

Date: 23 March 2022

Dear Unit Holder

**The Colchester Emerging Markets Bond Fund (the “Fund”)**

We write to you regarding your investment in the Fund.

The Fund has an exposure to Russian bonds of 0.25% as at the close on 22 March 2022. Colchester has watched valuations from pricing providers, indices and counterparties very closely and we are observing bids for these bonds. We are currently pricing the bonds at a price of 4 cents on the dollar (ex-accrued interest).

Russian bonds will be removed from the indices against which the Fund measures performance as at the end of March 2022.

The major rating agencies are currently rating Russian bonds as follows:

	<b>Long Term Local Currency Rating</b>	<b>Long Term Foreign Currency Rating</b>
<b>S&amp;P</b>	CCC-	C-
<b>Moody's</b>	Ca	NR
<b>Fitch</b>	C	C

Given the uncertainties regarding trading in Russian bonds, our plans in respect of the Russian bonds are under constant reassessment, but our current intention is for an orderly exit from Russian exposure as and when we consider market conditions are suitable and logistics allow. We will continue to liaise closely with counterparties, custodians and analysts in order to identify how best to achieve this.

The sale and purchase of Russian sovereign debt issued prior to 1 March 2022 is not subject to sanctions. The Russian bonds in the Fund were issued prior to 1 March. Under US, OFAC and UK HMT sanctions, trading of Russian sovereign debt issued from 1 March 2022 is prohibited. Under EU sanctions trading of Russian sovereign debt issued from 9 March 2022 is prohibited. Prior to the sanctions taking effect, Colchester implemented a system trading ban on the purchase of all Russian and Belarussian sovereign debt. Colchester has actively followed the escalating situation and international updates to sanctions lists related to Russia/Ukraine and closely monitors global sanctions (including UN, US, EU, UK, Singapore, Australia and Canada) for developments and will implement further controls if necessary.

In light of the turbulence regarding the Fund's exposure to Russian bonds, further updates can be requested from us via email to [MarketingClientServiceAUSNZ@colchesterglobal.com](mailto:MarketingClientServiceAUSNZ@colchesterglobal.com), and will be provided, if available, to any investor on request.

We wish to confirm that the Fund continues to offer daily dealing.

Yours faithfully,



**Keith Lloyd**  
**Chief Executive Officer**