISL”) to shareholders in the Existing Fund, is hereby approved and that Threadneedle Investment Services Limited, Threadneedle Management Luxembourg S.A., Citibank Europe plc, UK Branch and Citibank Europe plc, Luxembourg Branch are hereby instructed to implement the Scheme in accordance with its terms.



**Michelle Scrimgeour,**  
**Director**

for and on behalf of

**Threadneedle Investment Services Limited**

(as authorised corporate director of Threadneedle Investment Funds ICVC)

27th July 2018

**NOTES:**

- (1) An extraordinary resolution must be carried by a majority in favour of at least 75% of the total votes cast at the Meeting in order to be passed.
- (2) A Shareholder entitled to attend and vote may appoint a proxy, who need not be another Shareholder in the Existing Fund, to attend and vote in their place. To be valid, Forms of Proxy and the power of attorney or other authority under which they are signed (or a notarially certified copy thereof) (if any) must be deposited with Electoral Reform Services, The Election Centre, 33 Clarendon Road, London N8 0NW, United Kingdom. Forms of Proxy should arrive no less than 48 hours before the time of the Meeting.
- (3) On a poll, votes may be given personally or by proxy, and the voting rights attached to each Share shall be such proportion of the voting rights attached to all of the Shares (and fractions of a Share) in issue as the price of the Share (and fractions of a Share) bears to the aggregate price(s) of all the Shares (and fractions of a share) in issue on the date fifteen days before the Notice of Meeting is sent out.
- (4) A Shareholder entitled to vote more than one vote on a poll need not, if they vote, use all their votes or call all the votes they use in the same manner.
- (5) The quorum for the Meeting is two Shareholders present in person or by proxy. The quorum at an adjourned meeting is one Shareholder present.
- (6) The word “Shareholder” in notes (1) to (5) above means persons who were Shareholders in the Existing Fund on the date fifteen days before the Notice concerning the Meeting was sent out but excluding persons who are known to TISL not to be Shareholders in the Existing Fund at the time of the Meeting and the expression “Shareholder” should be construed accordingly.



# NOTICE OF MEETING

## PAN EUROPEAN FUND

**NOTICE IS HEREBY GIVEN** that a meeting of Shareholders (the “Meeting”) of the Pan European Fund (the “Existing Fund”), a sub-fund of Threadneedle Investment Funds ICVC will be held at Cannon Place, 78 Cannon Street, London EC4N 6AG, United Kingdom on 24th August 2018 at 11:40am Luxembourg time (10:40am UK time). The meeting will serve as a forum for Shareholders to consider and vote on the following resolution which will be proposed as an **EXTRAORDINARY RESOLUTION**:

### RESOLUTION

**THAT:**

The scheme of arrangement (the “Scheme”) for the transfer of the Existing Fund into Threadneedle (Lux) – Pan European Equities, a sub-fund of Threadneedle (Lux), the terms of which are set out in a document dated 27th July 2018 and addressed by Threadneedle Investment Services Limited (“TISL”) to shareholders in the Existing Fund, is hereby approved and that Threadneedle Investment Services Limited, Threadneedle Management Luxembourg S.A., Citibank Europe plc, UK Branch and Citibank Europe plc, Luxembourg Branch are hereby instructed to implement the Scheme in accordance with its terms.



**Michelle Scrimgeour,**  
**Director**

for and on behalf of

**Threadneedle Investment Services Limited**

(as authorised corporate director of Threadneedle Investment Funds ICVC)

27th July 2018

**NOTES:**

- (1) An extraordinary resolution must be carried by a majority in favour of at least 75% of the total votes cast at the Meeting in order to be passed.
- (2) A Shareholder entitled to attend and vote may appoint a proxy, who need not be another Shareholder in the Existing Fund, to attend and vote in their place. To be valid, Forms of Proxy and the power of attorney or other authority under which they are signed (or a notarially certified copy thereof) (if any) must be deposited with Electoral Reform Services, The Election Centre, 33 Clarendon Road, London N8 0NW, United Kingdom. Forms of Proxy should arrive no less than 48 hours before the time of the Meeting.
- (3) On a poll, votes may be given personally or by proxy, and the voting rights attached to each Share shall be such proportion of the voting rights attached to all of the Shares (and fractions of a Share) in issue as the price of the Share (and fractions of a Share) bears to the aggregate price(s) of all the Shares (and fractions of a share) in issue on the date fifteen days before the Notice of Meeting is sent out.
- (4) A Shareholder entitled to vote more than one vote on a poll need not, if they vote, use all their votes or call all the votes they use in the same manner.
- (5) The quorum for the Meeting is two Shareholders present in person or by proxy. The quorum at an adjourned meeting is one Shareholder present.
- (6) The word “Shareholder” in notes (1) to (5) above means persons who were Shareholders in the Existing Fund on the date fifteen days before the Notice concerning the Meeting was sent out but excluding persons who are known to TISL not to be Shareholders in the Existing Fund at the time of the Meeting and the expression “Shareholder” should be construed accordingly.

