

St. James's Place Diversified Assets (FAIF) Unit Trust suspension:

what you need to know



Following a strategic review, the St. James's Place Diversified Assets Unit Trust (FAIF) (the Fund) has been suspended. Subject to regulatory approval, the Fund will be subsequently closed. St. James's Place (SJP) is writing to investors to explain the decision, what it means for them and what will happen next. This article summarises the reasons for the proposed closure and answers expected questions.

Trading in the Fund was suspended on 30 September 2026. This means investors cannot pay money into the Fund or take money out while the suspension is in place. SJP made this decision to protect existing investors and treat them fairly. An application is being made to the UK regulator, the Financial Conduct Authority (FCA), for approval to close the Fund.

The suspension also affects SJP's life and pension unit linked funds, which invest wholly in the Fund. The unit linked options for investors who hold the Fund through products such as an investment bond or pension, are also now closed to transactions.

Subject to regulatory approval the Fund will look to be wound down later this year.

What led to the decision to suspend the Fund?

SJP is taking a proactive decision following a shift in demand for the strategy, says Justin Onuekwusi, Chief Executive Officer, Investments, St. James's Place. The Fund has seen falling demand for some time. Since 2023, it has regularly seen more money withdrawn than invested.

Part of the Fund (less than a quarter) was exposed to private market assets. These are not as easy to sell as investments traded on public markets as the price needs to be negotiated.

Justin says: *"Recent years have seen significant innovation across alternative and private market investing, with investors able to access opportunities through a broader range of structures, vehicles and investment approaches. We continue to believe alternative investments can play a valuable role within certain portfolios. However, the alternatives landscape has changed significantly since the Fund was launched."*

Following a strategic review of the Fund and investor demand, SJP decided to seek regulatory approval

What this means for investors

- ♦ The Fund is suspended with the intention to close it later this year.
- ♦ Investors do not need to do anything.
- ♦ Fund charge reduced to zero.
- ♦ Distributions to investors will happen after the Fund's investments are sold. The amount may be more or less than originally invested, depending on when you invested, performance, sale prices and transaction costs.

to close the Fund. The suspension allows for fair treatment of investors while completing the sale of the private market assets in the portfolio.

By acting now, SJP aims to protect investors' interests and ensure all clients are treated fairly and consistently throughout the process. While the Fund has continued to be managed in line with its objectives and risk rating, continued outflows increase the risk this could change.

Private asset sale

On 29 September, an offer was accepted to sell all the Fund's private market exposure. SJP believed selling the investments separately would have taken longer, with no certainty about when acceptable offers would be received.

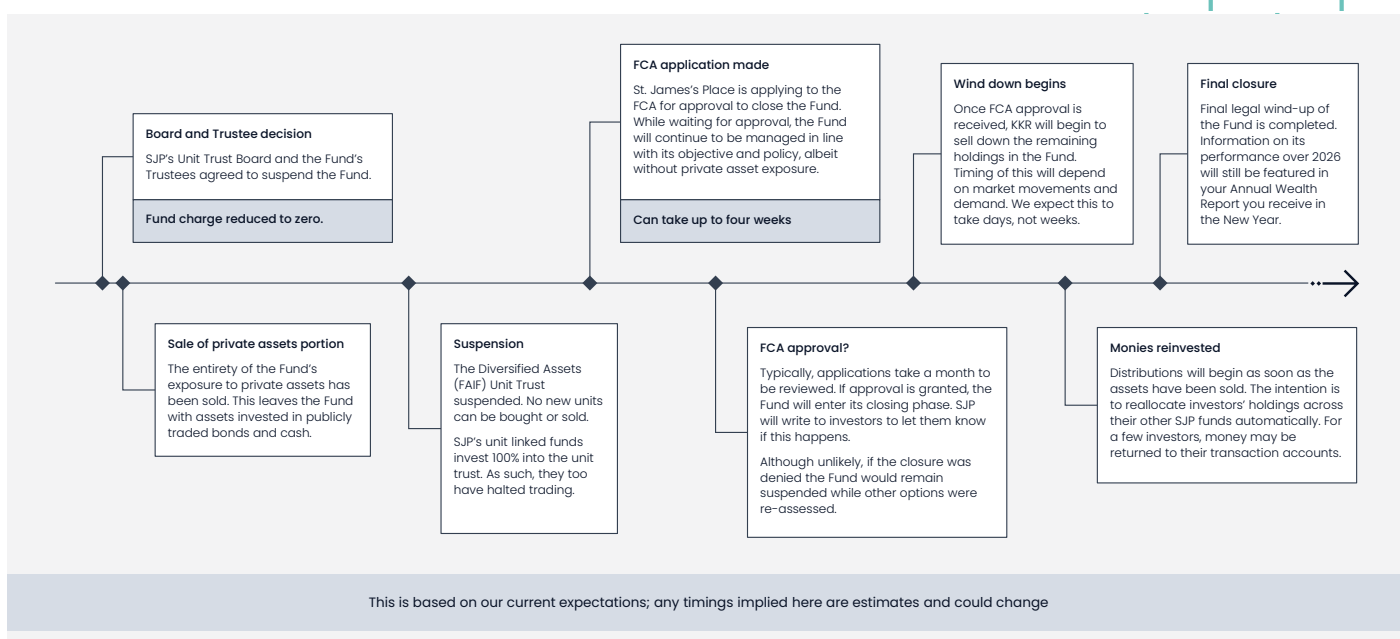
This complete sale gives greater certainty and leaves the Fund with only more liquid assets, such as publicly traded bonds (the debt of companies and governments) and cash. While waiting for FCA approval to close, these holdings will continue to be managed in line with the Fund's objectives.

Next steps

There is no action for investors to take at this time.

SJP is writing to inform all investors of the suspension and the application to close the Fund has been made. (Please note – depending on what products in which you hold the Fund, you may receive more than one letter)

Below are some FAQs we hope will give some reassurance on timings and actions. This is a rough timeline of the order in which we expect this to unfold:



The final amount allocated to individual investors will depend on the prices achieved when the remaining investments are sold. The way money is returned will depend on how the Fund is held. We will communicate more details on this once we have FCA approval to close.

While SJP expects to make payments within the timescales outlined, selling some investments may take longer than expected. This means the timing and amount of future payments could change.

We recognise the suspension of a fund may be unsettling. Investors will receive further information as this process progresses. If there are further questions, please contact your adviser or SJP Partner Practice. If you don't have an adviser, you can call our admin centre on 0800 027 1031.