

Aberdeen Investment Funds ICVC

Prospectus

12 November 2018



The Financial Conduct Authority (FCA) is the UK's independent financial services regulator. It requires us, Aberdeen Fund Managers Limited, to give you this important information to help you decide whether Aberdeen Investment Funds ICVC is right for you.

Aberdeen

Important Information

This document is important.

If you are in any doubt as to the meaning of any information in this document, you should consult your stockbroker, solicitor, accountant or independent financial adviser.

This document constitutes the Prospectus for Aberdeen Investment Funds ICVC and has been prepared in accordance with the COLL Sourcebook. Copies of this Prospectus have been sent to the FCA and the Depositary.

This Prospectus is intended for distribution in the United Kingdom. Its distribution may be restricted in other countries. It does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer or solicitation. The contents of this Prospectus do not constitute advice on legal, taxation, investment or any other matters. Prospective investors should inform themselves about and observe the legal requirements within their own countries for the acquisition of Shares of the Company and any taxation or exchange control legislation affecting them personally, including the obtaining of any requisite governmental or other consents and the observation of any other formalities.

United States of America

Shares in the Company have not been registered under the United States Securities Act of 1933, as amended, and Aberdeen Investment Funds ICVC has not been registered under the United States Investment Company Act of 1940, as amended. Accordingly, the Shares of the Company may not be directly or indirectly offered or sold in the United States of America or any of its states, territories, possessions or other areas subject to its jurisdiction or to or for the benefit of a "US Person". A "US Person" for these purposes means a national or resident of the United States or any of its states, territories, possessions or areas, subject to its jurisdiction (the "United States") and any partnership, corporation or other entity organised or created under the laws of the United States or of any political subdivision thereof.

Notwithstanding the foregoing, Shares may be offered or sold in the United States or to or for the benefit of US Persons with the prior consent of Aberdeen Investment Funds ICVC and in a manner exempt from registration under the said Acts.

Contents

Summary	02
Directory	03
Definitions	04
Constitution	06
Shares in the Company	08
Investments Objectives and Policies and other details of the Funds	10
Management and Administration	
- The Authorised Corporate Director ("ACD")	40
- The Investment Adviser and Sub-Advisers	40
- The Depositary	40
Valuation and Pricing	43
Sale, Redemption and Exchange of Shares	46
Distributions	50
Charges and Expenses	
- Fees and Expenses	52
- Operating, Administrative and Servicing Expenses	53
Taxation	55
Investment and Borrowing Powers	58
General	
- Reports and Accounts	78
- Voting	78
- Transfer of Shares	78
- Winding up of the Company and Termination of Funds	79
- Other Information	79
APPENDIX I	
- Eligible Securities Markets	83
APPENDIX II	
- Eligible Derivatives Markets	86
APPENDIX III	
- Share Classes	87
APPENDIX IV	
- Directors of the ACD	90
APPENDIX V	
- Historic Performance	91
APPENDIX VI	
- Sub-Custodians	92

Summary

FUNDS

The following Funds are available:

Aberdeen Asia Pacific and Japan Equity Fund
Aberdeen Asia Pacific Equity Fund
Aberdeen Corporate Bond Fund
Aberdeen Diversified Income Fund
Aberdeen Eastern European Equity Fund
Aberdeen Emerging Markets Bond Fund
Aberdeen Emerging Markets Equity Fund
Aberdeen Ethical World Equity Fund
Aberdeen Euro Corporate Bond Fund
Aberdeen European Equity Fund
Aberdeen European High Yield Bond Fund
Aberdeen European Property Share Fund
Aberdeen European Smaller Companies Equity Fund
Aberdeen Financial Equity Fund
Aberdeen Global High Yield Bond Fund
Aberdeen Japan Equity Fund
Aberdeen Latin American Equity Fund
Aberdeen Multi-Asset Fund
Aberdeen North American Equity Fund
Aberdeen Property Share Fund
Aberdeen Responsible UK Equity Fund
Aberdeen Sterling Bond Fund
Aberdeen Sterling Government Bond Fund
Aberdeen Sterling Index-Linked Bond Fund
Aberdeen Sterling Long Dated Corporate Bond Fund
Aberdeen Sterling Long Dated Government Bond Fund
Aberdeen Sterling Money Market Fund
Aberdeen Sterling Opportunistic Corporate Bond Fund
Aberdeen Sterling Short Dated Corporate Bond Fund
Aberdeen Sterling Short Term Government Bond Fund
Aberdeen Strategic Bond Fund
Aberdeen Target Return Bond Fund
Aberdeen UK Equity Fund
Aberdeen UK Equity Income Fund
Aberdeen UK Mid-Cap Equity Fund
Aberdeen UK Smaller Companies Equity Fund
Aberdeen World Equity Fund
Aberdeen World Equity Income Fund
Aberdeen World Opportunistic Bond Fund

Details of these Funds, including their investment objectives and policies are given on pages 10 – 39.

All Funds have a valuation point of 12 noon on each Dealing Day.

Prices: Buying and selling prices of the Shares are available at aberdeen-asset.co.uk or by calling Customer Services on **0345 300 2890**.

The Company's annual accounting date is 31 July. Interim income payment dates vary by Fund and are included in the Fund details on pages 10 – 39.

Directory

Authorised Corporate Director

Aberdeen Fund Managers Limited
Bow Bells House
1 Bread Street
London EC4M 9HH

Investment Adviser

Aberdeen Asset Managers Limited
10 Queen's Terrace
Aberdeen AB10 1XL

Sub-Advisers

Aberdeen Standard Investments (Asia) Limited
21 Church Street
#01-01 Capital Square Two
Singapore, 049480

Aberdeen Asset Management Inc.
1735 Market Street, 37th Floor
Philadelphia, PA 19103

Aberdeen Standard Investments (Japan) Limited
Otemachi Financial City Grand Cube 9F
1-9-2 Otemachi
Chiyoda-ku
Tokyo 100-0004

Depository

Citibank Europe plc, acting through its UK Branch

Registered Office
1 North Wall Quay
Dublin
Ireland

UK Branch Office
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB

Auditors

KPMG LLP
St Vincent Plaza
319 St Vincent Street
Glasgow G2 5AS

Registrar

DST Financial Services Europe Limited
DST House
St. Nicholas Lane
Basildon
Essex SS15 5FS
(the register of Shareholders can be inspected at this address)

Definitions

In this prospectus ("Prospectus"), unless the context otherwise requires, the following expressions shall have the meanings assigned to them:

"Authorised Corporate Director" or "ACD"	Aberdeen Fund Managers Limited or such other person as may be appointed to provide the services of Authorised Corporate Director.
"Benchmark Regulation"	Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds.
"Class"	In relation to a Fund or Funds, all of the Shares in a particular Fund or (as the context requires) a particular class or classes of Shares in one Fund.
"COLL Sourcebook"	The Collective Investment Schemes Sourcebook forming part of the FCA Handbook of Rules and Guidance.
"Company"	Aberdeen Investment Funds ICVC.
"Dealing Day"	Any day on which banks in London are open for business other than days (as determined by the ACD in its discretion) where, in respect of any exchange or market on which a substantial portion of a Fund's portfolio is traded, such exchange or market is closed. The days on which banks in London are open for business which are not Dealing Days will be available at the registered office of the ACD and on the website at aberdeen-asset.co.uk .
"Debt and debt-related securities"	Includes but is not limited to convertible and non-convertible corporate debt securities, preferred securities, fixed and floating rate bonds, zero-coupon and discount bonds, debentures, certificates of deposit, bankers acceptances, bills of exchange, commercial paper and treasury bills.
"Depository"	Citibank Europe plc, acting through its UK Branch or such other person as may be appointed as Depository.
"Emerging Market"	Any country that is included in the MSCI Emerging Markets Index or composite thereof (or any successor index, if revised), or any country classified by the World Bank as a low to upper middle income country.
"ESMA Guidelines on ETFs and other UCITS issues (ESMA/2012/832EN)"	Being guidelines published by the European Securities and Markets Authority (ESMA) on 18 December 2012 and applicable to all UCITS funds.
"Equity and Equity-Related securities"	Includes but is not limited to equities, depository receipts, convertible securities, preferred shares, equity linked notes (debt securities linked to the performance of an equity) warrants and bonds convertible into common or preferred shares.
"FCA"	The Financial Conduct Authority.
"Frontier Market"	Any country that is included in the MSCI Frontier Markets Index or composite thereof (or any successor index, if revised), or any country classified by the World Bank as a low to upper middle income country.
"Fund" or "Funds"	A sub-fund of the Company to which specific assets and liabilities of the Company are allocated and whose property is pooled separately from that of the other sub-funds and which is managed in accordance with the investment objective applicable to that sub-fund.
"Hedging"	The use of derivative transactions (which the ACD reasonably believes to be economically appropriate and to be fully covered) to reduce risk and cost to the Company and to generate additional capital or income with no, or with an acceptably low level of risk.
"Instrument of Incorporation"	The instrument of incorporation on the basis of which the Company is incorporated.
"Investment grade"	An investment grade security is a security with a credit rating of at least A-3/P-3 (short term) or BBB-/Baa3 (long term) as rated by Standard & Poor's Corporation or Moody's Investor Services, or, if unrated, deemed to be of an equivalent or lesser risk by the Investment Adviser or the relevant Sub-Adviser after due consideration.
"Key Investor Information Document or KIID"	The key investor information document available for a Share Class of a Fund from time to time.
"Latin America"	Argentina, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, French Guyana, Guatemala, Guyana, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Suriname, Uruguay and Venezuela.

"Level 2 Regulations"	The Commission Delegated Regulation (EU) supplementing the UCITS Directive when this comes into force.
"Mainland China"	PRC excluding Hong Kong, Macau and Taiwan.
"MiFID"	The set of rules composed of (i) Directive 2002/92/EC and Directive 2011/61/EU as amended by Directive 2014/65/EU on markets or financial instruments and Regulation EU 600/214 on markets or financial instruments and (ii) all EU and UK rules and regulations implementing the texts under (i).
"Net Asset Value" or "NAV"	The value of the scheme property of the Company or as appropriate, of any Fund less the liabilities of the Company (or of the Fund concerned) as calculated in accordance with the Company's Instrument of Incorporation.
"OEIC Regulations"	The Open-Ended Investment Companies Regulations 2001.
"PRC"	People's Republic of China.
"Platform Dealing Charge"	(where applicable) an additional charge (included within the Operating, Administrative and Servicing Expenses) payable to the ACD in respect of additional dealing activities it has in connection with the relevant shares. Currently the Platform Dealing Charge is only applicable to Class M Shares (where these are in issue).
"Share"	Any share of any Class of a Fund.
"Shareholder"	Any person holding Shares of a Fund.
"Sterling" or "£"	Pounds sterling, the currency of the United Kingdom.
"UCITS Directive"	Directive 2009/65/EC as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014.

Constitution

Aberdeen Investment Funds ICVC is an investment company with variable capital incorporated under the OEIC Regulations. The Company is incorporated in Scotland with registered number SI000001 and its address is at 10 Queen's Terrace, Aberdeen, AB10 1XL.

The Company is structured as a UCITS scheme and an umbrella company for the purposes of the OEIC Regulations. The Company's FCA Product Reference Number ("PRN") is 185045. The purpose of this structure is to give investors access to a series of Funds with differing objectives, within the flexibility of one single corporate structure. Different Funds may be established from time to time by the ACD with the approval of the FCA and the agreement of the Depositary. Each Fund will issue its own series of Shares representing an interest in that Fund's portfolio of assets. On the establishment of a new Fund or Share Class, an updated prospectus will be prepared setting out the relevant information concerning the new Fund or Share Class. Each Fund of the Company would belong to the type of "UCITS scheme" if it were itself an investment company with variable capital in respect of which an authorisation order made by the FCA was in force. The Company qualifies as an "Undertaking for Collective Investment in Transferable Securities" ("UCITS") within the meaning of the UCITS Directive.

The Company currently offers, or intends to offer, Shares in the following Funds:

Name of Fund	PRN	Name of Fund	PRN
Aberdeen Asia Pacific and Japan Equity Fund	637993	Aberdeen Responsible UK Equity Fund	637996
Aberdeen Asia Pacific Equity Fund	637994	Aberdeen Sterling Bond Fund	692493
Aberdeen Corporate Bond Fund	692474	Aberdeen Sterling Government Bond Fund	692494
Aberdeen Diversified Income Fund	637998	Aberdeen Sterling Index-Linked Bond Fund	692495
Aberdeen Eastern European Equity Fund	638000	Aberdeen Sterling Long Dated Corporate Bond Fund	728901
Aberdeen Emerging Markets Bond Fund	638006	Aberdeen Sterling Long Dated Government Bond Fund	728902
Aberdeen Emerging Markets Equity Fund	637983	Aberdeen Sterling Money Market Fund	637997
Aberdeen Ethical World Equity Fund	637977	Aberdeen Sterling Opportunistic Corporate Bond Fund	692496
Aberdeen Euro Corporate Bond Fund	692478	Aberdeen Sterling Short Dated Corporate Bond Fund	761339
Aberdeen European Equity Fund	637985	Aberdeen Sterling Short Term Government Bond Fund	692497
Aberdeen European High Yield Bond Fund	638007	Aberdeen Strategic Bond Fund	692498
Aberdeen European Property Share Fund	692481	Aberdeen Target Return Bond Fund	692473
Aberdeen European Smaller Companies Equity Fund	637991	Aberdeen UK Equity Fund	637987
Aberdeen Financial Equity Fund	692484	Aberdeen UK Equity Income Fund	637989
Aberdeen Global High Yield Bond Fund	692488	Aberdeen UK Mid-Cap Equity Fund	637988
Aberdeen Japan Equity Fund	637978	Aberdeen UK Smaller Companies Equity Fund	637984
Aberdeen Latin American Equity Fund	638008	Aberdeen World Equity Fund	637979
Aberdeen Multi-Asset Fund	637980	Aberdeen World Equity Income Fund	638004
Aberdeen North American Equity Fund	637992	Aberdeen World Opportunistic Bond Fund	638009
Aberdeen Property Share Fund	637995		

Details of the investment objectives and policies of each of the Funds are set out on pages 10 – 39.

On the introduction of any new Fund or Class of Shares, a revised prospectus will be prepared setting out the relevant details of that Fund or Class.

The assets of each Fund will be treated as separate from those of every other Fund and will be invested in accordance with the investment objective and investment policy applicable to that Fund. Each Fund has credited to it the proceeds of all Shares linked to it, together with the assets in which such proceeds are invested or reinvested and all income, earnings, profits or assets deriving from such investments.

Each Fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Fund and within a Fund, the charges will be allocated between Classes of Shares in accordance with the terms of issue of the Shares of those Classes. Any assets, liabilities, expenses, costs or charges not attributable to a particular Fund may be allocated by the ACD in a manner which is fair to the Shareholders generally but they will normally be allocated to all Funds pro rata to the value of the net assets of the relevant Funds.

The Funds are segregated portfolios of assets and, accordingly, the assets of a Fund belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company, or any other Fund, and shall not be available for any such purpose.

While the provisions of the OEIC Regulations provide for segregated liability between the Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it cannot be predicted how those foreign courts will react to regulations 11A and 11B of the OEIC Regulations.

Shareholders are entitled to receive (or have accumulated) the net income derived from the Fund. Shareholders are also entitled to redeem their Shares at a price linked to the value of the property of the Fund, although the ability to redeem on a particular Dealing Day may be restricted in certain circumstances. See the "*Suspension of Dealings*" section on page 49 below and the "*Deferred Redemption*" section on page 48 below for more information. Shareholders do not have any proprietary interest in the underlying assets of the Fund.

The base currency for the Company is Sterling. The base currency of individual Funds, if different from Sterling, is stated on pages 10 – 39. The maximum size of the Company's capital is £20 billion and the minimum size is £1.

The Company is authorised by an order made by the FCA with effect from 23 December 1997. The operation of the Company is governed by the OEIC Regulations, the COLL Sourcebook, the Company's Instrument of Incorporation and this Prospectus.

This Prospectus is dated and valid with effect from 12 November 2018.

Shares in the Company

Each Fund may issue one or more different Classes of Shares each of which is characterised by its criteria for subscription and charging structures. Charging structures are specified on pages 52 – 54. For up to date details of the Share Classes of each Fund available for investment, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

The minimum subscription limits, and the minimum holdings, for each Class are set out below.

Class A Shares have a minimum initial investment of £500 for lump sum investment with a minimum subsequent investment of £100, and the minimum holding of Class A Shares is £500, although this may be waived or varied by the ACD at its sole discretion. Regular savers will have minimum permitted investments of £50 per month with an obligation to make a minimum investment of £500.

Class G Shares have a minimum initial investment of £25,000,000 for lump sum investment with a minimum subsequent investment of £10,000. Class G Shares are available to investors who are approved by the ACD and have entered into a formal written agreement with a company within the same group of companies as the ACD. The minimum holding of Class G Shares shall be £25,000,000. These minima and the requirement to enter into a formal written agreement may be waived or varied by the ACD at its sole discretion.

Class I Shares have a minimum initial investment of £500,000. All Class I Shares have a minimum subsequent investment of £10,000. Class I Shares are only available to investors who are approved by the ACD, and may include institutional investors, distribution partners and organisations which provide fee-based investment advisory services to underlying investors. The minimum holding of Class I Shares shall be £500,000. These minima may be waived or varied by the ACD at its sole discretion, including as such limits may apply to regular saving business introduced by distribution partners and organisations which provide fee-based investment advisory services to underlying investors.

Class I Gross Shares^A have a minimum initial investment of £500,000. All Class I Shares have a minimum subsequent investment of £10,000. Class I Gross Shares are only available to investors who are approved by the ACD, and may include institutional investors, distribution partners and organisations which provide fee-based investment advisory services to underlying investors. The minimum holding of Class I Gross Shares shall be £500,000. These minima may be waived or varied by the ACD at its sole discretion, including as such limits may apply to regular saving business introduced by distribution partners and organisations which provide fee-based investment advisory services to underlying investors.

Class K Shares have a minimum initial investment of £25,000,000 for lump sum investment with a minimum subsequent investment of £10,000. Class K Shares are available to investors who have entered into a formal written agreement with a company within the same group of companies as the ACD. The minimum holding of Class K Shares shall be £25,000,000. These minima and the requirement to enter into a formal written agreement may be waived or varied by the ACD at its sole discretion.

Class K Gross Shares^A have a minimum initial investment of £25,000,000 for lump sum investment with a minimum subsequent investment of £10,000. Class K Gross Shares are available to investors who have entered into a formal written agreement with a company within the same group of companies as the ACD. The minimum holding of Class K Gross Shares shall be £25,000,000. These minima and the requirement to enter into a formal written agreement may be waived or varied by the ACD at its sole discretion.

Class L Shares have a minimum initial investment of £1,000 for lump sum investment with a minimum subsequent investment of £1,000. Class L Shares are only available to charities and learning institutions who are approved by the ACD and have entered into a formal written agreement with a company within the same group of companies as the ACD. The minimum holding of Class L Shares shall be £1,000. These minima and the requirement to enter into a formal written agreement may be waived or varied by the ACD at its sole discretion.

Class M Shares have a minimum initial investment of £1,000,000 for a lump sum investment with a minimum subsequent investment of £50,000. Class M Shares are only available to distribution partners and providers of platform services (as defined in the glossary of definitions in the FCA Handbook) investing as nominee, who are approved by the ACD and have entered into a formal written agreement with the ACD. The minimum holding of Class M Shares shall be £50,000. These minima and the requirement to enter into a formal written agreement may be waived or varied by the ACD at its sole discretion.

Class P Shares have a minimum initial investment of £5,000,000 for lump sum investment with a minimum subsequent investment of £10,000. Class P Shares are available to investors who have entered into a formal written agreement with the ACD, or to whom the ACD at its entire discretion has determined that such Shares may be made available. The minimum holding of Class P Shares shall be £5,000,000. These minima and the requirement to enter into a formal written agreement may be waived or varied by the ACD at its sole discretion.

^A Classes of Gross Shares are only available to investors who are permitted in accordance with UK tax law to receive income from the relevant Fund without deduction of any UK income tax.