# NOTICE OF MEETING

## PAN EUROPEAN SMALLER COMPANIES FUND

**NOTICE IS HEREBY GIVEN** that a meeting of Shareholders (the “Meeting”) of the Pan European Smaller Companies Fund (the “Existing Fund”), a sub-fund of Threadneedle Investment Funds ICVC will be held at Cannon Place, 78 Cannon Street, London EC4N 6AG, United Kingdom on 24th August 2018 at 12:00am Luxembourg time (11:00am UK time). The meeting will serve as a forum for Shareholders to consider and vote on the following resolution which will be proposed as an **EXTRAORDINARY RESOLUTION**:

### RESOLUTION

**THAT:**

The scheme of arrangement (the “Scheme”) for the transfer of the Existing Fund into Threadneedle (Lux) – Pan European Smaller Companies, a sub-fund of Threadneedle (Lux), the terms of which are set out in a document dated 27th July 2018 and addressed by Threadneedle Investment Services Limited (“TISL”) to shareholders in the Existing Fund, is hereby approved and that Threadneedle Investment Services Limited, Threadneedle Management Luxembourg S.A., Citibank Europe plc, UK Branch and Citibank Europe plc, Luxembourg Branch are hereby instructed to implement the Scheme in accordance with its terms.



**Michelle Scrimgeour,**  
**Director**

for and on behalf of

**Threadneedle Investment Services Limited**

(as authorised corporate director of Threadneedle Investment Funds ICVC)

27th July 2018

**NOTES:**

- (1) An extraordinary resolution must be carried by a majority in favour of at least 75% of the total votes cast at the Meeting in order to be passed.
- (2) A Shareholder entitled to attend and vote may appoint a proxy, who need not be another Shareholder in the Existing Fund, to attend and vote in their place. To be valid, Forms of Proxy and the power of attorney or other authority under which they are signed (or a notarially certified copy thereof) (if any) must be deposited with Electoral Reform Services, The Election Centre, 33 Clarendon Road, London N8 0NW, United Kingdom. Forms of Proxy should arrive no less than 48 hours before the time of the Meeting.
- (3) On a poll, votes may be given personally or by proxy, and the voting rights attached to each Share shall be such proportion of the voting rights attached to all of the Shares (and fractions of a Share) in issue as the price of the Share (and fractions of a Share) bears to the aggregate price(s) of all the Shares (and fractions of a share) in issue on the date fifteen days before the Notice of Meeting is sent out.
- (4) A Shareholder entitled to vote more than one vote on a poll need not, if they vote, use all their votes or call all the votes they use in the same manner.
- (5) The quorum for the Meeting is two Shareholders present in person or by proxy. The quorum at an adjourned meeting is one Shareholder present.
- (6) The word “Shareholder” in notes (1) to (5) above means persons who were Shareholders in the Existing Fund on the date fifteen days before the Notice concerning the Meeting was sent out but excluding persons who are known to TISL not to be Shareholders in the Existing Fund at the time of the Meeting and the expression “Shareholder” should be construed accordingly.

# NOTICE OF MEETING

## PAN EUROPEAN EQUITY DIVIDEND FUND

**NOTICE IS HEREBY GIVEN** that a meeting of Shareholders (the “Meeting”) of the Pan European Equity Dividend Fund (the “Existing Fund”), a sub-fund of Threadneedle Specialist Investment Funds ICVC, will be held at Cannon Place, 78 Cannon Street, London EC4N 6AG, United Kingdom on 24th August 2018 at 12:20am Luxembourg time (11:20am UK time). The meeting will serve as a forum for Shareholders to consider and vote on the following resolution which will be proposed as an **EXTRAORDINARY RESOLUTION**:

### RESOLUTION

#### THAT:

The scheme of arrangement (the “Scheme”) for the transfer of the Existing Fund into Threadneedle (Lux) – Pan European Equity Dividend, a sub-fund of Threadneedle (Lux), the terms of which are set out in a document dated 27th July 2018 and addressed by Threadneedle Investment Services Limited (“TISL”) to shareholders in the Existing Fund, is hereby approved and that Threadneedle Investment Services Limited, Threadneedle Management Luxembourg S.A., Citibank Europe plc, UK Branch and Citibank Europe plc, Luxembourg Branch are hereby instructed to implement the Scheme in accordance with its terms.



