

Link Fund Solutions Limited (“LFS”) Questions & Answers in relation to the notice to investors dated 20 April 2023 in relation to the winding up of the LF Equity Income Fund (the “Fund”)

What happens if the conditions to the Settlement are not satisfied?

In the event that the conditions to the Settlement are not satisfied, it is anticipated that the FCA would commence disciplinary action against LFSL and that LFSL would challenge any disciplinary action by way of reference to the Regulatory Decisions Committee and/or the Upper Tribunal.

How much is Waystone paying for the FS Business?

Link Group and the Waystone Group have agreed consideration for the FS Business of between £110 million and £140 million, subject to customary cash, debt and normalised working capital adjustments. The payment amount of between £110 million and £140 million will depend on the value of combined revenue in LFSL's ACD business and the Irish entity's (Link Fund Manager Solutions (Ireland) Limited) business transferred by completion.

What are the requirements for the Sale to become unconditional?

The Sale is conditional on various matters, including receipt of certain regulatory and anti-trust approvals, notices and consents including from the FCA and the Central Bank of Ireland.

The Sale is also conditional on a significant majority of revenue in respect of LFSL's ACD business and LFMS(I)L's business being transferred to the Waystone Group and consent having been received from certain third parties in respect of the transfer to the Waystone Group. The Waystone Group, LFSL and LFMS(I)L have agreed to work to achieve those and other conditions. The Sale is not contingent on the Scheme (described below) or the Settlement becoming unconditional.

When is the Sale expected to complete?

The Sale is targeted to complete by October 2023.

What do I need to do to be part of the Scheme/to receive the potential redress payment? What are the timelines/further details relating to the Scheme?

We will provide further information on how eligible investors can be part of the Scheme. We anticipate that further information will be provided in July 2023 and the Scheme documentation will be available as early as possible in the fourth quarter of 2023. We will provide regular updates on progress.

What happens if the Scheme is not approved?

If the Scheme is not approved, the proposed Settlement and payment of redress will not go ahead. We anticipate challenging any findings by the FCA and resolution may take several years. Even if the FCA were to be successful, any redress could be more limited. In addition, the voluntary payment of up to £60 million from Link Group would not be available to investors.

What happens if the Scheme is approved?

In the event that the Scheme is sanctioned by the English High Court and becomes effective, it is envisaged that the investors in the WEIF will be paid redress from the Scheme. The Settlement and the Scheme together will provide for the full and final settlement of the FCA's enforcement action against LFSL and it is proposed will provide for the full and final settlement of all WEIF-related exposures of LFSL including any group litigation.



We understand that investors will be keen to understand the impact on them and we will provide further information on how eligible investors can be part of the Scheme in due course. We anticipate that further information will be provided in July 2023 and the Scheme documentation will be available as early as possible in the fourth quarter of 2023. We will provide regular updates on progress.