Class P Gross Shares^A have a minimum initial investment of £5,000,000 for lump sum investment with a minimum subsequent investment of £10,000. Class P Gross Shares are available to investors who have entered into a formal written agreement with the ACD, or to whom the ACD at its entire discretion has determined that such Shares may be made available. The minimum holding of Class P Gross Shares shall be £5,000,000. These minima and the requirement to enter into a formal written agreement may be waived or varied by the ACD at its sole discretion.

Class Q Shares have a minimum initial investment of £5,000,000 for lump sum investment with a minimum subsequent investment of £10,000. Class Q Shares are available to investors who have entered into a formal written agreement with the ACD, or to whom the ACD at its entire discretion has determined that such Shares may be made available. The minimum holding of Class Q Shares shall be £5,000,000. These minima and the requirement to enter into a formal written agreement may be waived or varied by the ACD at its sole discretion.

Class Q Gross Shares^A have a minimum initial investment of £5,000,000 for lump sum investment with a minimum subsequent investment of £10,000. Class Q Gross Shares are available to investors who have entered into a formal written agreement with the ACD, or to whom the ACD at its entire discretion has determined that such Shares may be made available. The minimum holding of Class Q Gross Shares shall be £5,000,000. These minima and the requirement to enter into a formal written agreement may be waived or varied by the ACD at its sole discretion.

Class Z Shares have a minimum initial investment of £1,000,000 for lump sum investment with a minimum subsequent investment of £10,000. Class Z Shares are available to investors who have entered into a formal written agreement with a company within the same group of companies as the ACD. The minimum holding of Class Z Shares shall be £1,000,000. These minima and the requirement to enter into a formal written agreement may be waived or varied by the ACD at its sole discretion.

Class Z Gross Shares^A have a minimum initial investment of £1,000,000 for lump sum investment with a minimum subsequent investment of £10,000. Class Z Gross Shares are available to investors who have entered into a suitable written agreement with a company within the same group of companies as the ACD and who have completed the necessary tax eligibility declarations.

In addition, each Class of Shares may be further differentiated into net income Shares and net accumulation Shares.

Where a Fund has more than one Class of Shares and different charging structures for each Class, monies may be deducted from Classes in unequal proportions. In these circumstances, the proportionate interests of the Classes within a Fund will be adjusted accordingly. Holders of net income Shares will participate in any distributions of income. Holders of net accumulation Shares do not receive payment of income. Any income arising in respect of an accumulation Share is automatically accumulated by way of being added to the assets of the Fund and is reflected in the price of each accumulation Share. Where both income and accumulation Shares are in existence in relation to a Fund, the income of the Fund is allocated in accordance with the proportionate interest in the Fund attributable to each income and accumulation Share. Holders of net income or accumulation Shares will be entitled to UK tax credits in respect of income distributions until 5 April 2016. The tax credit will satisfy the lower rate liability to tax on the distribution for UK taxpayers. Tax vouchers for both income and accumulation Shares will be issued in respect of distributions made. The taxation of UK distributions will change from 6 April 2016. Please refer to the "*Taxation*" section on pages 55 – 57.

Investment Objectives and Policies and other details of the Funds

The investment objective, and policy where applicable, of each Fund is set out below. The base currency of each Fund is Sterling. All Funds are categorised as UCITS schemes.

ABERDEEN ASIA PACIFIC AND JAPAN EQUITY FUND

Investment objective and policy:

The objective of the Fund is to achieve capital growth by investing in countries of the Asia Pacific region, including Japan.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated annually as at 31 July with the appropriate allocation made within 3 months of this date.

Sub-Adviser:

Aberdeen Standard Investments (Asia) Limited

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Asia Pacific and Japan Equity Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the annual management charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.

- The Fund may invest in emerging markets which tend to be more volatile than mature markets and the value of investments could move sharply up or down. In some circumstances the Fund's underlying investments may become illiquid which may constrain the ability to realise some, or all, of the portfolio. Registration and settlement arrangements may be less developed than in mature markets, increasing the operational risks. Political risks and adverse economic circumstances are more likely to arise putting the value of investments at risk.
- The Fund may invest in Mainland China via the Shanghai-Hong Kong Stock Connect programme and/or the Shenzhen-Hong Kong Stock Connect programme (as described in Appendix I). Operational risks linked to the nominee arrangements and other risks, such as restrictions on trading days, eligible securities, stock prices and/or daily trading quotas, over-valuation, delisting and suspension of trading are to be considered where the Fund invests through either or both of these programmes. The relevant regulations are untested and their application and interpretation is uncertain.

Investor Profile

The Fund provides exposure to a range of stocks across the Asia Pacific region, including Japan, and may be suitable for investors seeking capital growth opportunities through equity investments. The Fund is diversified across a number of markets and may therefore be suitable for investors who are looking to complement a diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN ASIA PACIFIC EQUITY FUND

Investment objective and policy:

The objective of the Fund is to achieve capital growth by investing in the countries of the Asia Pacific region excluding Japan.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated annually as at 31 July with the appropriate allocation made within 3 months of this date.

Sub-Adviser:

Aberdeen Standard Investments (Asia) Limited

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Asia Pacific Equity Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the annual management charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.
- The Fund may invest in emerging markets which tend to be more volatile than mature markets and the value of investments could move sharply up or down. In some circumstances the Fund's underlying investments may become illiquid which may constrain the ability to realise some, or all, of the portfolio. Registration and settlement arrangements may be less developed than in mature markets, increasing the operational risks. Political risks and adverse economic circumstances are more likely to arise putting the value of investments at risk.
- The Fund may invest in Mainland China via the Shanghai-Hong Kong Stock Connect programme and/or the Shenzhen-Hong Kong Stock Connect programme (as described in Appendix I). Operational risks linked to the nominee arrangements and other risks, such as restrictions on trading days, eligible securities, stock prices and/or daily trading quotas, over-valuation, delisting and suspension of trading are to be considered where the Fund invests through either or both of these programmes. The relevant regulations are untested and their application and interpretation is uncertain.

Investor Profile

The Fund provides exposure to a range of stocks across the Asia Pacific region and may be suitable for investors seeking capital growth opportunities through equity investments. The Fund is diversified across a number of markets and may therefore be suitable for investors who are looking to complement a diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private

investors and may be suitable for investors willing to accept a moderate level of risk. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN CORPORATE BOND FUND**Investment objective and policy:**

The Fund aims to provide a combination of income and capital growth by investing predominantly in Investment grade corporate Debt and debt-related securities denominated in (or hedged back to) Sterling.

The Fund may also invest in other transferable securities, including Investment grade and sub-Investment grade Debt and debt-related securities denominated in any currency, including those issued by governments, public bodies and supra-national issuers, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated quarterly as at 31 January, 30 April, 31 July (final) and 31 October, with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Corporate Bond Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The Fund may invest in non-investment grade securities which potentially involve greater price volatility and risk than investment grade securities.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.
- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.

INVESTMENT OBJECTIVES AND POLICIES AND OTHER DETAILS OF THE FUNDS CONTINUED

- Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.

Investor Profile

The Fund provides exposure to a range of fixed income securities, predominantly investment grade sterling-denominated corporate bonds. The Fund may be suitable for investors seeking income or capital growth opportunities through fixed income security investments as part of a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN DIVERSIFIED INCOME FUND

Investment objective and policy:

The Fund's investment objective is to provide income combined with long term capital growth. It will aim to achieve this by investing in a globally diversified portfolio of assets. The majority of the Fund will be exposed to Equity and Equity-Related securities, Investment grade and sub-Investment grade Debt and debt-related securities issued by governments, government-related bodies, and corporations. The remainder of the Fund may be exposed to cash, cash equivalents, deposits, money market instruments and alternative assets including property and infrastructure. The Fund's holdings may include exposure to emerging markets. The Fund may not include exposure to all of the stated asset classes at any point in time.

The Fund is multi-asset in nature and the Investment Adviser has the flexibility to amend the allocation between different asset classes in line with its view on markets in order to achieve the Fund's objective.

The Fund will mainly gain exposure to the asset classes through direct investment, although exposure to alternative asset classes will be obtained indirectly. When investing indirectly the Fund will gain exposure through investment in collective investment schemes, exchange traded funds (ETFs) and derivatives. When investing indirectly through collective investment schemes, the Fund will mainly invest in products managed by the Investment Adviser and/or its associated group companies where such products are available. The Fund may also invest in collective investment schemes managed by third party managers.

The Fund may use financial derivative instruments for investment purposes and/or efficient portfolio management (including hedging) The Fund may use derivative instruments to create short and / or long positions in currencies other than the base currency.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated monthly as at the last calendar day with the appropriate distributions or allocations made on the last business day of the following month.

Historic performance:

Detailed in Appendix V.

Further details of permitted derivatives transactions are provided in the 'Investment and Borrowing Powers' section on pages 58 – 77.

Risk warnings appropriate to the Aberdeen Diversified Income Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge and the Operating, Administrative and Servicing Expenses for the Fund will be charged to the Fund's capital account. This may constrain the Fund's future growth or lead to erosion of capital.
- Derivative transactions will or may be used to a significant extent. At times, though the use of these instruments could lead to considerable short term fluctuations in price. The impact on the Fund is greater where derivatives are used in an extensive or complex way.
- Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The overall value of a Fund with short positions may rise or fall with market values and the value of the Fund may rise as market values fall and fall as the market value rises. The possible loss from taking a short position on a security (using derivatives) differs from the loss that could be incurred from a cash investment in the security and can create a greater risk than investment based on a long position: the former may be unlimited as there is no restriction on the price to which a

security may rise, whereas the latter cannot exceed the total amount of cash investment. The short selling of investments may be subject to changes in regulations, which could adversely impact returns to investors.

- The Fund may invest in non-investment grade securities which potentially involve greater price volatility and risk than investment grade securities.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.
- The Fund invests in emerging markets which tend to be more volatile than mature markets and the value of investments could move sharply up or down. In some circumstances the Fund's underlying investments may become illiquid which may constrain the ability to realise some, or all, of the portfolio. Registration and settlement arrangements may be less developed than in mature markets, increasing the operational risks. Political risks and adverse economic circumstances are more likely to arise putting the value of investments at risk.
- The Fund may invest in real estate investment trusts (REITs) which themselves invest directly in real estate. Under adverse market or economic conditions, such assets may become illiquid or experience a drop in value.
- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.

Investor Profile

The Fund provides exposure to a broad range of equity securities and debt and debt-related securities, and may also include money markets instruments, derivatives, cash deposits (including through holdings in other funds), as well as indirect exposure to alternative assets including property and infrastructure, and may appeal to investors seeking the opportunity for income with long term capital growth as part of a diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be of interest to investors who wish to add a multi-asset component to a diversified portfolio and who are willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN EASTERN EUROPEAN EQUITY FUND

Investment objective and policy:

To achieve long term capital growth primarily in companies of developing European countries, although the Fund may also invest in companies of other European countries. The Fund may invest in investment trusts and collective investments schemes which themselves concentrate on investments in such countries, as well as securities of companies which, whilst listed on established stock exchanges worldwide, conduct a significant proportion of their business in these countries. The ACD's policy is not to generally employ derivatives in equity portfolios, although the Fund may use derivatives for efficient portfolio management and hedging.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated annually as at 31 July with the appropriate allocation made within 3 months of this date.

Historic performance:

Detailed in Appendix V.

Further details of permitted derivatives transactions are provided in the '*Investment and Borrowing Powers*' section on pages 58 – 77.

Risk warnings appropriate to the Aberdeen Eastern European Equity Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.

INVESTMENT OBJECTIVES AND POLICIES AND OTHER DETAILS OF THE FUNDS CONTINUED

- The Fund invests in emerging markets which tend to be more volatile than mature markets and the value of investments could move sharply up or down. In some circumstances the Fund's underlying investments may become illiquid which may constrain the ability to realise some, or all, of the portfolio. Registration and settlement arrangements may be less developed than in mature markets, increasing the operational risks. Political risks and adverse economic circumstances are more likely to arise putting the value of investments at risk.
- The Fund may invest in developing countries which may not have established markets. In order to mitigate risk, exposure to such countries is generally achieved through more established mature markets.
- Due to the potential limited number of investment opportunities, investments in individual countries in Eastern Europe may be high from time to time. The Fund may therefore be concentrated in a limited number of countries and as a result, may be more volatile than more broadly diversified funds.

Investor Profile

The Fund provides exposure to a range of stocks across the Eastern European region and may be suitable for investors seeking capital growth opportunities through equity investments. The Fund is diversified across a number of markets and may therefore be suitable for investors who wish to add an Eastern European equity component to complement a diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a high level of risk. Despite the potentially higher long term returns offered by investments in Eastern European markets, prospective investors need to be comfortable with the additional political and economic risks associated with investments in Eastern Europe. Potential investors in the Fund are strongly advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN EMERGING MARKETS BOND FUND

Investment objective:

The investment objective is to provide an attractive level of income and long-term capital return.

Investment Policy

The investment policy is to invest primarily in fixed interest securities which are issued by corporations with their registered office in, and/or government related bodies domiciled in an emerging market country. The Fund may also invest in other transferable securities, money market instruments, cash, near cash, deposits, shares in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates) and derivatives.

The Fund may use financial derivatives instruments for investment purposes and/or efficient portfolio management. The Fund may use derivative instruments to create short and/or long positions in currencies other than the base currency.

Note: For the purposes of this Fund, emerging market means any country that is included in the MSCI Emerging Markets Index or composite thereof (or any successor index or index substituted at the ACD's discretion,) or any country classified by the World Bank as a low to upper middle income country.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated monthly as at the last calendar day with the appropriate distributions or allocations made on the last business day of the following month.

Historic performance:

Detailed in Appendix V.

Further details of permitted derivatives transactions are provided in the 'Investment and Borrowing Powers' section on pages 58 – 77.

Risk warnings appropriate to the Aberdeen Emerging Markets Bond Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be deducted from the Fund's capital. This may constrain the Fund's future growth or lead to erosion of capital.
- The Fund may use derivatives for both hedging and investment purposes which raises the risk profile and increases potential volatility. The use of derivatives for hedging in a rising market may restrict potential gains.
- The Fund invests in emerging markets which tend to be more volatile than mature markets and the value of investments could move sharply up or down. In some circumstances the Fund's underlying investments may become illiquid which may constrain the ability to realise some, or all, of the portfolio. Registration and settlement arrangements may be less developed than in mature markets, increasing the operational risks. Political risks and adverse economic circumstances are more likely to arise putting the value of investments at risk.

- The performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held may not correspond to securities positions held.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.
- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.
- Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.

Investor Profile

The Fund provides exposure to debt securities of issuers located across a number of emerging market economies and may be suitable for investors seeking capital growth opportunities through fixed income security investments. The Fund may be suitable for investors who wish to invest in emerging market bonds to complement a diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN EMERGING MARKETS EQUITY FUND

Investment objective and policy:

The Fund aims to provide long term capital growth from direct or indirect investment in emerging stock markets worldwide or companies with significant activities in emerging markets.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated annually as at 31 July with the appropriate allocation made within 3 months of this date.

Sub-Adviser:

Aberdeen Standard Investments (Asia) Limited (Asian assets)

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Emerging Markets Equity Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.
- The Fund invests in emerging markets which tend to be more volatile than mature markets and the value of investments could move sharply up or down. In some circumstances the Fund's underlying investments may become illiquid which may constrain the ability to realise some, or all, of the portfolio. Registration and settlement arrangements may be less developed than in mature markets, increasing the operational risks. Political risks and adverse economic circumstances are more likely to arise putting the value of investments at risk.
- The Fund may invest in Mainland China via the Shanghai-Hong Kong Stock Connect programme and/or the Shenzhen-Hong Kong Stock Connect programme (as described in Appendix I). Operational risks linked to the nominee arrangements and other risks, such as restrictions on trading days, eligible securities, stock prices and/or daily trading quotas, over-valuation, delisting and suspension of trading are to be considered where the Fund invests through either or both of these programmes. The relevant regulations are untested and their application and interpretation is uncertain.

Investor Profile

The Fund provides exposure to a range of stocks across a number of emerging market economies and may be suitable for investors seeking capital growth opportunities through equity investments. The Fund is diversified across a number of markets and may therefore be suitable for investors who wish to add an emerging markets equity component to complement a diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a higher level of risk in pursuit of potentially higher

INVESTMENT OBJECTIVES AND POLICIES AND OTHER DETAILS OF THE FUNDS CONTINUED

returns. Potential investors in the Fund are strongly advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN ETHICAL WORLD EQUITY FUND

Investment objective:

To achieve long-term capital growth.

Investment policy:

The objective will be achieved through investment in a portfolio of international quality investments chosen on the basis of ethical ("socially responsible") criteria. These criteria include the environment, employee relations, product quality and international operations. The Fund may also invest in fixed interest securities.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Aberdeen Fund Managers Limited as ACD will be responsible for all aspects of the investment management of the Fund including the appropriateness of investments measured against both positive and negative ethical criteria. In carrying out this function Aberdeen Fund Managers Limited will use investment managers of its associated companies, drawn from each geographic team, and who have particular experience of socially responsible investment.

Risk warnings appropriate to the Aberdeen Ethical World Equity Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.

- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.

Investor Profile

The Fund provides exposure to a global range of stocks of socially responsible companies and may be suitable for investors seeking capital growth opportunities through investment in companies that meet ethical standards in their corporate strategies as part of a diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN EURO CORPORATE BOND FUND

Investment objective and policy:

The Fund aims to provide a combination of income and capital growth by investing predominantly in Investment grade corporate Debt and debt-related securities denominated in (or hedged back to) Euros.

The Fund may also invest in other transferable securities, including Investment grade and sub-Investment grade Debt and debt-related securities denominated in any currency, including those issued by governments, public bodies and supra-national issuers, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Additional power re government & public securities:

Subject always to the investment objective of and any restrictions applicable to this Fund, more than 35% and up to 100% of the Scheme Property of the Fund may be invested in government and public securities issued or guaranteed by any one of the issuers indicated in Table 1 in the '*Investment and Borrowing Powers*' section.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated quarterly as at 31 January, 30 April, 31 July (final) and 31 October, with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Euro Corporate Bond Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The Fund may invest in non-investment grade securities which potentially involve greater price volatility and risk than investment grade securities.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.
- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.
- Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.

Investor Profile

The Fund provides exposure to a range of fixed income assets, predominantly € (euro)-denominated investment grade securities. The Fund may be suitable for investors seeking income or capital growth opportunities through fixed income security investments as part of a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN EUROPEAN EQUITY FUND**Investment objective and policy:**

The Fund aims for maximum capital growth through investment in a broad spread of European securities. The Manager will invest in European companies which offer good prospects for capital growth. Whilst the Fund will invest principally in companies incorporated in Europe, the Manager may also invest in companies which derive an important

proportion of their earnings from European trade or operations. It is intended that the Fund will have minimal exposure to the UK. The Manager will also take opportunities as they arise to invest in European emerging markets.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated annually as at 31 July with the appropriate allocation made within 3 months of this date.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen European Equity Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.

Investor Profile

The Fund provides exposure to a range of stocks across the European region and may be suitable for investors seeking capital growth opportunities through equity investments. The Fund is diversified across a number of markets and may therefore be suitable for investors who are looking to invest in European equities to complement a diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a higher level of risk in pursuit of potentially higher returns. Potential investors in the Fund are strongly advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

INVESTMENT OBJECTIVES AND POLICIES AND OTHER DETAILS OF THE FUNDS CONTINUED

ABERDEEN EUROPEAN HIGH YIELD BOND FUND (previously Aberdeen High Yield Bond Fund)

Investment objective:

The investment objective is to provide an attractive level of income with the opportunity for some long-term capital return.

Investment Policy:

The Fund will be primarily invested in non-Investment grade Debt and debt related securities issued by companies, governments, government related bodies and supranational institutions that are domiciled in the UK or a European Country and/or non-Investment grade Debt and debt related securities issued by companies which conduct a significant proportion of their business activities in the UK or a European Country which, in the Investment Advisor's opinion, are likely to produce a high yield.

The Fund investments may be of any credit quality and may include securities not paying interest currently and securities in default following purchase.

The Fund may also invest in other transferable securities, money market instruments, cash, near cash, deposits, shares in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates). Derivatives may be used for efficient portfolio management and hedging purposes.