**Michelle Scrimgeour,**  
**Director**

for and on behalf of

**Threadneedle Investment Services Limited**

(as authorised corporate director of Threadneedle Specialist Investment Funds ICVC)

27th July 2018

#### NOTES:

- (1) An extraordinary resolution must be carried by a majority in favour of at least 75% of the total votes cast at the Meeting in order to be passed.
- (2) A Shareholder entitled to attend and vote may appoint a proxy, who need not be another Shareholder in the Existing Fund, to attend and vote in their place. To be valid, Forms of Proxy and the power of attorney or other authority under which they are signed (or a notarially certified copy thereof) (if any) must be deposited with Electoral Reform Services, The Election Centre, 33 Clarendon Road, London N8 0NW, United Kingdom. Forms of Proxy should arrive no less than 48 hours before the time of the Meeting.
- (3) On a poll, votes may be given personally or by proxy, and the voting rights attached to each Share shall be such proportion of the voting rights attached to all of the Shares (and fractions of a Share) in issue as the price of the Share (and fractions of a Share) bears to the aggregate price(s) of all the Shares (and fractions of a share) in issue on the date fifteen days before the Notice of Meeting is sent out.
- (4) A Shareholder entitled to vote more than one vote on a poll need not, if they vote, use all their votes or call all the votes they use in the same manner.
- (5) The quorum for the Meeting is two Shareholders present in person or by proxy. The quorum at an adjourned meeting is one Shareholder present.
- (6) The word “Shareholder” in notes (1) to (5) above means persons who were Shareholders in the Existing Fund on the date fifteen days before the Notice concerning the Meeting was sent out but excluding persons who are known to TISL not to be Shareholders in the Existing Fund at the time of the Meeting and the expression “Shareholder” should be construed accordingly.

# NOTICE OF MEETING

## THREADNEEDLE CREDIT OPPORTUNITIES FUND

**NOTICE IS HEREBY GIVEN** that a meeting of Shareholders (the “Meeting”) of the Threadneedle Credit Opportunities Fund (the “Existing Fund”), a sub-fund of Threadneedle Focus Investment Funds ICVC will be held at Cannon Place, 78 Cannon Street, London EC4N 6AG, United Kingdom on 24th August 2018 at 12:40pm Luxembourg time (11:40am UK time). The meeting will serve as a forum for Shareholders to consider and vote on the following resolution which will be proposed as an **EXTRAORDINARY RESOLUTION**:

### RESOLUTION

**THAT:**

The scheme of arrangement (the “Scheme”) for the transfer of the Existing Fund into Threadneedle (Lux) – Credit Opportunities, a sub-fund of Threadneedle (Lux), the terms of which are set out in a document dated 27th July 2018 and addressed by Threadneedle Investment Services Limited (“TISL”) to shareholders in the Existing Fund, is hereby approved and that Threadneedle Investment Services Limited, Threadneedle Management Luxembourg S.A., Citibank Europe plc, UK Branch and Citibank Europe plc, Luxembourg Branch are hereby instructed to implement the Scheme in accordance with its terms.



**Michelle Scrimgeour,**  
**Director**

for and on behalf of

**Threadneedle Investment Services Limited**

(as authorised corporate director of Threadneedle Focus Investment Funds ICVC)

27th July 2018

**NOTES:**

- (1) An extraordinary resolution must be carried by a majority in favour of at least 75% of the total votes cast at the Meeting in order to be passed.
- (2) A Shareholder entitled to attend and vote may appoint a proxy, who need not be another Shareholder in the Existing Fund, to attend and vote in their place. To be valid, Forms of Proxy and the power of attorney or other authority under which they are signed (or a notarially certified copy thereof) (if any) must be deposited with Electoral Reform Services, The Election Centre, 33 Clarendon Road, London N8 0NW, United Kingdom. Forms of Proxy should arrive no less than 48 hours before the time of the Meeting.
- (3) On a poll, votes may be given personally or by proxy, and the voting rights attached to each Share shall be such proportion of the voting rights attached to all of the Shares (and fractions of a Share) in issue as the price of the Share (and fractions of a Share) bears to the aggregate price(s) of all the Shares (and fractions of a share) in issue on the date fifteen days before the Notice of Meeting is sent out.
- (4) A Shareholder entitled to vote more than one vote on a poll need not, if they vote, use all their votes or call all the votes they use in the same manner.
- (5) The quorum for the Meeting is two Shareholders present in person or by proxy. The quorum at an adjourned meeting is one Shareholder present.
- (6) The word “Shareholder” in notes (1) to (5) above means persons who were Shareholders in the Existing Fund on the date fifteen days before the Notice concerning the Meeting was sent out but excluding persons who are known to TISL not to be Shareholders in the Existing Fund at the time of the Meeting and the expression “Shareholder” should be construed accordingly.







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