Under normal circumstances, the Fund may hold up to 10% of its net assets in cash or near cash assets. However, the Fund may from time to time adopt temporary defensive positions in response to adverse political, economic or bond market events in which case up to 100% of the Fund's net assets may be held in cash or near cash assets including short term Debt and debt related securities listed and traded on an eligible market or OTC market.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated monthly as at the last calendar day with the appropriate distributions or allocations made on the last business day of the following month.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen European High Yield Bond Fund (previously Aberdeen High Yield Bond Fund)

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.

- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be deducted from the Fund's capital. This may constrain the Fund's future growth or lead to erosion of capital.
- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.
- The Fund invests primarily in non-investment grade securities. These securities carry a high risk of default compensated for by a substantially higher yield than that provided by investment grade securities.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.
- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.
- Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.

Investor Profile

The Fund provides exposure to high yield fixed income securities and may be suitable for investors seeking income or capital growth opportunities through fixed income security investments as part of a diversified portfolio of investments but who are willing to accept a high level of risk. Due to the high risks associated with non-investment grade bonds, investors are likely to use the Fund to complement an existing diversified core bond portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk in pursuit of potentially higher returns. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are strongly advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN EUROPEAN PROPERTY SHARE FUND

Investment objective and policy:

The Fund aims to provide a combination of income and capital growth by investing predominantly in Equity and Equity-Related securities issued by companies that derive the majority of their income from the ownership, management or development of real estate located in Europe, including the United Kingdom.

The Fund may also invest in other transferable securities, money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen European Property Share Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be charged to the Fund's capital account. This may constrain the Fund's future growth or lead to erosion of capital.

Investor Profile

The Fund provides exposure to a range of equities, predominantly in companies that derive the majority of their income from the ownership, management or development of real estate located in Europe, including the UK. The Fund may be suitable for investors seeking income or capital growth opportunities through equity investments in companies involved in property investment as part of a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk in pursuit of potentially higher returns. While the Fund

aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are strongly advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN EUROPEAN SMALLER COMPANIES EQUITY FUND

Investment objective:

The Fund aims to achieve capital growth primarily by investing in Equity and Equity-Related Securities of European smaller companies. Income is not a consideration.

Investment policy:

Investments will generally be confined to smaller companies. In this context, smaller companies generally means companies which are, at the time of investment, of a market capitalisation appropriate for a small company sector benchmark. Investments in companies which subsequently outgrow the appropriate small company sector benchmark will not be sold unless, in the opinion of the Investment Adviser, this is in the best interests of Shareholders. This Fund may invest in companies listed or incorporated anywhere in the world, as long as the companies' principal activities are in, or their main economic exposure is to, Europe. The Fund may also hold ancillary liquid assets and Investment grade debt and debt-related securities.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated annually as at 31 July, with the appropriate allocation made within 3 months of this date.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen European Smaller Companies Equity Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.

INVESTMENT OBJECTIVES AND POLICIES AND OTHER DETAILS OF THE FUNDS CONTINUED

- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.
- The Fund may invest in emerging markets which tend to be more volatile than mature markets and the value of investments could move sharply up or down. In some circumstances the Fund's underlying investments may become illiquid which may constrain the ability to realise some, or all, of the portfolio. Registration and settlement arrangements may be less developed than in mature markets, increasing the operational risks. Political risks and adverse economic circumstances are more likely to arise putting the value of investments at risk.
- The Fund invests in smaller companies which may be riskier and less liquid than larger companies leading to increased potential volatility.

Investor Profile

The Fund provides exposure to equity securities of European market smaller capitalisation companies and may be suitable for investors seeking capital growth opportunities through equity investments as part of a diversified portfolio of investments. Although smaller capitalisation companies have often been associated with higher returns, they also carry potentially increased risks compared to large capitalisation, 'blue-chip' companies. Due to this additional volatility the Fund may be suitable for investors looking to complement a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk in pursuit of potentially higher returns. Potential investors in the Fund are strongly advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN FINANCIAL EQUITY FUND

Investment objective and policy:

The Fund aims to provide capital growth, whilst not excluding the occurrence of income, by investing predominantly in Equity and Equity-Related securities issued by financial institutions, such as banking, insurance, financial services and property companies, domiciled globally.

The Fund may also invest in other transferable securities, money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Financial Equity Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.

Investor Profile

The Fund provides exposure to a global range of stocks issued by financial institutions (such as banking, insurance, financial services and property companies and investment trusts). The Fund may be suitable for investors seeking capital growth opportunities through equity investments as part of a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk in pursuit of potentially higher returns. Potential investors in the Fund are strongly advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditional volatility of share prices, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN GLOBAL HIGH YIELD BOND FUND

Investment objective and policy:

The Fund aims to provide a combination of income and capital growth by investing predominantly in a portfolio of sub-Investment grade Debt and debt-related securities, denominated in or hedged back to Sterling.

A majority of the portfolio will invest in Debt and debt-related securities issued by companies based in Europe and/or North America.

The Fund may also invest in other transferable securities, including Investment Grade Debt and debt-related securities, Equity and Equity-Related securities, money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

The Fund may also invest to a minority extent in Debt and debt-related securities of companies and governments based in developing countries.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated quarterly as at 31 January, 30 April, 31 July (final) and 31 October, with the appropriate distributions or allocations made within 3 months of these dates.

Sub-Adviser:

Aberdeen Asset Management Inc.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Global High Yield Bond Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The Fund may invest in non-investment grade securities which potentially involve greater price volatility and risk than investment grade securities.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.
- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.
- Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.

- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.

Investor Profile

The Fund provides exposure to a global range of fixed income securities, predominantly sub-investment grade bonds, typically issued by companies based in Europe and America. The Fund may be suitable for investors seeking income or capital growth opportunities through fixed income security investments as part of a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN JAPAN EQUITY FUND

Investment objective:

To produce capital growth.

Investment policy:

The objective will be achieved through investment in a diversified portfolio of Japanese securities.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated annually as at 31 July with the appropriate allocation made within 3 months of this date.

Sub-Adviser:

Aberdeen Standard Investments (Japan) Limited

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Japan Equity Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.

INVESTMENT OBJECTIVES AND POLICIES AND OTHER DETAILS OF THE FUNDS CONTINUED

- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the annual management charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.
- Exposure to a single country market increases potential volatility.
- The Fund invests in a relatively small number of investments which can potentially increase volatility relative to funds with larger numbers of investments.

Investor Profile

The Fund provides exposure to a range of Japanese stocks and may be suitable for investors seeking capital growth opportunities through equity investments. The Fund may be suitable for investors who are looking to invest in Japanese equities to complement a diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices and the individual economic and political risks associated with single-country investing, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN LATIN AMERICAN EQUITY FUND

Investment Objective and Policy:

The Fund's investment objective is long-term total return to be achieved by investing in equities and equity-related securities of Latin American companies or companies with significant activities in Latin America.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated annually as at 31 July with the appropriate distributions or allocations made within three months of this date.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Latin American Equity Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- The Fund may not be appropriate for investors who aim to achieve a positive return within five years. There is no guarantee that a positive return will be achieved over this, or any, time period.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- The Fund invests primarily in emerging markets which tend to be more volatile than mature markets and the value of investments could move sharply up or down. In some circumstances the Fund's underlying investments may become illiquid which may constrain the ability to realise some of the portfolio. Registration and settlement arrangements may be less developed than in mature markets, increasing the operational risks. Political risks and adverse economic circumstances are more likely to arise putting the value of investments at risk.

Investor Profile

The Fund provides exposure to a range of stocks across the Latin American region and may be suitable for investors seeking capital growth opportunities through equity investments. The Fund is diversified across a number of markets and may therefore be suitable for investors who wish to add a Latin American equity component to complement a diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a high level of risk. Despite the potentially higher long term returns offered by investments in Latin American markets, prospective investors need to be comfortable with the additional political and economic risks associated with investments in Latin America. Potential investors in the Fund are strongly advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN MULTI-ASSET FUND

Investment objective and policy:

The investment objective of Aberdeen Multi-Asset Fund is to provide long term total return from a diversified portfolio. The Fund may invest in transferable securities and may also hold units in collective investment schemes (in particular, schemes managed by the Investment Adviser), money market instruments, warrants, derivatives and forward transactions, cash and near cash and deposits.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Further details of permitted derivatives transactions are provided in the 'Investment and Borrowing Powers' section on pages 58 – 77.

Risk warnings appropriate to the Aberdeen Multi-Asset Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- The Fund may not be appropriate for investors who aim to achieve a positive return within five years. There is no guarantee that a positive return will be achieved over this, or any, time period.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.

- The Fund may use derivatives for both hedging and investment purposes which raises the risk profile and increases potential volatility. The use of derivatives for hedging in a rising market may restrict potential gains. The ACD reserves the right to utilise derivatives for investment purposes on the giving of 60 days' written notice to investors.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.
- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.

Investor Profile

The Fund provides exposure to a broad range of equity securities, debt securities, money markets instruments, derivatives and cash deposits (including through holdings in other funds) and may be suitable for investors seeking income or capital growth opportunities as part of a diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors who wish to add a multi-asset component to a diversified portfolio and who are willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN NORTH AMERICAN EQUITY FUND

Investment objective and policy:

The Fund aims to achieve capital growth from a portfolio of North American securities.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated annually as at 31 July, with the appropriate allocation made within 3 months of this date.

INVESTMENT OBJECTIVES AND POLICIES AND OTHER DETAILS OF THE FUNDS CONTINUED

Sub-Adviser:

Aberdeen Asset Management Inc.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen North American Equity Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the annual management charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.
- Exposure to a single country market increases potential volatility.

Investor Profile

The Fund provides exposure to a range of stocks across the North American region and may be suitable for investors seeking capital growth opportunities through equity investments. The Fund is diversified across a number of markets and may therefore be suitable for investors who are looking to invest in North American equities to complement a diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN PROPERTY SHARE FUND

Investment objective and policy:

The objective of the Fund is to provide long term total return, from a diversified portfolio of property company securities or companies which derive a significant proportion of their revenues or profits from property, or have a significant proportion of their assets in property. Holdings will be concentrated in the United Kingdom, though investment overseas is permitted.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Property Share Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- The Fund may not be appropriate for investors who aim to achieve a positive return within five years. There is no guarantee that a positive return will be achieved over this, or any, time period.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.
- Exposure to a single country market increases potential volatility.
- The Fund invests in a small market sector and is likely to carry higher risk of loss than a more widely invested fund.
- Due to the specialist nature of its investments, the Fund, at times, may experience difficulty in realising some of its underlying holdings.
- The Fund invests in a relatively small number of investments which can potentially increase volatility relative to funds with larger numbers of investments.

Investor Profile

The Fund provides exposure to a range of stocks of companies mainly, though not exclusively, in the UK that derive a significant proportion of their revenues or profits from property and may be suitable for investors seeking capital growth opportunities through equity investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors who wish to

add a property-related component to complement a diversified portfolio of investments and who are willing to accept a moderate level of risk in pursuit of potentially higher returns. Potential investors in the Fund are strongly advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN RESPONSIBLE UK EQUITY FUND

Investment objective and policy:

The Fund seeks long term growth by investing in a diversified portfolio of UK companies. Equity selection will be undertaken on the basis of thorough fundamental company analysis but environment, social and governance criteria will also be taken into account. Where an investee company's practices are considered to be lacking or deficient with regard to these criteria, the manager will encourage the company to adopt more responsible practices.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Aberdeen Fund Managers Limited as ACD will be responsible for all aspects of the investment management of the Fund including the appropriateness of investments measured against both positive and negative ethical criteria. A number of industries will be excluded. Further information on the investment process and ethical criteria is available on request.

Risk warnings appropriate to the Aberdeen Responsible UK Equity Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.

- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.
- Exposure to a single country market increases potential volatility.

Investor Profile

The Fund provides exposure to a range of stocks of UK companies and may be suitable for investors seeking capital growth opportunities through investment in companies that meet socially responsible standards in their corporate strategies as part of a diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN STERLING BOND FUND

Investment objective and policy:

The Fund aims to provide a combination of income and capital growth by investing predominantly in Sterling-denominated Debt and debt-related securities issued by the UK government, other governments, public bodies and supra-national issuers, and Investment grade corporate Debt and debt-related securities.

The Fund may also invest in other transferable securities, including Investment grade and sub-Investment grade Debt and debt-related securities denominated in any currency, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Additional power re government & public securities:

Subject always to the investment objective of and any restrictions applicable to this Fund, more than 35% and up to 100% of the Scheme Property of the Fund may be invested in government and public securities issued or guaranteed by any one of the issuers indicated in Table 1 in the '*Investment and Borrowing Powers*' section.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Sterling Bond Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.
- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.
- Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.

Investor Profile

The Fund provides exposure to a range of fixed income securities, predominantly UK government bonds and Sterling-denominated bonds issued by investment grade corporate issuers and sovereign, government, public, local authority and supra-national issuers. The Fund may be suitable for investors seeking income or capital growth opportunities through fixed income security investments as part of a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN STERLING GOVERNMENT BOND FUND

Investment objective and policy:

The Fund aims to provide a combination of income and capital growth by investing predominantly in Sterling-denominated UK government Debt and debt-related securities.

The Fund may also invest in other transferable securities, including Debt and debt-related securities denominated

in any currency issued by governments, public bodies and supra-national issuers worldwide, Investment grade corporate Debt and debt-related securities, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Additional power re government & public securities:

Subject always to the investment objective of and any restrictions applicable to this Fund, more than 35% and up to 100% of the Scheme Property of the Fund may be invested in government and public securities issued or guaranteed by any one of the issuers indicated in Table 1 in the '*Investment and Borrowing Powers*' section.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Sterling Government Bond Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.
- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.
- Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.

Investor Profile

The Fund provides exposure to a range of fixed income securities, predominantly UK government bonds. The Fund may be suitable for investors seeking income or capital growth opportunities through fixed income security investments as part of a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN STERLING INDEX-LINKED BOND FUND

Investment objective and policy:

The Fund aims to provide a combination of income and capital growth by investing predominantly in Sterling denominated index-linked Debt and debt-related securities that are issued by governments, public bodies, supra-national and corporate issuers.

The Fund may also invest in other transferable securities, including index-linked Debt and debt-related securities denominated in any currency issued by government issuers, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Additional power re government & public securities:

Subject always to the investment objective of and any restrictions applicable to this Fund, more than 35% and up to 100% of the Scheme Property of the Fund may be invested in government and public securities issued or guaranteed by any one of the issuers indicated in Table 1 in the 'Investment and Borrowing Powers' section.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Sterling Index-Linked Bond Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.
- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.
- Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.

Investor Profile

The Fund provides exposure to a range of fixed income securities, predominantly Sterling denominated index-linked bonds issued by the UK government, other sovereign, government and public issuers, supranational institutions and UK and international companies. The Fund may be suitable for investors seeking income or capital growth opportunities through fixed income security investments as part of a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN STERLING LONG DATED CORPORATE BOND FUND

Investment objective and policy:

The Fund aims to achieve income and capital growth with the Fund predominantly invested in Sterling denominated longer dated (10+ years) non-government Investment grade Debt and debt-related securities.

INVESTMENT OBJECTIVES AND POLICIES AND OTHER DETAILS OF THE FUNDS CONTINUED

The Fund may invest up to 10% of its Net Asset Value in Debt and Debt-Related Securities which are Sub-Investment grade as at the date of investment. Any security which is downgraded after purchase to Sub-Investment grade will not be sold unless, in the opinion of the Investment Adviser, it is in the best interests of Shareholders to do so.

The Fund may also invest in other transferable securities, including Investment grade and sub-Investment grade Debt and debt-related securities denominated in any currency, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Sterling Long Dated Corporate Bond Fund

- The Fund will have significant exposure to one currency, increasing its potential volatility.
- The Fund invests in a specific regional market which can increase potential volatility.
- The risk profile of this Fund may be higher relative to other bond funds due to its investments in asset-backed and mortgage-backed securities.
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations.
- The annual management charge and the Operating, Administrative and Servicing Expenses for the Fund will be charged to the Fund's income account.

Investor Profile

The Fund provides exposure to a range of fixed income securities (predominantly Sterling-denominated non-government Investment grade bonds, although the Fund may also hold Investment grade government debt denominated in Sterling and non-Investment grade debt). The Fund may be suitable for investors seeking income or capital growth opportunities through fixed income security investments as part of a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept

a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN STERLING LONG DATED GOVERNMENT BOND FUND

Investment objective and policy:

The Fund aims to achieve income and capital growth with the Fund predominantly invested in Sterling denominated longer dated (10+ years) government Investment grade Debt and debt-related securities.

The Fund may invest up to 10% of its Net Asset Value in assets which are Sub-Investment grade as at the date of investment. Any security which is downgraded after purchase to Sub-Investment grade will not be sold unless, in the opinion of the Investment Adviser, this is in the best interest of Shareholders.

The Fund may also invest in other transferable securities, including Investment grade and sub-Investment grade Debt and debt-related securities denominated in any currency, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Additional power re government and public securities:

Subject always to the investment objective of and any restrictions applicable to this Fund, more than 35% and up to 100% of the Scheme Property of the Fund may be invested in government and public securities issued or guaranteed by any one of the issuers indicated in Table 1 in the 'Investment and Borrowing Powers' section.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income: Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Sterling Long Dated Government Bond Fund

- The Fund will have significant exposure to one currency, increasing its potential volatility.
- The Fund invests in a specific regional market which can increase potential volatility.

- The risk profile of this Fund may be higher relative to other bond funds due to its investments in asset-backed and mortgage-backed securities.
- From time to time the Fund may be concentrated in a small number of individual issues or issuers.
- The Fund's underlying investments are subject to interest rate risk and credit risk. Interest rate fluctuations affect the capital value of investments. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the ability of a bond issuer to meet its obligations.
- The annual management charge and the Operating, Administrative and Servicing Expenses for the Fund will be charged to the Fund's income account.

Investor Profile

The Fund provides exposure to a range of fixed income securities (predominantly Sterling-denominated government Investment grade bonds, although the Fund may also hold non-government debt denominated in Sterling and non-Investment grade debt). The Fund may be suitable for investors seeking income or capital growth opportunities through fixed income security investments as part of a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN STERLING MONEY MARKET FUND

Investment objective and policy:

The investment objective of Aberdeen Sterling Money Market Fund is to produce a level of income commensurate with security principally by investing in cash deposits and money market instruments. The Fund may also invest in transferable securities and in collective investment schemes, including those managed by the ACD or companies affiliated with the ACD. The Fund is a money market fund as such term is defined by the COLL Sourcebook, and the Fund's investment objectives and policies will meet the requirements of this definition on an ongoing basis.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated quarterly as at 31 January, 30 April, 31 July (final) and 31 October, with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen Sterling Money Market Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the annual management charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.
- Exposure to a single country market increases potential volatility.

Investor Profile

Prospective investors should note that their capital is not guaranteed and they could receive back less than the amount invested in this Fund. The Fund gives access to Sterling-denominated money market instruments and cash deposits with banks. The Fund may be of interest to investors who are interested in money market funds and who are principally seeking capital preservation rather than capital growth or income. Prospective investors should note that the Fund is not a bank deposit account, it is a collective investment fund and should not be confused with a cash deposit account with a bank. The Fund may appeal to institutional and professional investors and to private investors. The Fund may be suitable for investors willing to accept a low level of risk and who are comfortable with the higher level of risk within a money market fund compared to that of a deposit account with a bank. While the Fund aims to generate returns, prospective investors should be aware that any capital growth achieved is likely to be extremely limited and the withdrawal of income will have the effect of reducing the level of any such growth. Potential investors in the Fund should understand its risks and benefits and, if not confident in evaluating this type of investment, should consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund may appeal to investors interested in this sort of money market product and who have a short-term investment horizon of up to three years.

INVESTMENT OBJECTIVES AND POLICIES AND OTHER DETAILS OF THE FUNDS CONTINUED

ABERDEEN STERLING OPPORTUNISTIC CORPORATE BOND FUND

Investment objective and policy:

The Fund aims to provide a combination of income and capital growth by investing predominantly in Debt and debt-related securities denominated in (or hedged back to) Sterling, including by pursuing individual opportunities as and when they arise.

The majority of the Fund's assets will be invested in corporate Debt and debt-related securities.

The Fund may also invest in other transferable securities, including Debt and debt-related securities denominated in any currency, as well as money market instruments, deposits, cash and cash equivalents, and units in collective investments schemes (including other funds managed by the Investment Adviser or its affiliates).

The Fund may use financial derivative instruments for investment purposes and/or efficient portfolio management. The Fund may use derivative instruments to create short and/or long positions.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated quarterly as at 31 January, 30 April, 31 July (final) and 31 October, with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Further details of permitted derivatives transactions are provided in the 'Investment and Borrowing Powers' section on pages 58 – 77.

Risk warnings appropriate to the Aberdeen Sterling Opportunistic Corporate Bond Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The Fund may invest in non-investment grade securities which potentially involve greater price volatility and risk than investment grade securities.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.

- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.
- Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- Derivative transactions will or may be used to a significant extent. At times, though the use of these instruments could lead to considerable short term fluctuations in price. The impact on the Fund is greater where derivatives are used in an extensive or complex way.
- Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The overall value of a Fund with short positions may rise or fall with market values and the value of the Fund may rise as market values fall and fall as the market value rises. The possible loss from taking a short position on a security (using derivatives) differs from the loss that could be incurred from a cash investment in the security and can create a greater risk than investment based on a long position: the former may be unlimited as there is no restriction on the price to which a security may rise, whereas the latter cannot exceed the total amount of cash investment. The short selling of investments may be subject to changes in regulations, which could adversely impact returns to investors.
- From time to time the Fund may be concentrated in a small number of individual issues or issuers.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.

Investor Profile

The Fund provides exposure to a range of fixed income securities, mainly UK corporate bonds and other Sterling-denominated bonds. The Fund may be suitable for investors seeking income or capital growth opportunities through fixed income security investments as part of a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN STERLING SHORT DATED CORPORATE BOND FUND

Investment objective and policy:

The Fund aims to provide a combination of income and capital growth by investing predominantly in Investment grade corporate Debt and debt-related securities denominated in (or hedged back to) Sterling with a maturity of up to five years.

The Fund may also invest in other transferable securities, including Debt and debt-related securities issued by corporate issuers, governments, public bodies and supra-national issuers worldwide, in each case of any maturity or credit quality and denominated in any currency, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated quarterly as at 31 January, 30 April, 31 July (final) and 31 October, with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Not available

Risk warnings appropriate to the Aberdeen Sterling Short Dated Corporate Bond Fund

- Past performance is not a guide to the future.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.
- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.
- The Fund may invest in non-investment grade securities which potentially involve greater price volatility and risk than investment grade securities.
- Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- The Fund will have significant exposure to one currency, increasing its potential volatility.

Investor Profile

The Fund provides exposure to a range of fixed income securities, predominantly investment grade bonds denominated in (or hedged back to) Sterling with a maturity of up to five years. The Fund may appeal to investors seeking income or capital growth opportunities through fixed income security investments as part of a diversified portfolio. The Fund is aimed at institutional and professional investors and by private investors and may be of interest to investors willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a medium-term investment horizon who will be able to hold the Fund for at least three to five years.

ABERDEEN STERLING SHORT TERM GOVERNMENT BOND FUND

Investment objective and policy:

The Fund aims to provide a combination of income and capital growth by investing predominantly in Sterling denominated UK government Debt and debt-related securities with a maturity of up to five years.

The Fund may also invest in other transferable securities, including Debt and debt-related securities of any maturity and denominated in any currency issued by governments, public bodies and supra-national issuers worldwide, Investment grade corporate Debt and debt-related securities, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Additional power re government & public securities:

Subject always to the investment objective of and any restrictions applicable to this Fund, more than 35% and up to 100% of the Scheme Property of the Fund may be invested in government and public securities issued or guaranteed by any one of the issuers indicated in Table 1 in the '*Investment and Borrowing Powers*' section.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated quarterly as at 31 January, 30 April, 31 July (final) and 31 October, with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

INVESTMENT OBJECTIVES AND POLICIES AND OTHER DETAILS OF THE FUNDS CONTINUED

Risk warnings appropriate to the Aberdeen Sterling Short Term Government Bond Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.
- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.
- Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.

Investor Profile

The Fund provides exposure to a range of fixed income securities, predominantly UK government bonds with a maturity of up to five years. The Fund may be suitable for investors seeking income or capital growth opportunities through fixed income security investments as part of a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a medium-term investment horizon who will be able to hold the Fund for at least three to five years.

ABERDEEN STRATEGIC BOND FUND

Investment objective and policy:

The Fund aims to provide a combination of income and capital growth by investing predominantly in global Debt and debt-related securities denominated in (or hedged back to) Sterling.

The Fund may also invest in other transferable securities, including Debt and debt-related securities denominated in any currency, as well as money market instruments, deposits,

cash and near cash, and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

The Fund may use financial derivative instruments for investment purposes and/or efficient portfolio management. The Fund may use derivative instruments to create short and/or long positions.

Additional power re government & public securities:

Subject always to the investment objective of and any restrictions applicable to this Fund, more than 35% and up to 100% of the Scheme Property of the Fund may be invested in government and public securities issued or guaranteed by any one of the issuers indicated in Table 1 in the '*Investment and Borrowing Powers*' section.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated quarterly as at 31 January, 30 April, 31 July (final) and 31 October, with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Derivatives will be used to a significant extent. Further details of permitted derivatives transactions are provided in the '*Investment and Borrowing Powers*' section on pages 58 – 77.

Risk warnings appropriate to the Aberdeen Strategic Bond Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.
- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.
- Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- Derivative transactions will or may be used to a significant extent. At times, though the use of these instruments could lead to considerable short term fluctuations in price.

The impact on the Fund is greater where derivatives are used in an extensive or complex way.

- Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The overall value of a Fund with short positions may rise or fall with market values and the value of the Fund may rise as market values fall and fall as the market value rises. The possible loss from taking a short position on a security (using derivatives) differs from the loss that could be incurred from a cash investment in the security and can create a greater risk than investment based on a long position: the former may be unlimited as there is no restriction on the price to which a security may rise, whereas the latter cannot exceed the total amount of cash investment. The short selling of investments may be subject to changes in regulations, which could adversely impact returns to investors.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.

Investor Profile

The Fund provides exposure to a range of global fixed income assets, including government bonds, investment grade and sub-investment grade bonds, securitised bonds, covered bonds and preference shares. The Fund may be suitable for investors seeking income or capital growth opportunities through fixed income security investments as part of a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN TARGET RETURN BOND FUND

Investment objective and policy:

The Fund aims to achieve a positive return over a rolling 12-month period, independent of prevailing market conditions, by investing predominantly in Debt and debt-related securities issued by governments, supranational institutions, government-related bodies and/or corporations, as well as money market instruments, cash, near cash and deposits. There is no guarantee that a positive return will be achieved over 12 months or any time period and capital may be at risk. Investors may not get back the full amount originally invested.

All or a substantial proportion of the physical assets of the Fund may at any time consist of cash and near cash, deposits and/or money market instruments.

Additionally, the Fund may invest in units in collective investments schemes (including other funds managed by the Investment Adviser or its affiliates).

The Fund may use financial derivative instruments for investment purposes and/or efficient portfolio management. The Fund may use derivative instruments to create short and/or long positions.

Additional power re government & public securities:

Subject always to the investment objective of and any restrictions applicable to this Fund, more than 35% and up to 100% of the Scheme Property of the Fund may be invested in government and public securities issued or guaranteed by any one of the issuers indicated in Table 1 in the '*Investment and Borrowing Powers*' section.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Derivatives will be used to a significant extent. Further details of permitted derivatives transactions are provided in the '*Investment and Borrowing Powers*' section on pages 58 - 77.

Risk warnings appropriate to the Aberdeen Target Return Bond Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The Fund may invest in non-investment grade securities which potentially involve greater price volatility and risk than investment grade securities.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.
- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.
- Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.

INVESTMENT OBJECTIVES AND POLICIES AND OTHER DETAILS OF THE FUNDS CONTINUED

- Derivative transactions will or may be used to a significant extent. At times, though the use of these instruments could lead to considerable short term fluctuations in price. The impact on the Fund is greater where derivatives are used in an extensive or complex way.
- Use of derivatives other than for hedging may result in leverage and may increase volatility in the Net Asset Value of the Fund.
- The overall value of a Fund with short positions may rise or fall with market values and the value of the Fund may rise as market values fall and fall as the market value rises. The possible loss from taking a short position on a security (using derivatives) differs from the loss that could be incurred from a cash investment in the security and can create a greater risk than investment based on a long position: the former may be unlimited as there is no restriction on the price to which a security may rise, whereas the latter cannot exceed the total amount of cash investment. The short selling of investments may be subject to changes in regulations, which could adversely impact returns to investors.
- From time to time the Fund may be concentrated in a small number of individual issues or issuers.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.

Investor Profile

The Fund provides exposure to a global range of fixed income securities (including government and supranational bonds, corporate bonds, non-investment grade bonds and emerging market debt), index-linked securities, money market instruments, cash or cash-like investments and derivatives (securities which derive their value from the price of other assets). The Fund may be suitable for investors seeking capital growth opportunities through fixed income security investments as part of a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a low level of risk. Prospective investors should be aware that there is no guarantee that a positive return will be achieved over any time period and any capital invested may be at risk. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a short-term investment horizon who will be able to hold the Fund for at least one to three years.

ABERDEEN UK EQUITY FUND

Investment objective and policy:

The objective of the Fund is to provide capital growth through investment in companies registered in the United Kingdom, or companies which derive a significant proportion of their revenues or profits from the United Kingdom or have a significant proportion of their assets there.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen UK Equity Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.
- Exposure to a single country market increases potential volatility.

Investor Profile

The Fund provides exposure to a range of UK stocks and may be suitable for investors seeking capital growth opportunities through equity investments. The Fund may be suitable for investors who are looking to invest in UK equities to complement a diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices and the individual economic and political risks associated with single-country investing, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN UK EQUITY INCOME FUND

Investment objective and policy:

The Fund aims to achieve an attractive level of income combined with capital growth from a portfolio primarily consisting of UK Equity and Equity-Related Securities.

This Fund may invest in companies listed or incorporated anywhere in the world, as long as the companies' principal activities are in, or their main economic exposure is to, the UK.

This Fund may also invest in Equity and Equity-Related Securities of non-UK companies.

The Fund may also hold ancillary liquid assets and debt and debt-related securities.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen UK Equity Income Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The annual management charge for the Fund will be charged to the Fund's capital. This may constrain the Fund's future growth or lead to erosion of capital.
- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.
- Exposure to a single country market increases potential volatility.

Investor Profile

The Fund gives access to a range of UK stocks and equity-related securities and securities of companies with their principal activities or economic exposure to the UK. The Fund may be suitable for investors seeking income or capital growth opportunities through equity investments and may be appropriate to investors who are looking for a component to a diversified portfolio through investment in UK companies with a history of dividend. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices and the individual economic and political

risks associated with single-country investing, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN UK MID-CAP EQUITY FUND

Investment objective and policy:

The Fund's objective is to maximise total return from capital investment predominantly in the companies of the FTSE 250 Index (excluding investment trusts), though other UK listed equities may be held where the ACD deems this appropriate.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen UK Mid-Cap Equity Fund

- The Fund will invest in medium and smaller companies, which may be more difficult to buy and sell on the open market than larger blue-chip companies. As a result, the price of the securities in the Fund may fluctuate to a significant extent, which could have a positive or negative impact on the value of your investment.
- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- The Fund may not be appropriate for investors who aim to achieve a positive return within five years. There is no guarantee that a positive return will be achieved over this, or any, time period.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.
- Exposure to a single country market increases potential volatility.

INVESTMENT OBJECTIVES AND POLICIES AND OTHER DETAILS OF THE FUNDS CONTINUED

Investor Profile

The Fund provides exposure to equity securities of UK 'mid-cap' capitalisation companies and may be suitable for investors seeking capital growth opportunities through equity investments as part of a diversified portfolio of investments. Although 'mid-cap' companies have been associated with increased returns, they also carry potentially increased risks compared to large capitalisation, 'blue-chip' companies. Due to this additional volatility the Fund may be suitable for investors looking to complement a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk in pursuit of potentially higher returns. Potential investors in the Fund are strongly advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices and the individual economic and political risks associated with single-country investing, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN UK SMALLER COMPANIES EQUITY FUND

Investment objective and policy:

The investment objective of Aberdeen UK Smaller Companies Equity Fund is to provide capital growth, whilst not excluding the occurrence of income, from investment in smaller UK companies being companies which are not included within the 200 largest UK companies at the time of purchase, in terms of market capitalisation.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen UK Smaller Companies Equity Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.

- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.
- Exposure to a single country market increases potential volatility.
- The Fund invests in a small market sector and is likely to carry higher risk of loss than a more widely invested fund.
- Due to the specialist nature of its investments, the Fund, at times, may experience difficulty in realising holdings.
- The Fund invests in smaller companies which may be riskier and less liquid than larger companies leading to increased potential volatility.

Investor Profile

The Fund provides exposure to equity securities of UK smaller capitalisation companies and may be suitable for investors seeking principally capital growth opportunities through equity investments as part of a diversified portfolio of investments. Although smaller capitalisation companies have often been associated with higher returns, they also carry potentially increased risks compared to large capitalisation, 'blue-chip' companies. Due to this additional volatility the Fund may be suitable for investors looking to complement a diversified portfolio. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk in pursuit of potentially higher returns. While the Fund may generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are strongly advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices and the individual economic and political risks associated with single-country investing, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN WORLD EQUITY FUND

Investment objective and policy:

The investment objective of Aberdeen World Equity Fund is to provide long term total return from an internationally diversified portfolio of equities.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Risk warnings appropriate to the Aberdeen World Equity Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- The Fund may not be appropriate for investors who aim to achieve a positive return within five years. There is no guarantee that a positive return will be achieved over this, or any, time period.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- Derivatives may be used to hedge against various risks but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.

Investor Profile

The Fund provides exposure to a global range of stocks and may be suitable for investors seeking capital growth opportunities through equity investments. The Fund is diversified across a number of international markets and may therefore be suitable as part of a diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN WORLD EQUITY INCOME FUND**Objective:**

To provide income and capital appreciation for investors over the long term in companies worldwide.

Investment Policy:

The investment policy is to invest primarily in equity and equity related securities of companies worldwide which offer attractive yields and sustainable dividends. The Fund may also invest up to 10% of its assets in fixed income securities including non-Investment grade debt. The Fund may also invest in derivatives, including credit default swaps, money market instruments, cash, near cash, deposits and shares in collective investment schemes.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk.

A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated quarterly as at 31 January, 30 April, 31 July (final) and 31 October, with the appropriate distributions or allocations made within 3 months of these dates.

Historic performance:

Detailed in Appendix V.

Further details of permitted derivatives transactions are provided in the '*Investment and Borrowing Powers*' section on pages 58 – 77.

Risk warnings appropriate to the Aberdeen World Equity Income Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency in which you invest strengthens against the currency in which the underlying investments of the Fund are made the value of your investment will reduce and vice versa.
- The annual management charge for the Fund will be deducted from the Fund's capital. This may constrain the Fund's future growth or lead to erosion of capital.
- The Fund may use derivatives for both hedging and investment purposes which raises the risk profile and increases potential volatility. The use of derivatives for hedging in a rising market may restrict potential gains. The ACD reserves the right to utilise derivatives for investment purposes on the giving of 60 days' written notice to investors.

Investor Profile

The Fund gives access to a global range of equity securities and may be suitable for investors seeking income and capital growth opportunities. The Fund is diversified across a number of international markets and may therefore be suitable for investors who wish to add an international equity component with growth appreciation or income characteristics to a

INVESTMENT OBJECTIVES AND POLICIES AND OTHER DETAILS OF THE FUNDS CONTINUED

diversified portfolio of investments. The Fund is intended to be held by institutional and professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. While the Fund aims to generate income, prospective investors should be aware that the withdrawal of income will have the effect of reducing the level of any capital growth which the Fund might achieve. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. Due to the traditionally volatile nature of share prices, the Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least five years.

ABERDEEN WORLD OPPORTUNISTIC BOND FUND

Investment objective and policy:

The Fund's investment objective is long-term total return to be achieved by investing primarily in a diversified portfolio of global investment and sub-investment grade debt and debt related securities issued by companies, governments, government related bodies and supranational institutions.

Additionally, the Fund may invest in other transferable securities and units in collective investments schemes, including those managed by the ACD or companies affiliated with the ACD.

The Fund's assets will primarily be either denominated in Sterling or denominated in currencies other than Sterling and hedged back to Sterling.

The Fund may use financial derivative instruments for investment purposes or efficient portfolio management including hedging where appropriate.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Share Classes available for investment:

For up to date details of the Share Classes available for investment in this Fund, please refer to aberdeen-asset.co.uk. A KIID will be published on this website for each Share Class that is available for investment from time to time.

Income:

Income will be calculated six-monthly as at 31 January and 31 July (final), with the appropriate distributions or allocations made within 3 months of these dates.

Sub-Adviser:

Aberdeen Asset Management Inc.

Historic performance:

Detailed in Appendix V.

Derivatives will be used to a significant extent. Further details of permitted derivatives transactions are provided in the 'Investment and Borrowing Powers' section on pages 58 – 77.

Risk warnings appropriate to Aberdeen World Opportunistic Bond Fund

- The value of Shares and the income from them can go down as well as up and you may get back less than the amount invested.
- The Fund may not be appropriate for investors who aim to achieve a positive return within five years. There is no guarantee that a positive return will be achieved over this, or any, time period.
- Past performance is not a guide to the future.
- When cancellation rights apply and you exercise them, you may not get back the full amount invested if the Share price falls before written notice of the wish to cancel is received.
- The annual management charge for the Fund will be charged to the Fund's capital account. This may constrain the Fund's future growth or lead to erosion of capital.
- The Fund may use derivatives for both hedging and investment purposes which raises the risk profile and increases potential volatility. The use of derivatives for hedging in a rising market may restrict potential gains.
- The Fund may invest in emerging markets which tend to be more volatile than mature markets and the value of investments could move sharply up or down. In some circumstances the Fund's underlying investments may become illiquid which may constrain the ability to realise some, or all, of the portfolio. Registration and settlement arrangements may be less developed than in mature markets, increasing the operational risks. Political risks and adverse economic circumstances are more likely to arise putting the value of investments at risk.
- The performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held may not correspond to securities positions held.
- The Fund may invest in non-investment grade securities which potentially involve greater price volatility and risk than investment grade securities.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer.
- Unlike income from a single bond, the level of income from the Fund is not fixed and will fluctuate.
- The underlying investments in the Fund are subject to interest rate risk and credit risk. Where long-term interest rates rise, the capital value of bonds is likely to fall and vice versa. Credit risk reflects the risk of the bond issuer failing to meet its obligations to pay interest and return the capital on redemption date.
- Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.

Investor Profile

The Fund provides exposure to a global range of debt securities and debt-related securities (investment and sub-investment grade) of issuers (including governments) located worldwide and may be suitable for investors seeking capital growth opportunities through fixed income security investments.

The Fund may be suitable for investors who wish to complement a diversified portfolio of investments. The Fund is intended to be held by institutional & professional investors and by private investors and may be suitable for investors willing to accept a moderate level of risk. Potential investors in the Fund are advised to consult their professional investment advisers in respect of any investment decision in relation to the Fund. The Fund is aimed at investors with a long-term investment horizon who will be able to hold the Fund for at least 5 years.

Further Funds

Subject to the OEIC Regulations, the COLL Sourcebook and the FCA, the Authorised Corporate Director may establish additional Funds from time to time.

Risk Management

Upon request to the ACD, a Shareholder can receive information relating to:

1. The quantitative limits applying in the risk management of a Fund;
2. The methods used in relation to 1; and
3. Any recent developments of the risk and yields of the main categories of investment in the relevant Fund.

Management and Administration

THE AUTHORISED CORPORATE DIRECTOR ("ACD")

The Authorised Corporate Director of the Company is Aberdeen Fund Managers Limited. The ACD is a private company limited by shares, incorporated in England and Wales on 7 November 1962. The ACD is a subsidiary of Standard Life Aberdeen plc, a company incorporated in Scotland. The registered office of the ACD is Bow Bells House, 1 Bread Street, London, EC4M 9HH. The amount of the ACD's issued share capital is £738,550 divided into 7,078,500 ordinary shares of 10p each and 307,000 deferred shares of 10p each, all fully paid. The directors of the ACD are listed in Appendix IV.

The ACD is authorised and regulated by the Financial Conduct Authority (FCA), 12 Endeavour Square, London, E20 1JN.

The ACD may provide investment or management services to other clients and funds and to companies in which the Company may invest. The ACD acts as the authorised corporate director of the following authorised investment companies with variable capital: Aberdeen Investment Funds UK ICVC II; Aberdeen Investment Funds ICVC III; Aberdeen Multi-Manager (Fund of Funds) ICVC; and Aberdeen Property ICVC. The ACD also acts as the manager of the following authorised unit trust schemes: Aberdeen Funds; Aberdeen Capital Trust; and Aberdeen Property Unit Trust.

When managing investments of the Company, the ACD will not be obliged to make use of information which would put it in breach of any duty or confidence to any other person or which comes to the notice of an employee or agent of the ACD but properly does not come to the notice of an individual managing the assets of the Company.

The Company will indemnify the ACD against all losses and liabilities incurred in acting as the ACD of the Company other than where there has been negligence, wilful default or fraud on the part of the ACD.

The ACD may delegate its management and administration functions to third parties including associates subject to the rules of the COLL Sourcebook.

THE INVESTMENT ADVISER AND SUB-ADVISERS

The ACD has appointed Aberdeen Asset Managers Limited, a company limited by shares and incorporated in Scotland with its registered office and principal place of business at 10 Queen's Terrace, Aberdeen AB10 1XL (the "Investment Adviser"), to provide investment management, advisory and other services in relation to the Company. The Investment Adviser is authorised and regulated by the FCA.

The Investment Adviser has the authority of the ACD to make decisions on its behalf in all aspects of the investment management of the investments and other property of the Company. The main terms of the agreement with the Investment Adviser are that it has the authority of the ACD to make decisions on its behalf in all aspects of the investment management of the investments and other property of the

Company, including the Company's powers to enter into hedging transactions relating to efficient portfolio management. The Investment Adviser's powers extend to all of the property of the Company except any part which the ACD excludes from such Investment Adviser's powers. The Investment Adviser is to report details of each transaction to the ACD and to confer with the ACD when required by it. The ACD will notify the Investment Adviser of additional cash available for the investment. All fees charged by the Investment Adviser will be borne by the ACD.

The Investment Adviser has appointed sub-advisers to assist it in the provision of investment management, advisory and other services to certain Funds. The main terms of the agreements with such sub-advisers are substantially similar to the terms of the agreement between the ACD and the Investment Adviser. The sub-advisers are as follows:

Aberdeen Standard Investments (Asia) Limited (which was until 3 September 2018 named as Aberdeen Asset Management Asia Limited), a company limited by shares incorporated in Singapore with its registered office and principal place of business at 21 Church Street, #01-01 Capital Square Two, Singapore, 049480 ("AAMAL"). AAMAL is authorised and regulated by the Monetary Authority of Singapore.

Aberdeen Asset Management Inc., a Delaware corporation with its principal place of business at 1735 Market Street, 37th Floor, Philadelphia, PA 19103 ("AAMI"). AAMI is registered as an investment adviser with the United States Securities and Exchange Commission.

Aberdeen Standard Investments (Japan) Limited (which was until 1 December 2017 named as Aberdeen Investment Management K.K.), a company incorporated in Japan with its registered office at Otemachi Financial City Grand Cube 9F, 1-9-2 Otemachi, Chiyoda-ku, Tokyo 100-0004 ("ASIJL" and, together with AAMAL and AAMI, the "Sub-Advisers"). ASIJL is regulated by the Financial Services Agency in Japan.

The ACD, the Investment Adviser and each of the Sub-Advisers are wholly-owned subsidiaries of Standard Life Aberdeen plc.

THE DEPOSITARY

The Depositary of the Company is Citibank Europe plc, a public limited company with registered number 132781 domiciled in Ireland whose registered office is at 1 North Quay Wall, Dublin. The Depositary conducts its business in the UK through its branch offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.

The Depositary is authorised by the Central Bank of Ireland and the Prudential Regulation Authority and in respect of its services as a depositary in the UK is subject to limited regulation by the Financial Conduct Authority and the Prudential Regulation Authority. Details about the extent of the Depositary's authorisation and regulation are available from the Depositary on request.

The ultimate holding company of the Depositary is Citigroup Inc., incorporated in New York, USA.

The principal business activity of the Depositary is acting as trustee and depositary of collective investment schemes.

Terms of Appointment

The Depositary was appointed by an agreement dated 12 November 2018 and made between the Company, the ACD and the Depositary (the "Depositary Agreement").

Under the terms of the Depositary Agreement the assets of the Company have been entrusted to the Depositary for safe-keeping.

The key duties of the Depositary consist of:

- (i) Cash monitoring and verifying the Funds' cash flows;
- (ii) Safekeeping of the Scheme Property;
- (iii) Ensuring that the sale, issue, re-purchase, redemption, cancellation and valuation of Shares are carried out in accordance with the Instrument of Incorporation, the Prospectus and applicable law, rules and regulations;
- (iv) Ensuring that in transactions involving Scheme Property any consideration is remitted to the Funds within the usual time limits;
- (v) Ensuring that the Funds' income is applied in accordance with the Instrument of Incorporation, the Prospectus, applicable law, rules and regulations; and
- (vi) Carrying out the instructions of the ACD unless they conflict with the Instrument of Incorporation, the Prospectus or applicable laws, rules or regulations.

To the extent permitted by the FCA Rules and applicable law, rules and regulations the Company will indemnify the Depositary (or its associates) against the costs, charges, losses and liabilities incurred by the Depositary (or its associates) in the proper execution or exercise (reasonably and in good faith) of its duties, powers, authorities, discretions and responsibilities to the Company, except where the Depositary is liable owing to it being at fault under the terms of the Depositary Agreement.

Delegation

Under the Depositary Agreement, the Depositary has the power to delegate its safekeeping functions.

As at the date of this Prospectus, the Depositary has entered into written agreements delegating the performance of its safekeeping function in respect of certain of the Funds' assets to the following delegates: Citibank N.A.. The sub-delegates that have been appointed as at the date of this Prospectus are set out in Appendix VI.

Liability of the Depositary

As a general rule, the Depositary is liable for any losses suffered as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations except that it will not be liable for any loss where:

- (i) The event which has led to the loss is not the result of any act or omission of the Depositary or of a third party;
- (ii) The Depositary could not have reasonably prevented the occurrence of the event which led to the loss despite adopting all precautions incumbent on a diligent depositary as reflected in common industry practice;
- (iii) Despite rigorous and comprehensive due diligence, the Depositary could not have prevented the loss.

In the case of loss of a financial instrument by the Depositary, or by a third party, the Depositary is under an obligation to return a financial instrument of identical type or corresponding amount without undue delay unless it can prove that the loss arose as a result of an external event beyond the Depositary's reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

As a general rule, whenever the Depositary delegates any of its safekeeping functions to a delegate, the Depositary will remain liable for any losses suffered as a result of an act or omission of the delegate as if such loss had arisen as a result of an act or omission of the Depositary. The use of securities settlement systems does not constitute a delegation by the Depositary of its functions.

Conflicts of Interest

From time to time conflicts may arise from the appointment by the Depositary of any of its delegates out of which may arise a conflict of interest with the Funds. For example, Citibank N.A., which has been appointed by the Depositary to act as custodian of the scheme property, also performs certain investment operations and functions and derivatives collateral management functions delegated to it by the investment adviser. It is therefore possible that a conflict of interest could arise. Citibank N.A. and any other delegate are required to manage any such conflict having regard to the FCA's handbook of rules and guidance and its duties to the Depositary and the ACD.

There may also be conflicts arising between the Depositary, the Funds, the investors and the ACD. The Depositary is prohibited from carrying out any activities with regard to the Funds unless:

- (i) The Depositary has properly identified any such potential conflict of interest;
- (ii) The Depositary has functionally and hierarchically separated the performance of its depositary tasks from other potentially conflicting tasks; and
- (iii) The potential conflicts of interest are properly managed, monitored and disclosed to the investors.

Termination

The Depositary Agreement provides that appointment of the Depositary may be terminated by either party on not less than 180 day's prior written notice to the other party. Termination cannot take effect until a successor depositary has been appointed.

MANAGEMENT AND ADMINISTRATION CONTINUED

Fees

The fee to which the Depositary is entitled is part of the Operating, Administrative and Servicing Expenses set out on pages 53 - 54.

Processing of Personal Data

The Depositary's Investor Services Privacy Statement details the collection, use and sharing of Shareholders' personal information by the Depositary in connection with Shareholders' investment in the Company.

The Depositary's Investor Services Privacy Statement may be updated from time to time and the latest version can be accessed at https://www.citibank.com/icg/global_markets/uk_terms.jsp.

Any Shareholder who provides the ACD and its agents with personal information about another individual (such as a joint investor), must show the Depositary's Investor Services Privacy Statement to those individuals.

Shareholders may request up-to-date information from the ACD regarding the information set out above.

GENERAL

Shareholders should notify the Registrar of any change of name or address.

Shares in the Funds are not listed or dealt in on any investment exchange.

No bearer shares are issued.

The Shareholders of the Company will not be liable for the debts of the Company.

VOTING RIGHTS

Voting rights attached to each Class of Shares are described under "Voting" on page 78.

COMPULSORY REDEMPTION

Shares may be compulsorily redeemed in the circumstances described on page 47.

REGISTER

A register of Shareholders is maintained by DST Financial Services Europe Limited (the "Registrar"), which was until 14 August 2017 named International Financial Data Services (UK) Limited. Certificates are not issued. To assist Shareholders in monitoring their holdings of Shares a statement showing transactions in Shares and current holdings will be sent out to all Shareholders, or the first named Shareholder in the case of joint holdings, twice a year by the Registrar.

The register is prima facie evidence as to matters properly entered in it. The Registrar is not obliged to register more than four persons as the joint holders of any Shares.

Should any Shareholder require evidence of title to Shares the ACD will, upon such proof of identity as the ACD may reasonably require, supply the Shareholder with a certified copy of the relevant entry in the register relating to the Shareholder's holding of Shares.

The fee to which the Registrar is entitled is part of the Operating, Administrative and Servicing Expenses set out on pages 53 – 54.

Valuation and Pricing

GENERAL

Each Share linked to a Fund represents the relevant proportion of the overall property of the Fund. There is only a single price for any Share as determined from time to time by reference to a particular valuation point. Valuation of Shares in a Fund is achieved, in broad outline, by valuing the property in the Fund and dividing that value (or that part of that value attributed to Shares of the Class in question) by the number of Shares (of the Class in question) in existence.

VALUATIONS

Regular valuations are normally made on each Dealing Day. It is important to remember, however, that a valuation will not be issued publicly on a Dealing Day during a temporary suspension of dealing in the relevant Fund. See the "*Suspension of Dealings*" section on page 49 below for information regarding the possibility of a temporary suspension of dealing.

The calculation of prices of Shares is effected at the valuation point on each Dealing Day. The ACD may carry out additional valuations in accordance with the COLL Sourcebook if it considers it desirable to do so. The ACD is required to notify Share prices to the Depositary on completion of a valuation.

The property of a Fund is valued on the following basis:

1. Property which is not a contingent liability transaction shall be valued as follows:
 - (a) units or shares in a collective investment scheme:
 - i if a single price for buying and selling units or shares is quoted, at the most recent such price; or
 - ii if separate buying or selling prices are quoted, at the average of the two prices provided the buying price has been reduced by any initial charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or
 - iii if no price or no recent price exists at a price which in the opinion of the ACD is fair and reasonable.
 - (b) Any other transferable security:
 - i if a single price for buying and selling the security is quoted, at that price; or
 - ii if separate buying and selling prices are quoted, the average of those two prices; or
 - iii if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no price exists, at a value which in the opinion of the ACD reflects a fair and reasonable price for the investment:
 - (c) property other than that described in (a) and (b) above: at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price.
2. Cash and amounts held in current and deposit accounts and in other time related deposits shall be valued at their nominal values.
3. Property which is a contingent liability transaction shall be treated as follows:
 - (a) if it is a written option (and the premium for writing the option has become part of the scheme property) the amount of the net valuation of premium receivable shall be deducted, if the property is an off-exchange derivative the method of valuation shall be agreed between the ACD and the Depositary;
 - (b) if it is an off-exchange future, it will be included at the net value of closing out in accordance with a valuation method agreed between the ACD and the Depositary;
 - (c) if it is any other form of contingent liability transaction, it will be included at the net value of margin on closing out (whether as a positive or negative value).
4. In determining the value of the scheme property all instructions given to issue or cancel Shares shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.
5. Subject to paragraphs 6 and 7 below agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the ACD, their omission will not materially affect the final net asset amount.
6. Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 5.
7. All agreements are to be included under paragraph 5 which are, or ought reasonably to have been, known to the person valuing the property.
8. An estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) capital gains tax, income tax, corporation tax and advance corporation tax and value added tax will be determined.
9. An estimated amount for any liabilities payable out of the scheme property and any tax thereon treating periodic items as accruing from day to day will be deducted.
10. The principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings will be deducted.
11. An estimated amount for accrued claims for tax of whatever nature which may be recoverable will be added.
12. Any other credits or amounts due to be paid into the scheme property will be added.
13. A sum representing any interest or any income accrued due or deemed to have accrued but not received will be added.

VALUATION AND PRICING CONTINUED

14. The total amount of any cost determined to be, but not yet, amortised relating to the authorisation and incorporation of the Company and its initial offer or issue of shares will be added.

PRICES OF SHARES

The Company operates on the basis of "single swinging pricing", i.e. subject to the dilution adjustment referred to below and therefore the issue and redemption price of a Share at a particular valuation point will be the same. The price of a Share is calculated in pence to two decimal places by:

- taking the Net Asset Value attributable to Shares in the Class in question, calculated on the basis of the proportionate interest in the property of the Fund attributable to that Class at the most recent valuation of the Fund; and
- dividing the result by the number of Shares of the relevant Class in issue immediately before the valuation concerned.

DILUTION

When the Company buys or sells underlying investments in response to a request for subscription or redemption of Shares, it will generally incur a cost, made up of dealing costs and any spread between the bid and offer prices of the investment concerned, which is not reflected in the subscription or redemption price paid, respectively, by or to the Shareholders.

The ACD will apply a dilution charge to prevent dilution of a Fund as explained above and in the scenarios listed below. Rather than reduce the effect of dilution by making a separate charge to investors when they buy or sell Shares in the relevant Fund, the FCA's regulations permit an Authorised Fund Manager to move the price at which Shares are bought or sold on any given day. The single price can be swung higher or lower at the discretion of the ACD. This price movement from the basic mid-market price is known as a 'Dilution Adjustment'. The amount of the adjustment is paid into the fund for the protection of existing/continuing Shareholders. Any dilution adjustment applied is included in the price applied to the deal and not disclosed separately.

The Dilution Adjustment shall make such reasonable allowance as the ACD determines is appropriate for the typical market spread of the value of the assets of a Fund and the related costs of acquisition or disposal of these assets.

Where a Fund invests in another fund, unit trust, an open-ended investment company or any other collective investment scheme ('a collective investment vehicle'), the ACD may base the calculation of that part of the Dilution Adjustment relating to that investment on the calculation of the Dilution Adjustment on a look-through to the underlying assets of that collective investment vehicle.

The ACD's policy will be to normally impose a Dilution Adjustment where there are net inflows or outflows of greater than 5% of the Fund value on any given day, although it will be imposed at a lower level where the estimated potential cost to the relevant Fund justifies its application.

The Dilution Adjustment may also be charged:

- (a) where a Fund is in continual decline;
- (b) on a Fund experiencing large levels of net sales relative to its size;
- (c) in any other case where the ACD is of the opinion that the interests of Shareholders require imposition of a Dilution Adjustment.

Where a Dilution Adjustment applies to a Fund at a valuation point:

- i if there is a net investment in that Fund at that valuation point, the Share Price will be increased to allow for the rate of Dilution Adjustment; and
- ii if there is a net divestment in that Fund at the valuation point, the Share Price will be decreased to allow for the amount of the Dilution Adjustment.

Dilution is directly related to the inflows and outflows of monies from the funds and, as such, it is not possible to predict accurately whether dilution will occur at any future point in time. Consequently it is also not possible to accurately predict how frequently the ACD will need to make such a dilution adjustment. However, for illustrative purposes, over the 12 month period to 31 January 2018, the ACD applied a dilution adjustment as follows:

Fund name	Frequency of occasions on which dilution adjustment was applied
Aberdeen Corporate Bond Fund	2
Aberdeen Diversified Income Fund	1
Aberdeen Emerging Markets Bond Fund	2
Aberdeen Emerging Markets Equity Fund	1
Aberdeen Euro Corporate Bond Fund	1
Aberdeen European Equity Fund	3
Aberdeen European High Yield Bond Fund	7
Aberdeen European Smaller Companies Equity Fund	8
Aberdeen Global High Yield Bond Fund	120
Aberdeen Japan Equity Fund	2
Aberdeen Multi-Asset Fund	4
Aberdeen North American Equity Fund	3
Aberdeen Property Share Fund	11
Aberdeen Responsible UK Equity Fund	1
Aberdeen Sterling Bond Fund	1
Aberdeen Sterling Government Bond Fund	9
Aberdeen Sterling Long Dated Corporate Bond Fund	1
Aberdeen Sterling Money Market Fund	3
Aberdeen Sterling Opportunistic Corporate Bond Fund	12
Aberdeen Sterling Short Dated Corporate Bond Fund	2
Aberdeen Strategic Bond Fund	3
Aberdeen Target Return Bond Fund	5
Aberdeen UK Mid-Cap Equity Fund	4
Aberdeen UK Smaller Companies Equity Fund	6
Aberdeen World Opportunistic Bond Fund	2

The dilution adjustment for any one Fund may vary over time because it will be calculated by reference to the costs of dealing in the underlying investments of that Fund, including any dealing spreads, and these can vary with market conditions.

The table below sets out recently estimated rates as at 31 January 2018

Fund	Rate applied on net investment	Rate applied on net divestment
Aberdeen Asia Pacific and Japan Equity Fund	0.27%	0.27%
Aberdeen Asia Pacific Equity Fund	0.30%	0.34%
Aberdeen Corporate Bond Fund	0.42%	0.42%
Aberdeen Diversified Income Fund	0.62%	0.45%
Aberdeen Eastern European Equity Fund	0.28%	0.27%
Aberdeen Emerging Markets Bond Fund	0.30%	0.30%
Aberdeen Emerging Markets Equity Fund	0.25%	0.32%
Aberdeen Ethical World Equity Fund	0.22%	0.17%
Aberdeen Euro Corporate Bond	0.22%	0.22%
Aberdeen European Equity Fund	0.19%	0.13%
Aberdeen European High Yield Bond Fund	0.54%	0.54%
Aberdeen European Property Share Fund	0.40%	0.13%
Aberdeen European Smaller Companies Equity Fund	0.36%	0.20%
Aberdeen Financial Equity Fund	0.24%	0.19%
Aberdeen Global High Yield Bond Fund	0.40%	0.40%
Aberdeen Japan Equity Fund	0.15%	0.15%
Aberdeen Latin American Equity Fund	0.28%	0.28%
Aberdeen Multi-Asset Fund	0.39%	0.14%
Aberdeen North American Equity Fund	0.07%	0.07%
Aberdeen Property Share Fund	0.64%	0.21%
Aberdeen Responsible UK Equity Fund	0.58%	0.11%
Aberdeen Sterling Bond Fund	0.15%	0.15%
Aberdeen Sterling Government Bond Fund	0.04%	0.04%
Aberdeen Sterling Index Linked Bond Fund	0.09%	0.09%
Aberdeen Sterling Long Dated Corporate Bond Fund	0.59%	0.59%
Aberdeen Sterling Long Dated Government Bond Fund	0.05%	0.05%
Aberdeen Sterling Money Market Fund	0.01%	0.01%
Aberdeen Sterling Opportunistic Corporate Bond Fund	0.33%	0.33%
Aberdeen Sterling Short Dated Corporate Bond Fund	0.16%	0.16%
Aberdeen Sterling Short Term Government Bond Fund	0.02%	0.02%
Aberdeen Strategic Bond Fund	0.36%	0.36%
Aberdeen Target Return Bond Fund	0.15%	0.15%
Aberdeen UK Equity Fund	0.61%	0.14%
Aberdeen UK Equity Income Fund	0.60%	0.16%
Aberdeen UK Mid-Cap Equity Fund	0.70%	0.21%
Aberdeen UK Smaller Companies Equity Fund	0.90%	0.44%
Aberdeen World Equity Fund	0.20%	0.14%
Aberdeen World Equity Income Fund	0.31%	0.23%
Aberdeen World Opportunistic Bond Fund	0.21%	0.21%

Please note that depending on market conditions at the time of a trade, the actual dilution rate applied could differ considerably from that shown above.

Sale, Redemption and Exchange of Shares

GENERAL

Requests for the sale, redemption and exchange of Shares are normally dealt with by the issue or cancellation of Shares by the Company. However, in certain circumstances the ACD may in accordance with the COLL Sourcebook, deal with such requests by selling Shares to, and/or repurchasing them from, the applicant as appropriate. The ACD is entitled to hold Shares for its own account and to satisfy requests for the redemption of Shares from its own holding. The ACD is under no obligation to account to the Company or to Shareholders for any profit it makes in respect of such Shares held for its own account. It is required by the COLL Sourcebook to procure the issue or cancellation of Shares by the Company where necessary to meet subscription and redemption requests.

The ACD may not sell a Share at a higher price, or redeem a Share at a lower price (in both cases before application of any initial charge, or deduction of stamp duty reserve tax as applicable) than the price notified to the Depositary in respect of the valuation point concerned.

For the purpose of dealing in Shares, all investors will be regarded as retail clients. This does not, however, restrict the type of Share Class that can be invested into nor determine whether investors will be eligible complainants or eligible claimants for the purposes of FCA complaints and compensation rules.

From time to time, details of a Fund will be included in this Prospectus prior to such Fund's launch at a future date to be confirmed by the ACD. Where a Fund has not yet been launched this will be indicated accordingly. No subscriptions for Shares in any such Fund will be permitted until it has been launched.

MARKET TIMING

The ACD and Investment Advisers apply a number of policies and procedures designed to protect the Funds from being adversely impacted by the trading strategies of investors. In particular, the ACD typically applies a Dilution Adjustment in the event that net subscriptions and redemptions reach 5% of the Net Asset Value of the relevant Fund as described more fully on pages 43 – 45, unless it is satisfied that such trading should not be dilutive of the interests of long term investors. This adjustment accrues to the benefit of the Company itself.

Where the ACD allows a reduced initial charge on institutional or other similar trades in any Fund, the trading strategies of the Shareholders are closely monitored to ensure that in the event of short-term trading policies becoming apparent, the terms of business are reviewed.

As a result of these policies the ACD believes that these Funds are unlikely to be of interest to short term traders.

Late trading is illegal as it violates the provisions of this Prospectus. The ACD has rigorous procedures in place to help prevent market timing taking place. The effectiveness of these procedures is closely monitored.

Where the ACD believes that a reliable price cannot be established as at the valuation point, dealing in the relevant Fund may be suspended temporarily. See the "*Suspension of Dealings*" section on page 49 below for information regarding the possibility of a temporary suspension of dealing.

ANTI-MONEY LAUNDERING

Under the UK money laundering regulations, as amended from time to time, the Manager may be required to verify investor identity in order to comply with UK money laundering legislation. This involves obtaining independent documentary evidence confirming identity and permanent residential address. This may involve an electronic check of information. By signing an application form the Investor acknowledges that such checks will be undertaken. If the Manager cannot confirm your name and address in this manner, you may be contacted with a request for additional documentation.

In the case of bodies corporate, trusts and other legal arrangements, it is also required to establish the identity of any trustees or other Controllers who have greater than 25% control of the body corporate or property of the trust that are not named on the application. In addition, it is also required to establish the identity of any individuals who have a specified beneficial interest in the Shares. In the case of individuals it is required to establish the identity of any individuals who have a specified beneficial interest in the Shares that are not named on the application. The applicant retains legal title to the Shares and instructions will only be accepted from the applicant. The beneficial owner details are required for anti-money laundering purposes only.

The Manager reserves the right to refuse any application to invest without providing any justification for doing so.

SALE

Applications

Applications may be made by anyone for those Classes of Shares which are available for each Fund. Dealings are at forward prices i.e. at a price calculated by reference to the next valuation following receipt of the application. Shares to satisfy an application received before the valuation point of the appropriate Fund (see page 2 for details of the valuation points) on a Dealing Day will be sold at a price based on that day's valuation and Shares to satisfy an application received after that time, or on a day which is not a Dealing Day, at a price based on the valuation made on the next Dealing Day.

Applications may be made by completing an application form and sending it to the ACD at Aberdeen Fund Managers Limited PO Box 9029 Chelmsford CM99 2WJ, by telephoning the ACD between 09.00 and 17.00 on 0800 833580 (special dealing line) or by fax on 0370 888 3036.

The ACD may from time to time make arrangements to allow Shares to be purchased electronically or through other communication media. Certain institutional investors may communicate electronically as agreed with the ACD. For further details and conditions please contact the ACD.

Application forms are available from the ACD. Applications made either by telephoning the ACD or in writing are irrevocable. Subject to its obligations under the COLL

Sourcebook, the ACD reserves the right to reject any application in whole or in part. In that event application moneys or any balance will be returned to the applicant by post at his risk.

All telephone calls to the dealers are recorded in the best interests of both the investor and the ACD.

The Company is subject to the Proceeds of Crime Act and the ACD may at its discretion require verification of identity from any person applying for Shares (the "Applicant") including, without limitation, any Applicant who:

- (a) tenders payment by way of cheque or banker's draft on an account in the name of a person or persons other than the Applicant; or
- (b) appears to the ACD to be acting on behalf of some other person.

In the former case verification of the identity of the Applicant may be required. In the latter case, verification of the identity of any person on whose behalf the Applicant appears to be acting may be required. Please note each application must be accompanied by details, including full names, of any beneficial owners of the investment.

Applications will not be acknowledged but a contract note or electronic confirmation will be sent on or before the business day next following the relevant Dealing Day. Where the total price payable for all Shares for which the application is made would include a fraction of one penny it will be rounded up or down to the nearest penny.

If payment has not already been made, this will be due in cash or cleared funds not later than the fourth business day after the relevant Dealing Day, or in the case of applications for Shares in Aberdeen Sterling Money Market Fund, not later than the first business day after the relevant Dealing Day.

If an applicant defaults in making any payment in money or a transfer of property due to the ACD in respect of the sale or issue of Shares, the Company is entitled to make any necessary amendment to the register and the ACD will become entitled to the Shares in place of the applicant, (subject in the case of an issue of Shares to the ACD's payment of the purchase price to the Company). The ACD may at its discretion delay arranging for the issue of Shares until payment has been received.

In-specie Application

The ACD may, by special arrangement and at its discretion, agree to arrange for the issue of Shares in exchange for assets other than cash, but only if the Depositary is satisfied that acquisition of the assets in exchange for the number of Shares to be created is not likely to result in any material prejudice to the interests of holders or potential holders of Shares linked to the Fund concerned.

REDEMPTION

Shares in each Fund may generally be redeemed on any Dealing Day. It is important to remember, however, that it will not be possible to redeem Shares on a Dealing Day during a temporary suspension of dealing in the relevant Fund. See the "*Suspension of Dealings*" section on page 49 below for information regarding the possibility of a temporary suspension of dealing. Investors may also not be able to redeem as many Shares as they would like on a particular Dealing Day if the number of total redemption requests is significant. See the "*Deferred Redemption*" section on page 48 below for more information.

Dealing is done on the basis of forward prices as explained under "Sale" above. Where a redemption request is received before the valuation point of the relevant Fund on a Dealing Day, the relevant Shares will be redeemed at a price based on that day's valuation. Where a redemption request is received either after that time or on a day which is not a Dealing Day, the relevant Shares will be redeemed at a price based on the valuation made on the next Dealing Day.

Redemption requests may be made by telephoning the ACD between 09.00 and 17.00 on 0800 833580 (special dealing line), or by delivering to the ACD written instructions for redemption. Written instructions can be given by letter or by fax to 0370 888 3036.

The ACD may from time to time make arrangements to allow Shares to be redeemed electronically or through other communication media. Certain institutional investors may communicate electronically as agreed with the ACD. For further details and conditions please contact the ACD.

Redemption requests made by telephone may need to be confirmed in writing (by letter or fax) prior to redemption proceeds being remitted. Redemption instructions are generally irrevocable.

A redemption contract note or electronic confirmation will be sent to redeeming investors on or before the next business day following the relevant Dealing Day. Where the redemption proceeds would include a fraction of one penny it will be rounded up or down to the nearest penny. Where the redemption proceeds are to be remitted abroad, the cost of such remittance may be deducted from the proceeds. If a redeeming Shareholder wishes to be paid other than by means of a cheque, the ACD can be requested to arrange this at the cost to the Shareholder. The redemption price will be paid not later than the close of business

SALE, REDEMPTION AND EXCHANGE OF SHARES CONTINUED

on the fourth business day (with the exception of Aberdeen Sterling Money Market Fund which settles on the next business day) after the later of the following times:

- (a) the valuation point immediately following the receipt by the ACD of the request to redeem the Shares; and
- (b) the time when the ACD has received all duly executed instruments and authorisations as effect (or enable the ACD to effect) transfer of title to the Shares.

Neither the Company nor the ACD is required to make payment in respect of a redemption of Shares where the money due on the earlier issue of those Shares has not yet been received or where the ACD considers it necessary to carry out or complete identification procedures in relation to the holder or another person pursuant to a statutory, regulatory or European Community obligation (such as the Money Laundering Regulations 1993).

In-specie Redemption

Where a Shareholder requests redemption of a number of Shares, the ACD at its discretion may, by serving notice of election on the Shareholder not later than the close of business on the second business day following the day of receipt of the request, elect that the Shareholder shall not be paid the redemption price of his Shares but instead there shall be a transfer to that holder of property of the relevant Fund having the appropriate value. Where such a notice is so served on a Shareholder, the Shareholder may serve a further notice on the ACD not later than the close of business on the fourth business day following the day of receipt by the Shareholder of the first mentioned notice requiring the ACD, instead of arranging for a transfer of property, to arrange for a sale of that property and the payment to the Shareholder of the net proceeds of that sale. The selection of scheme property to be transferred (or sold) is made by the ACD in consultation with the Depositary, with a view to achieving no more advantage or disadvantage to the Shareholder requesting redemption of his Shares than to continuing Shareholders. The Company may retain out of the property to be transferred (or the proceeds of sale) property or cash of value or amount equivalent to any stamp duty reserve tax to be paid in relation to the cancellation of the Shares.

Deferred Redemption

The ACD may limit the total number of Shares of a Fund which may be redeemed on any Dealing Day to a number representing 10% of the net assets of that Fund. The ACD will ensure the consistent treatment of all Shareholders who have sought to redeem Shares at any Dealing Day at which redemptions are deferred. The ACD will pro-rata all such redemption requests to the stated level (i.e. 10% of the Fund's value) and will defer the remainder until the next Dealing Day. The ACD will also ensure that all deals relating to an earlier Dealing Day are completed before those relating to a later Dealing Day are considered.

SWITCHING BETWEEN CLASSES

With the qualifications mentioned below, a Shareholder is entitled to exchange Shares of one Class in a Fund for the appropriate number of Shares of another Class, whether linked to the same or a different Fund. The appropriate number of Shares is determined by the following formula:

$$\frac{N}{SP} = \frac{OC}{RP}$$

where N is the number of new Shares to be issued, rounded down to the nearest whole number of Shares; OC is the number of Shares of the old Class to be exchanged, RP is the price at which one Share of the old Class can be redeemed and SP is the price at which one Share of the new Class can be purchased (net of any initial charge), in both cases at the valuation point (see below). The ACD may adjust the number of new Shares to be sold to reflect the effect of any stamp duty reserve tax or other charges payable on the redemption or sale (as applicable) of the Shares concerned.

The right to exchange is subject to the following:

- the ACD and the Depositary are not obliged to give effect to a request for exchange of Shares if the value of the Shares to be exchanged is less than the minimum permitted transaction (see page 8) or if it would result in the Shareholder holding Shares of any Class of less than the minimum holding for that Class of Share (see page 8).
- the ACD may decline to permit an exchange into a Fund in respect of which there are no Shares in issue, or in any case in which they would be entitled by the COLL Sourcebook to refuse to give effect to a request by the Shareholder for the redemption of Shares of the old Class or the issue of Shares of the new Class.

In no circumstances will a Shareholder who exchanges Shares in one Class of Shares for Shares in any other Class be given a right by law to withdraw from or cancel the transaction.

An exchange of Shares in one Fund for Shares in any other Fund is treated as a redemption and sale and will, for persons subject to United Kingdom taxation, be a realisation for the purposes of Capital Gains Tax.

Application

A Shareholder wishing to exchange Shares should apply in the same way as for a redemption (see pages 47 and 48). An exchange to be made pursuant to a request received before the valuation point of the Funds concerned on a day which is a Dealing Day for both Funds (or, if the valuation points on that day differ, before the first to occur) will be effected at prices based on that day's valuations where a request is received after that time, or on a day which is not a Dealing Day for both Funds, the exchange will be effected at a price based on the valuations made on the next such Dealing Day.

A contract note or electronic confirmation giving details of the exchange will be sent on or before the business day next following the relevant Dealing Day.

SUSPENSION OF DEALINGS

The ACD may, with the prior agreement of the Depositary, and shall if the Depositary so requires, without prior notice to Shareholders, temporarily suspend the issue, cancellation, sale and redemption of Shares (referred to in this section "Suspension of Dealings" as "dealings") of any one or more Class in any or all of the Funds where, due to exceptional circumstances and subject to the rules and guidance set out in Chapter 7 of the COLL Sourcebook (COLL 7.2), it is in the interests of all Shareholders to do so.

In the event of a suspension of dealings, the ACD, or the Depositary in certain circumstances, will immediately inform the FCA of the suspension and the reasons for it. Shareholders will be notified of such suspension in dealings as soon as is practicable after suspension commences and will be kept informed about the suspension including but not limited to when dealings will resume following suspension.

Suspension of dealings will continue only for so long as it is justified having regard to the interests of the Shareholders and, if applicable, will be formally reviewed by the ACD and the Depositary at least every 28 days. The ACD and the Depositary shall inform the FCA of the results of this review.

The circumstances under which suspension of dealing may occur include, for example, those where the ACD or the Company cannot reasonably ascertain the value of the assets or realise assets of the Company, or the closure or suspension of dealing on a relevant exchange.

During any suspension of dealings, none of the obligations in COLL 6.2 (Dealing) will apply but the ACD shall comply with as much of COLL 6.3 (Valuation and Pricing) as is practicable in light of the suspension.

On a resumption of dealings following suspension, the calculation of Share prices and dealing will take place at the Dealing Day and times stated in this Prospectus.

MANDATORY REDEMPTION OF SHARES

If the ACD reasonably believes that any Shares are owned directly or beneficially in circumstances which:

- (a) constitute a breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or
- (b) may (or may if other Shares are acquired or held in like circumstances) result in the Company incurring any liability to taxation or suffering any other adverse consequences (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory);

it may give notice to the relevant Shareholder requiring him or her to transfer them to a person who is qualified or entitled to own them, or to request the redemption of the Shares by the Company. If the Shareholder does not either transfer the Shares to a qualified person or establish to the ACD's satisfaction that he or she and any person on whose behalf he or she holds the Shares are qualified and entitled to hold and own them, he or she will be deemed on the expiry of a thirty-day period to have requested their redemption.

Publication of Prices

Buying and selling prices of the Shares are available on the website at aberdeen-asset.co.uk or by calling customer services on **0345 300 2890**.

Neither the Company nor the ACD are responsible for any errors in publication or for non-publication. The ACD issues and redeems Shares on a forward pricing basis, not on the basis of the published prices.

Distributions

The annual accounting period for the Company ends on 31 July (the "accounting reference date") or a day chosen by the ACD, with the agreement of the Depositary, being within seven days of that date. The half-yearly accounting period ends on 31 January in each year or a day chosen by the ACD with the agreement of the Depositary, being within seven days of that date.

Each individual Fund distributes or accumulates substantially all its income. The annual income payment date for each individual Fund is 31 October. Payment or accumulation of income will be made on or before this date every year. The ex-dividend date and record date is the first day of the month following the end of the previous accounting reference period. Interim payment dates, where applicable, are set out in the details of each Fund on pages 10 – 39. Income earned in an interim accounting period may not all be distributed immediately but retained and used to ensure that distributions paid throughout the year are broadly similar. This policy is known as smoothing. The ACD reserves the right to apply this policy to funds from time to time as appropriate.

In the case of income Shares in issue as at 1 May 2007, payment will be made direct to the Shareholder's bank or building society account. Alternatively, a crossed cheque or warrant for the amount of the net distribution will, where applicable, be sent to the registered address and be made payable to the order of the Shareholder (or, in the case of joint holders, be made payable and sent to the registered address of the first named Shareholder on the register). If reinvestment of distributions is requested, the investment will be switched from Income Shares to the equivalent Accumulation Shares at no cost to the Shareholder. Where a reinvestment mandate is already held the distribution will be reinvested in the same Share Class, with no initial charge.

In the case of income Shares issued after 1 May 2007 the amount of the net distribution will be paid direct to the Shareholder's bank or building society account. If account details have not been supplied with the application, then the investment will be made in the accumulation Shares of the same Share Class. Distributions cannot otherwise be reinvested.

Income cannot be paid out for regular savers.

Any distributions which remain unclaimed for a period of six years after having become due for payment shall be forfeited and revert to the Company.

Distributions for accumulation Shares will automatically be added to the capital of the relevant Fund and will be reflected in the value of each Share of such Fund.

Distribution statements and tax certificates will be sent to Shareholders.

DETERMINATION OF DISTRIBUTABLE INCOME

The income available for distribution or accumulation in relation to a Fund is determined in accordance with the COLL Sourcebook. Broadly it comprises all sums deemed by the Company, to be in the nature of income received or receivable for the account of the Company and attributable to the Fund in respect of the accounting period concerned, after deducting net charges and expenses paid or payable out of such income and after making such adjustments as the ACD considers appropriate, following consultation with the auditors in accordance with the COLL Sourcebook, in relation to taxation and other matters.

Each allocation of income made in respect of any Fund at a time when more than one Class of Shares is in issue in respect of that Fund, shall be effected by reference to the relevant Shareholder's proportionate interest in the scheme property of the Fund in question. This will be ascertained for each Class as follows:

1. A notional account will be maintained for each Class.
Each account will be referred to as an Entitlement Account.
2. There will be credited to this Entitlement Account:
 - the capital amount of the price paid for the Shares of that Class (i.e. excluding any initial charges);
 - that Class' proportion of the capital appreciation attributable to the Fund;
 - that Class' proportion of the Fund's income received and receivable;
 - in the case of accumulation Shares, income previously allocated and so accumulated to Shares in respect of previous accounting periods.
3. There will be debited to the Entitlement Account:
 - any redemption payment made for the cancellation of Shares of the relevant Class;
 - that Class' proportion of any capital depreciation attributable to the Fund;
 - all distributions of income (including equalisation) made to Shareholders of that Class;
 - all costs, charges and expenses incurred solely in respect of that Class;
 - that Class' Share of the costs, charges and expenses incurred in respect of that Class and one or more other Classes in the Fund, but not in respect of the Fund as a whole;
 - that Class' proportion of the costs, charges and expenses incurred in respect of or attributable to the Fund as a whole.

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4. In each case, the ACD will make such adjustments for taxation matters as the ACD considers appropriate after consultation with the auditors such that no particular Class suffers material prejudice as opposed to another Class.
 5. Where a Class is denominated in a currency which is not the base currency, the balance on the Entitlement Account shall be converted into the base currency in order to ascertain the proportion of all Classes. Conversions between currencies shall be at a rate of exchange decided by the ACD as being a rate that is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

INCOME EQUALISATION

The price of a Share of a particular Class is based on the value of the Class' entitlement in the relevant Fund including its entitlement to the income of the Fund since the previous distributions or, in the case of accumulation Shares, deemed distribution. In the case of the first distribution received in respect of a Share, part of the amount, namely the equalisation payment, is a return of capital and is not taxable as income in the hands of the Shareholder. This amount is, however deducted from the cost of the Share in computing any capital gains. In the case of accumulation Shares, the equalisation payment is reinvested along with taxed income, as a result no adjustment is made to the cost of the Share for capital gains tax purposes.

Equalisation applies only to Shares purchased during the relevant accounting period. It is calculated as the average amount of income included in the issue price of all Shares concerned issued during the period ("Group 2 Shares"). Equalisation is calculated on a deal by deal basis using an income per Share rate calculated to four decimal places, with the total equalisation on the deal rounded to the nearest penny.

Charges and Expenses

FEES AND EXPENSES

Annual Management Charge

There is an annual management charge which is calculated and accrued daily. It is paid monthly in arrears as soon as practicable after the month end out of the property of each Fund by way of remuneration for the services of the ACD. The charge will be calculated separately in respect of each Class of Share linked to the Fund, as a percentage rate per annum of net asset value of the proportionate interest in the property of the Fund represented by the Class. Value Added Tax, if any will be payable in addition to these charges. Any increase requires, not less than 60 days before the increase, prior notice in writing to be given to Shareholders and revision of this Prospectus to reflect the current rate and the date of its commencement.

The first accrual will be in respect of the period from the day on which the first valuation of the Fund is made and the above provisions will apply accordingly. The annual management charge will cease to be payable (in relation to a Fund) on the date of commencement of its termination, and (in relation to the Company as a whole) on the date of the commencement of its winding up or, if earlier the date of the termination of the ACD's appointment as such. The amount(s) accruing before the event concerned will be adjusted accordingly.

Current charges

There is no annual management charge ("AMC") for Class Z Shares. Terms for investment in Class Z Shares will be detailed in the formal written agreement into which investors shall enter with the ACD or another company in the same group of companies as the ACD. Where no AMC is stated against a particular share class, such share class is not available.

	A Shares AMC	G Shares AMC	I Shares AMC	K Shares AMC	L Shares AMC	M Shares AMC	P Shares AMC	Q Shares AMC
Aberdeen Asia Pacific and Japan Equity Fund	1.75%	-	1.00%	-	-	1.00%	-	-
Aberdeen Asia Pacific Equity Fund	1.75%	-	1.00%	-	-	1.00%	-	-
Aberdeen Corporate Bond Fund	1.00%	-	0.50%	-	-	0.50%	0.25%	0.25%
Aberdeen Eastern European Equity Fund	1.50%	-	0.75%	-	-	0.75%	-	-
Aberdeen Emerging Markets Bond Fund	1.50%	-	0.75%	-	-	0.75%	-	-
Aberdeen Emerging Markets Equity Fund	1.75%	1.00%	1.00%	-	-	1.00%	-	-
Aberdeen Ethical World Equity Fund	1.50%	-	1.00%	-	-	1.00%	-	-
Aberdeen Euro Corporate Bond Fund	0.90%	-	0.50%	-	-	0.50%	-	-
Aberdeen European Equity Fund	1.50%	-	0.75%	-	-	0.75%	-	-
Aberdeen European Property Share Fund	1.50%	-	0.75%	-	-	0.75%	-	-
Aberdeen European Smaller Companies Equity Fund	1.50%	-	0.75%	0.68%	-	0.75%	-	-
Aberdeen Financial Equity Fund	1.50%	-	0.75%	-	-	0.75%	-	-
Aberdeen Global High Yield Bond Fund	1.25%	-	0.65%	-	-	0.65%	0.46%	0.46%
Aberdeen European High Yield Bond Fund	1.25%	-	0.70%	-	-	0.70%	-	-
Aberdeen Japan Equity Fund	1.50%	-	0.75%	-	-	0.75%	-	-
Aberdeen Latin American Equity Fund	1.75%	-	1.00%	-	-	1.00%	-	-
Aberdeen Diversified Income Fund	1.25%	-	0.60%	-	-	0.60%	-	-
Aberdeen Multi-Asset Fund	1.50%	-	0.75%	-	-	0.75%	-	-
Aberdeen North American Equity Fund	1.50%	-	0.75%	-	-	0.75%	-	-
Aberdeen Property Share Fund	1.50%	-	0.75%	0.68%	-	0.75%	-	-
Aberdeen Responsible UK Equity Fund	1.50%	-	0.75%	-	-	0.75%	-	-
Aberdeen Sterling Bond Fund	1.00%	-	0.50%	0.35%	0.40%	0.50%	-	-
Aberdeen Sterling Government Bond Fund	0.90%	-	0.40%	-	-	0.40%	0.23%	0.23%
Aberdeen Sterling Index-Linked Bond Fund	0.90%	-	0.40%	0.35%	-	0.40%	-	-
Aberdeen Sterling Long Dated Corporate Bond Fund	-	-	-	0.35%	-	-	-	-
Aberdeen Sterling Long Dated Government Bond Fund	0.90%	-	0.40%	0.35%	-	0.40%	-	-
Aberdeen Sterling Money Market Fund	0.20%	-	0.10%	-	-	0.10%	-	-
Aberdeen Sterling Opportunistic Corporate Bond Fund	1.00%	-	0.50%	-	-	0.50%	0.27%	0.27%
Aberdeen Sterling Short Dated Corporate Bond Fund	0.60%	-	0.30%	0.20%	-	0.30%	-	-

CHARGES AND EXPENSES CONTINUED

	A Shares AMC	G Shares AMC	I Shares AMC	K Shares AMC	L Shares AMC	M Shares AMC	P Shares AMC	Q Shares AMC
Aberdeen Sterling Short Term Government Bond Fund	0.80%	-	0.30%	-	-	0.30%	0.20%	-
Aberdeen Strategic Bond Fund	1.00%	-	0.50%	-	-	0.50%	-	-
Aberdeen Target Return Bond Fund	1.00%	-	0.50%	0.45%	-	0.50%	-	-
Aberdeen UK Equity Fund	1.50%	-	0.75%	0.68%	0.50%	0.75%	-	-
Aberdeen UK Equity Income Fund	1.50%	-	0.75%	0.68%	-	0.75%	-	-
Aberdeen UK Mid-Cap Equity Fund	1.50%	-	0.75%	0.68%	-	0.75%	-	-
Aberdeen UK Smaller Companies Equity Fund	1.50%	-	0.75%	0.68%	-	0.75%	-	-
Aberdeen World Equity Fund	1.50%	-	1.00%	-	0.75%	1.00%	-	-
Aberdeen World Equity Income Fund	1.50%	-	1.00%	-	-	1.00%	-	-
Aberdeen World Opportunistic Bond Fund	1.00%	-	0.50%	-	-	0.50%	-	-

Initial Charge

In respect of investments in Aberdeen Emerging Markets Equity Fund only, an initial charge is deducted from the subscription amount and retained by the Company for the benefit of Aberdeen Emerging Markets Equity Fund.

The current initial charges in respect of the Share Classes of Aberdeen Emerging Markets Equity Fund are calculated as a percentage of the amount subscribed as set out below:

A Shares	G Shares	I Shares	M Shares	Z Shares
2.00%	0.00%	2.00%	2.00%	0.00%

There is currently no initial charge for investing in any other Fund. The introduction of an initial charge, or an increase in the level of charge specified in respect of Aberdeen Emerging Markets Equity Fund, requires revision of this Prospectus to specify such charge and, not less than 60 days before the increase, prior notice in writing to be given to Shareholders.

Investors should refer to aberdeen-asset.co.uk for up-to-date information on the actual initial charge applicable at any time.

Exit charge

An exit charge calculated as a percentage of any redemption proceeds may be charged by the ACD. Currently the ACD does not typically levy an exit charge.

OPERATING, ADMINISTRATIVE AND SERVICING EXPENSES

Ordinary operating expenses incurred by the Company will generally be paid out of the assets of the relevant Fund. To seek to protect the Shareholders from fluctuations in these expenses, the total amount of these expenses to be borne by each Share Class (the "Operating, Administrative and Servicing Expenses") will be fixed. The current maximum fixed rate in respect of all Share Classes (other than those of the Aberdeen Emerging Markets Equity Fund, the Aberdeen Eastern European Equity Fund and the Aberdeen Latin American Equity Fund) is 0.30% of the Net Asset Value of each Share Class. The corresponding maximum for each of the Aberdeen Emerging Markets Equity Fund and the Aberdeen Latin American Equity

Fund is 0.40%, and the corresponding maximum for the Aberdeen Eastern European Equity Fund is 0.60%. The effective fixed rate of the Operating, Administrative and Servicing Expenses below this maximum level may vary at the ACD's discretion in accordance with the COLL Sourcebook and different rates will apply across the Funds and Share Classes.

The ACD may amend the maximum fixed rate of the Operating, Administrative and Servicing Expenses applicable to each Share Class at any time at its discretion in accordance with the COLL Sourcebook. In the event that the ACD exercises this discretion and the maximum fixed rate of the Operating, Administrative and Servicing Expenses changes, Shareholders will be notified in accordance with the rules of the COLL Sourcebook relating to notifications of that nature, and this Prospectus will be updated accordingly.

The Operating, Administrative and Servicing Expenses for each Share Class will be calculated and accrued at each valuation point based on the appropriate effective rate and the Net Assets of each Share Class. The Operating, Administrative and Servicing Expenses will be calculated taking account of any discount to be applied, as indicated in the table below, based on the total NAV of the Fund on that Dealing Day. The Operating, Administrative and Servicing Expenses will be paid monthly, in arrears, from the income of the Fund, except that in respect of Aberdeen Diversified Income Fund the Operating, Administrative and Servicing Expenses will be paid monthly, in arrears, from the capital of the Fund.

The effective Operating, Administrative and Servicing Expenses are disclosed in Appendix III as well as in the relevant KIID from time to time as part of the total ongoing charges figure of each Share Class, which includes the annual management charge ("AMC") and any excluded expenses. The Operating, Administrative and Servicing Expenses are also disclosed in the half-yearly and annual long reports of the Company, which are available, together with the KIIDs, at aberdeen-asset.co.uk. In the event that the ACD changes the effective fixed rate of the Operating, Administrative and Servicing Expenses applicable to a Share Class (within the maximum fixed rate), the change will

be made and Shareholders will be notified as required by the rules of the COLL Sourcebook and the ongoing charges figure in the relevant KIID will be updated accordingly.

The Operating, Administrative and Servicing Expenses are fixed in the sense that the ACD, or another associated company as appointed by the ACD, will bear any excess in actual ordinary operating expenses to any such Operating, Administrative and Servicing Expenses charged to the Share Classes. Conversely, the ACD, or another associated company as appointed by the ACD, will be entitled to retain any amount of Operating, Administrative and Servicing Expenses charged to the Share Classes exceeding the actual ordinary operating expenses incurred by the respective Share Classes, including any cost savings.

In addition, in order to pass on any savings which may be made through economies of scale by any Funds which have significant levels of assets, the following discounts will be applied to the Operating, Administrative and Servicing Expenses of all Share Classes of such Funds:

NAV of Fund (GBP):	Discount to be applied to the Operating, Administrative and Servicing Expenses (per annum):
Below 600,000,000	0.00%
600,000,000	0.01%
1,200,000,000	0.02%
1,800,000,000	0.03%
2,400,000,000	0.04%

Where an applicable threshold level of Net Asset Value is achieved by a Fund on the last business day of any month, the relevant discount will apply to that Fund in relation to such month.

The Operating, Administrative and Servicing Expenses for the Share Classes include the following:

- the Depositary's fees;
- all charges and expenses incurred in connection with the collection and distribution of income;
- fees and expenses payable to any professional adviser advising or assisting the Depositary;
- the Registrar's fees;
- the Platform Dealing Charge (where applicable);
- the costs of listing the prices of the Funds in publications and information services selected by the ACD including Bloomberg and Reuters;
- the costs of printing and distributing annual, half-yearly and quarterly reports and any other reports or information provided for Shareholders;
- the fees and any proper expenses of any professional advisers retained by the Company or by the ACD in relation to the Company;

- any costs incurred in respect of any meeting of Shareholders convened on a requisition by holders, not including the ACD or an associate of the ACD;
- any costs incurred in amending the Instrument of Incorporation or this Prospectus, including costs incurred in respect of meetings of Shareholders and/or directors of the ACD convened for purposes which include the purpose of amending the Instrument of Incorporation or this Prospectus;
- the audit fee and any proper expenses of the auditors;
- the fees of the FCA and the corresponding periodic fee of any relevant regulatory authority outside the United Kingdom;
- the cost of printing, translating and distributing promotional material as permitted by the COLL Sourcebook in respect of the Company or any Fund; and
- any value added or similar tax applicable to any of the costs, charges, fees and expenses listed above.

Other Payments out of Scheme Property

The Operating, Administrative and Servicing Expenses do not include any of the applicable annual management, initial or exit charges described in the preceding section of this Prospectus, nor any of the following costs and expenses, which will be incurred by the Company and are payable out of the assets of the relevant Share Class:

- dilution levy, broker commission, fiscal charges (including stamp duty) and other disbursements which are necessarily incurred in effecting transactions;
- litigation expenses, exceptional measures, particularly legal, business or tax expert appraisals or legal proceedings undertaken to protect shareholders' interests
- interest on and other charges relating to permitted borrowings;
- taxation and other duties payable in respect of the scheme property or on the issue or redemption of Shares;
- correspondent and other banking charges;
- In the case of a Fund investing in another UCITS or UCI, any double charging of fees and expenses, in particular the duplication of the fees payable to the custodian(s), registrar(s), investment manager(s) and other agents, and subscription and redemption charges, which are generated both at the level of the Fund and of the target funds in which the Fund invests;
- any value added or similar tax applicable to any of the other payments of scheme property listed above.

Payments made out of scheme property which are not directly attributable to a particular Fund or Share Class will be allocated between Share Classes in accordance with the terms of issue of the Shares of those Classes.

Exemption from Liability to Account for Profits

None of the Company, the Depositary, the ACD, the Investment Adviser, the Sub-Advisers or any of their associates, nor the auditors, are liable to account to the Shareholders of any Fund for any profits or benefits it makes or receives that are derived from or in connection with dealings in the Shares of such Fund, any transaction in such Fund's property or the supply of services to such Fund.

Taxation

GENERAL

The comments below are intended as a general guide to the tax position of Funds and Investors under the UK tax laws and provisions as at the time of preparation of this document. Tax laws are subject to change we therefore recommend that Investors seek independent tax advice. In particular, if you are in doubt about the tax consequences of investing you should consult professional advisers as to the implications of subscribing for, purchasing, holding, conversions, switching or disposing of Shares.

This section only deals with investors who are resident in the UK for tax purposes (except as stated), who hold their interest in a Fund as an investment (and not as assets to be realised in the course of a trade) and who are the beneficial owners of their investment.

THE COMPANY

The taxation of the Company in the UK is mainly governed by the Authorised Investment Funds (Tax) Regulations 2006. Where the Company establishes more than one Fund, each Fund will generally be considered separately for tax purposes. The tax treatment of a Fund and the distributions it makes will depend on its investment policy and the type of investments held by the Fund in question.

As an open-ended investment company, each Fund is generally exempt from UK tax on capital gains realised on the disposal of investments of the Fund except any gain accruing to the Fund in respect of the sale, transfer or redemption of a material interest in an offshore fund which is not a reporting fund. Such a gain will be taxed as income and not as a capital gain.

Generally, dividends received by the Funds from a UK or overseas company are exempt from UK corporation tax. Most other types of income will be subject to UK corporation tax after relief for allowable expenses and any interest distributions if applicable. The rate of corporation tax is set at the rate equivalent to the basic rate of income tax, currently 20%.

Income and gains received by the Funds in respect of investments located outside the UK may be subject to non-recoverable overseas tax. Where overseas withholding tax has been suffered on income, it may be possible to offset such tax against UK corporation tax liabilities as double tax relief.

No deduction is made by way of withholding tax from distributions made by the Fund in the form of dividends or from payments on the redemption of Shares. Where a Fund makes an interest distribution after 6 April 2017, the Fund will no longer deduct UK income tax at the basic rate on behalf of Shareholders.

Funds invested primarily in cash, gilts, corporate bonds and similar assets, rather than equities, may pay interest distributions. The gross interest distribution is relievable as an expense against income of the Fund.

Depending on the underlying investments a Fund may fluctuate between being considered an equity fund paying dividend distributions and a bond fund paying interest distributions.

Stamp Duty Reserve Tax ("SDRT")

SDRT is generally not chargeable on the surrender (i.e. the redemption or Switch of Shares) or on the transfers of Shares in the Funds.

However, SDRT may be chargeable at 0.5% on a surrender where a Shareholder receives a non pro rata in specie payment for the Shares. The SDRT charge arising will be borne by the Shareholder.

TAXATION OF SHAREHOLDERS

UK Resident Shareholders

Dividend Distributions

From 6 April 2016, dividend distributions no longer carry a tax credit but continue to be paid free of withholding tax. UK tax residents will each receive a tax free dividend allowance of £2,000 per annum. The total amount of dividends received in excess of this allowance will be taxed at 7.5% within the basic rate band, 32.5% within the higher rate band and 38.1% thereafter.

Dividend distributions received by UK resident corporate bodies have to be split into that part which relates to dividend income of a Fund and that part which relates to other income of a Fund. The part relating to dividend income of a Fund is not liable to tax in the hands of the investor unless the distribution is paid in respect of a fund holding to which section 490 of the Corporation Tax Act 2009 applies. The part relating to other income of a Fund is taxable as if it were an annual payment in the hands of the investor and is subject to corporation tax. This part of the income is deemed to be received net of an income tax deduction of 20% which can be reclaimed or offset against the investor's liability to corporation tax.

A Fund may receive income net of foreign tax and may offset this foreign tax against its UK tax liability. In these circumstances a corresponding element of the other income part of the dividend distribution and related income tax credit will be treated respectively as foreign income received and foreign tax paid by the corporate investor. The foreign tax paid can be used to reduce the investor's liability to corporation tax on the foreign income.

Interest Distributions

All investors entitled to an income allocation in the form of an interest distribution will receive their distribution on a gross basis from 6 April 2017. Previously such distributions were generally received net of UK income tax at the basic rate.

From 6 April 2016, individual shareholders are entitled to a tax-free Personal Savings Allowance (PSA) for savings income (such as interest). Broadly, this means that basic rate tax payers are able to receive up to £1,000 of savings income, £500 for higher rate tax payers, without any tax being due. The PSA will not be available to any additional rate taxpayers. Any basic or higher rate taxpayer receiving savings income above these thresholds, and all additional rate taxpayers, may be required to complete a Self-Assessment Tax return and remit any additional taxes due to HM Revenue and Customs.

Corporate Shareholders will, depending on their circumstances, be subject to UK corporation tax on the interest distribution received.

Capital gains

Individual Shareholders resident in the UK for tax purposes may, depending on their circumstances, be liable to UK capital gains tax in respect of gains arising from the sale or other disposal of Shares (including redemption or the Switch of Shares in one Fund for those in another Fund). Individual Shareholders will not be liable to UK capital gains tax unless the aggregate gains exceed the annual exemption (£11,700 for 2018/19) in which case the excess will be charged at a rate of 10% for basic rate taxpayers and 20% for higher rate taxpayers.

Equalisation paid as part of a distribution is a return of capital and is not taxable as income in the hands of the Shareholders. However this amount must be deducted from the allowable cost of the Shares for capital gains tax purposes.

Individuals who are temporarily not resident in the UK may also be liable to UK taxation on capital gains, under anti-avoidance legislation.

Where the Shareholder is a company, corporation tax on chargeable gains may be due in respect of gains arising from sale or other disposal. For UK corporate Shareholders indexation relief may be available in calculating any gains (but not on losses) on disposals of Shares thereby providing compensation for the increases in value due to inflation. Where the Fund is a Bond Fund, corporate Shareholders will fall within the loan relationships regime. Accordingly, UK corporate investors will be taxed on any increase (and may claim relief for any loss) on the open market value of their interest at the end of each of their accounting periods and at the date of disposal of their interest as income. This will include accumulated income in the case of income Shares. Special rules apply to insurance companies and Investment Trusts.

Non-UK Resident Shareholders

The capital gains position and income tax liabilities of non-UK resident Shareholders may be determined in accordance with the tax legislation in the country of tax residence of the relevant Shareholder.

EXCHANGES OF SHARES

An exchange of Shares in one continuing Fund into another Fund is regarded as a disposal for capital gains tax purposes for both UK resident individuals and UK resident corporate Shareholders.

A switch between Classes of Shares within the same Fund should not constitute a disposal for capital gains purposes for both UK resident individual and UK resident corporate Shareholders. The new Class of Shares will be treated as having been acquired for the same base cost and on the same date as the original Class of Shares.

EQUALISATION

The first allocations of income to Shareholders made after their acquisition of Shares will include an amount of equalisation. This amount broadly corresponds to the income included in the price at which the Shares in these Funds were acquired and represents a capital repayment for UK tax purposes which should be deducted from the cost of Shares in arriving at any capital gain realised on their subsequent disposal.

COMMON REPORTING STANDARD

The Organisation for Economic Co-operation and Development ("OECD") received a mandate from the G8/G20 countries to develop a common reporting standard ("CRS") to achieve a comprehensive and multilateral automatic exchange of information (AEOI) in the future on a global basis. The CRS requires UK financial institutions to identify financial holders and establish their tax residence. UK financial institutions should then report financial account information relating to certain accounts to the UK tax authorities, which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis. Shareholders may therefore be reported to the UK and other relevant tax authorities under the applicable rules.

A European Council Directive 2014/107/EU as regards mandatory automatic exchange of information in the field of taxation (the "Euro-CRS Directive") was adopted on 9 December 2014 in order to implement the CRS among the Member States of the European Union.

In addition, the UK tax authorities signed the OECD's multilateral competent authority agreement ("Multilateral Agreement") to automatically exchange information under the CRS.

The first exchange of information amongst tax authorities happened during 2017. Accordingly, the Company is committed to run additional due diligence processes on its account holders and to report the identity and tax residence of certain account holders (including certain entities and their controlling persons) to the UK tax authorities who will share such information with other relevant tax authorities. The information reported will also include the account balance, income and redemption proceeds.

Shareholders should consult their professional advisors on the possible tax and other consequences with respect to the implementation of the CRS.

COMPLIANCE WITH US REPORTING AND WITHHOLDING REQUIREMENTS

The Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act ("FATCA") generally impose a US federal reporting and withholding tax regime with respect to certain US source income (including, among other types of income, dividends and interest) and gross proceeds from the sale or other disposal of property. The rules are designed to require certain US persons' direct and indirect ownership of certain non-US accounts and non-US entities to be reported to the US Internal Revenue Service (the "IRS"). The 30% withholding tax regime could apply if there is a failure to provide certain required information and these rules apply to such payments made after a date determined by the IRS.

The UK has entered into an intergovernmental agreement with the US to facilitate FATCA compliance. Under this agreement, FATCA compliance will be enforced under UK local tax legislation and reporting. The Company may require additional information from Shareholders in order to comply with relevant obligations, and the non-provision of such information may result in mandatory redemption of Shares or other appropriate action taken by the ACD at its discretion in accordance with the constitutional documents of the Company.

Each prospective investor should consult its own tax advisers on the requirements applicable to it under FATCA.

Investment and Borrowing Powers

1. GENERAL INVESTMENT POWERS

- 1.1 The property of the Company will be invested with the aim of achieving the investment objective of each Fund but subject to the limits on investment set out in Chapter 5 of the COLL Sourcebook (COLL 5.2 to COLL 5.5) that are applicable to UCITS schemes. These limits apply to each of the Funds as summarised below.
- 1.2 The ACD's investment policy may mean that at times, where it is considered appropriate, the property of a Fund will not be fully invested and that prudent levels of liquidity will be maintained.
- 1.3 Prudent spread of risk
- 1.4 The ACD must ensure that, taking account of the investment objectives and policy of the Funds, the property of the Funds aims to provide a prudent spread of risk.

2. TREATMENT OF OBLIGATIONS

- 2.1 Where the COLL Sourcebook allows a transaction to be entered into or an investment to be retained only if possible obligations arising out of the transaction or out of the retention would not cause the breach of any limits in COLL 5, it must be assumed that the maximum possible liability of the authorised fund under any other of those rules has also to be provided for.
- 2.2 Where a rule in the COLL Sourcebook permits a transaction to be entered into or an investment to be retained only if that transaction, or the retention, or other similar transactions, are covered:
 - 2.2.1 it must be assumed that in applying any of those rules, the Funds must also simultaneously satisfy any other obligation relating to cover; and
 - 2.2.2 no element of cover must be used more than once.

3. UCITS SCHEMES - PERMITTED TYPES OF SCHEME PROPERTY

- 3.1 Subject to as may be further limited herein, and, subject to its investment objective and policy, each Fund may only consist of any or all of:
 - 3.1.1 transferable securities;
 - 3.1.2 approved money-market instruments;
 - 3.1.3 deposits;
 - 3.1.4 units in collective investment schemes;
 - 3.1.5 derivatives and forward transactions.
- 3.2 In the case of Aberdeen Sterling Money Market Fund at least 50% in value of the scheme property must consist of instruments or deposits which are:

- 3.2.1 redeemable or repayable within two weeks; or
- 3.2.2 money market instruments, capable of being transferred without the consent of a third party (and for this purpose the issuer of the instrument must be regarded as a third party).
- 3.3 The requirements on spread and investment in government and public securities do not apply until the expiry of a period of six months after the date of effect of the authorisation order in respect of the relevant Fund (or on which the initial offer commenced if later) provided that the requirement to maintain prudent spread of risk is complied with.
- 3.4 It is not intended that any Fund will have an interest in any immovable property or tangible movable property.
- 3.5 In addition to the general restrictions set out above, the following limits apply to each of the Funds.

4. TRANSFERABLE SECURITIES

- 4.1 A transferable security is an investment which is any of the following:
 - 4.1.1 a share;
 - 4.1.2 a debenture;
 - 4.1.3 an alternative debenture;
 - 4.1.4 a government and public security;
 - 4.1.5 a warrant; or
 - 4.1.6 a certificate representing certain securities.
- 4.2 An investment is not a transferable security if the title to it cannot be transferred, or can be transferred only with the consent of a third party.
- 4.3 In applying paragraph 4.2 to an investment which is issued by a body corporate, and which is a share or a debenture the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored.
- 4.4 An investment is not a transferable security unless the liability of the holder of it to contribute to the debts of the issuer is limited to any amount for the time being unpaid by the holder of it in respect of the investment.
- 4.5 No more than 5% of the value of the scheme property may be invested in warrants.

5. INVESTMENT IN TRANSFERABLE SECURITIES

- 5.1 A Fund may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:
 - 5.1.1 the potential loss which the Fund may incur with respect to holding the transferable security is limited to the amount paid for it;

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- 5.1.2 its liquidity does not compromise the ability of the ACD to comply with its obligation to redeem shares at the request of any qualifying Shareholder under the COLL Sourcebook;
 - 5.1.3 reliable valuation is available for it as follows:
 - 5.1.3.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there are accurate, reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers;
 - 5.1.3.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is a valuation on a periodic basis which is derived from information from the issuer of the transferable security or from competent investment research;
 - 5.1.4 appropriate information is available for it as follows:
 - 5.1.4.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there is regular, accurate and comprehensive information available to the market on the transferable security or, where relevant, on the portfolio of the transferable security;
 - 5.1.4.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is regular and accurate information available to the ACD on the transferable security or, where relevant, on the portfolio of the transferable security;
 - 5.1.5 it is negotiable; and
 - 5.1.6 its risks are adequately captured by the risk management process of the ACD.
- 5.2 Unless there is information available to the ACD that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed:
- 5.2.1 not to compromise the ability of the ACD to comply with its obligation to redeem units at the request of any qualifying Shareholder; and
 - 5.2.2 to be negotiable.
- 6. CLOSED ENDED FUNDS CONSTITUTING TRANSFERABLE SECURITIES**
- 6.1 A unit in a closed end fund shall be taken to be a transferable security for the purposes of investment by a Fund, provided it fulfils the criteria for transferable securities set out in paragraph 5, and either:
 - 6.1.1 where the closed end fund is constituted as an investment company or a unit trust:
 - 6.1.1.1 it is subject to corporate governance mechanisms applied to companies; and
 - 6.1.1.2 where another person carries out asset management activity on its behalf, that person is subject to national regulation for the purpose of investor protection; or
 - 6.1.2 where the closed end fund is constituted under the law of contract:
 - 6.1.2.1 it is subject to corporate governance mechanisms equivalent to those applied to companies; and
 - 6.1.2.2 it is managed by a person who is subject to national regulation for the purpose of investor protection.
- 7. TRANSFERABLE SECURITIES LINKED TO OTHER ASSETS**
- 7.1 A Fund may invest in any other investment which shall be taken to be a transferable security for the purposes of investment by the Fund provided the investment:
 - 7.1.1 fulfils the criteria for transferable securities set out in paragraph 5; and
 - 7.1.2 is backed by or linked to the performance of other assets, which may differ from those in which the Fund can invest.
 - 7.2 Where an investment in paragraph 7.1 contains an embedded derivative component (see paragraph 22.4), the requirements of this Appendix with respect to derivatives and forwards will apply to that component.
- 8. APPROVED MONEY-MARKET INSTRUMENTS**
- 8.1 An approved money-market instrument is a money-market instrument which is normally dealt in on the money market, is liquid and has a value which can be accurately determined at any time.
 - 8.2 A money-market instrument shall be regarded as normally dealt in on the money market if it:
 - 8.2.1 has a maturity at issuance of up to and including 397 days;

- 8.2.2 has a residual maturity of up to and including 397 days;
- 8.2.3 undergoes regular yield adjustments in line with money market conditions at least every 397 days; or
- 8.2.4 has a risk profile, including credit and interest rate risks, corresponding to that of an instrument which has a maturity as set out in paragraphs 8.2.1 or 8.2.2 or is subject to yield adjustments as set out in paragraph 8.2.3.
- 8.3 A money-market instrument shall be regarded as liquid if it can be sold at limited cost in an adequately short time frame, taking into account the obligation of the ACD to redeem units at the request of any qualifying Shareholder.
- 8.4 A money-market instrument shall be regarded as having a value which can be accurately determined at any time if accurate and reliable valuations systems, which fulfil the following criteria, are available:
 - 8.4.1 enabling the ACD to calculate a net asset value in accordance with the value at which the instrument held in the portfolio could be exchanged between knowledgeable willing parties in an arm's length transaction; and
 - 8.4.2 based either on market data or on valuation models including systems based on amortised costs.
- 8.5 A money-market instrument that is normally dealt in on the money market and is admitted to or dealt in on an eligible market shall be presumed to be liquid and have a value which can be accurately determined at any time unless there is information available to the ACD that would lead to a different determination.

9. TRANSFERABLE SECURITIES AND APPROVED MONEY-MARKET INSTRUMENTS GENERALLY TO BE ADMITTED TO OR DEALT IN ON AN ELIGIBLE MARKET

- 9.1 Transferable securities and approved money-market instruments held within a Fund must be:
 - 9.1.1 admitted to or dealt on an eligible market (as described in paragraphs 10.1.1 or 10.1.2); or
 - 9.1.2 dealt on an eligible market (as described in paragraph 10.2); or
 - 9.1.3 for an approved money-market instrument not admitted to or dealt in on an eligible market, within paragraph 11.2; or
 - 9.1.4 recently issued transferable securities (provided that the terms of issue include an undertaking that application will be made to be admitted to an eligible market; and such admission is secured within a year of issue).

- 9.2 Not more than 10% in value of the scheme property of a Fund is to consist of transferable securities and approved money-market instruments other than those referred to in paragraph 9.1.

10. ELIGIBLE MARKETS REQUIREMENTS

- 10.1 A market is eligible for the purposes of the rules if it is:
 - 10.1.1 a regulated market; or
 - 10.1.2 a market in an EEA State which is regulated, operates regularly and is open to the public;
 - 10.1.3 any market within paragraph 10.2.
- 10.2 A market not falling within paragraph 10.1.1 or 10.1.2 is eligible for the purposes of COLL if:
 - 10.2.1 the ACD, after consultation with and notification to the Depositary, decides that market is appropriate for investment of, or dealing in, the scheme property;
 - 10.2.2 the market is included in a list in this Prospectus; and
 - 10.2.3 the Depositary has taken reasonable care to determine that:
 - 10.2.3.1 adequate custody arrangements can be provided for the investment dealt in on that market; and
 - 10.2.3.2 all reasonable steps have been taken by the ACD in deciding whether that market is eligible.
- 10.3 In paragraph 10.2.1, market must not be considered appropriate unless it is regulated, operates regularly, is recognised as a market or exchange or as a self-regulating organisation by an overseas regulator, is open to the public, is adequately liquid and has adequate arrangements for unimpeded transmission of income and capital to or for the order of investors.
- 10.4 The eligible markets in which the Funds may invest are set out in Appendix I.

11. MONEY-MARKET INSTRUMENTS WITH A REGULATED ISSUER

- 11.1 A Fund may invest in money-market instruments in accordance with the provisions of this Appendix.
- 11.2 In addition to instruments admitted to or dealt in on an eligible market, the Funds may invest in an approved money-market instrument provided it fulfils the following requirements:
 - 11.2.1 the issue or the issuer is regulated for the purpose of protecting investors and savings; and

11.2.2 the instrument is issued or guaranteed in accordance with paragraph 12.

11.3 The issue or the issuer of a money-market instrument, other than one dealt in on an eligible market, shall be regarded as regulated for the purpose of protecting investors and savings if:

11.3.1 the instrument is an approved money-market instrument;

11.3.2 appropriate information is available for the instrument (including information which allows an appropriate assessment of the credit risks related to investment in it), in accordance with paragraph 13; and

11.3.3 the instrument is freely transferable.

12. ISSUERS AND GUARANTORS OF MONEY-MARKET INSTRUMENTS

12.1 A Fund may invest in an approved money-market instrument if it is:

12.1.1 issued or guaranteed by any one of the following:

12.1.1.1 a central authority of an EEA State or, if the EEA State is a federal state, one of the members making up the federation;

12.1.1.2 a regional or local authority of an EEA State;

12.1.1.3 the European Central Bank or a central bank of an EEA State;

12.1.1.4 the European Union or the European Investment Bank;

12.1.1.5 a non-EEA State or, in the case of a federal state, one of the members making up the federation;

12.1.1.6 a public international body to which one or more EEA States belong; or

12.1.2 issued by a body, any securities of which are dealt in on an eligible market; or

12.1.3 issued or guaranteed by an establishment which is:

12.1.3.1 subject to prudential supervision in accordance with criteria defined by Community law; or

12.1.3.2 subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by Community law.

12.2 An establishment shall be considered to satisfy the requirement in 12.1.3.2 if it is subject to and complies with prudential rules, and fulfils one or more of the following criteria:

12.2.1 it is located in the European Economic Area;

12.2.2 it is located in an OECD country belonging to the Group of Ten;

12.2.3 it has at least Investment grade rating;

12.2.4 on the basis of an in-depth analysis of the issuer, it can be demonstrated that the prudential rules applicable to that issuer are at least as stringent as those laid down by Community law.

13. APPROPRIATE INFORMATION FOR MONEY-MARKET INSTRUMENTS

13.1 In the case of an approved money-market instrument within paragraph 12.1.2 or which is issued by an authority within paragraph 12.1.1.2 or a public international body within paragraph 12.1.1.6 but is not guaranteed by a central authority within paragraph 12.1.1.1, the following information must be available:

13.1.1 information on both the issue or the issuance programme, and the legal and financial situation of the issuer prior to the issue of the instrument, verified by appropriately qualified third parties not subject to instructions from the issuer;

13.1.2 updates of that information on a regular basis and whenever a significant event occurs; and

13.1.3 available and reliable statistics on the issue or the issuance programme.

13.2 In the case of an approved money-market instrument issued or guaranteed by an establishment within paragraph 12.1.3, the following information must be available

13.2.1 information on the issue or the issuance programme or on the legal and financial situation of the issuer prior to the issue of the instrument updates of that information on a regular basis and whenever a significant event occurs; and

13.2.2 available and reliable statistics on the issue or the issuance programme, or other data enabling an appropriate assessment of the credit risks related to investment in those instruments.

13.3 In the case of an approved money-market instrument:

13.3.1 within paragraphs 12.1.1.1, 12.1.1.4 or 12.1.1.5; or

13.3.2 which is issued by an authority within paragraph 12.1.1.2 or a public international body within paragraph 12.1.1.6 and is guaranteed by a central authority within paragraph 12.1.1.1;

13.3.3 information must be available on the issue or the issuance programme, or on the legal and financial situation of the issuer prior to the issue of the instrument.

14. SPREAD: GENERAL

14.1 Save as may be further limited herein, the general limits in this paragraph 14 shall apply.

14.2 This paragraph 14 on spread does not apply to government and public securities.

14.3 For the purposes of this requirement companies included in the same group for the purposes of consolidated accounts as defined in accordance with Directive 83/349/EEC or in the same group in accordance with international accounting standards are regarded as a single body.

14.4 Not more than 20% in value of the scheme property is to consist of deposits with a single body.

14.5 Not more than 5% in value of the scheme property is to consist of transferable securities or approved money-market instruments issued by any single body.

14.6 The limit of 5% in paragraph 14.5 is raised to 10% in respect of up to 40% in value of the scheme property.

14.7 In applying paragraphs 14.5 and 14.6 certificates representing certain securities are treated as equivalent to the underlying security.

14.8 The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% in value of scheme property; this limit is raised to 10% where the counterparty is an Approved Bank.

14.9 Not more than 20% in value of a Fund is to consist of transferable securities or approved money-market instruments issued by the same group (as referred to in paragraph 14.3).

14.10 Not more than 20% in value of the scheme property is to consist of the units of any one collective investment scheme.

14.11 In applying the limits in paragraphs 14.5, 14.6, 14.7 and 14.8 not more than 20% in value of the scheme

property is to consist of any combination of two or more of the following:

14.11.1 transferable securities or approved money-market instruments issued by; or

14.11.2 deposits made with; or

14.11.3 exposures from OTC derivatives transactions made with; a single body.

15. COUNTERPARTY RISK AND ISSUER CONCENTRATION

15.1 The ACD must ensure that counterparty risk arising from an OTC derivative is subject to the limits set out in paragraphs 14.8 and 14.11 above.

15.2 When calculating the exposure of a Fund to a counterparty in accordance with the limits in paragraph 14.8 the ACD must use the positive mark-to-market value of the OTC derivative contract with that counterparty.

15.3 An ACD may net the OTC derivative positions of a Fund with the same counterparty, provided they are able legally to enforce netting agreements with the counterparty on behalf of the Fund.

15.4 The netting agreements in paragraph 15.3 above are permissible only with respect to OTC derivatives with the same counterparty and not in relation to any other exposures the Fund may have with that same counterparty.

15.5 The ACD may reduce the exposure of scheme property to a counterparty of an OTC derivative through the receipt of collateral. Collateral received must be sufficiently liquid so that it can be sold quickly at a price that is close to its pre-sale valuation.

15.6 The ACD must take collateral into account in calculating exposure to counterparty risk in accordance with the limits in paragraph 14.8 when it passes collateral to an OTC counterparty on behalf of a Fund.

15.7 Collateral passed in accordance with paragraph 15.6 may be taken into account on a net basis only if the ACD is able legally to enforce netting arrangements with this counterparty on behalf of that Fund.

15.8 The ACD must calculate the issuer concentration limits referred to in paragraph 14.8 on the basis of the underlying exposure created through the use of OTC derivatives pursuant to the commitment approach.

15.9 In relation to the exposure arising from OTC derivatives as referred to in paragraph 14.8 the ACD must include any exposure to OTC derivative counterparty risk in the calculation.

15.10 The ACD measures the creditworthiness of counterparties as part of the risk management process. The counterparties of these transactions will be highly rated financial institutions specialising in these types of transactions and approved by the ACD. A counterparty may be an associate of the ACD which may give rise to a conflict of interest. For further details on the ACD's conflicts of interest policy please see the paragraph headed "Conflicts of Interest" below.

16. SPREAD: GOVERNMENT AND PUBLIC SECURITIES

16.1 The restrictions in paragraph 14 do not apply to government and public securities ("such securities"). The restrictions in relation to such securities are set out below.

16.2 Where no more than 35% in value of the scheme property is invested in such securities issued by any one body, there is no limit on the amount which may be invested in such securities or in any one issue.

16.3 A Fund may invest more than 35% in value of the scheme property in such securities issued by any one body provided that:

16.3.1 the ACD has before any such investment is made consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of the Fund;

16.3.2 no more than 30% in value of the scheme property consists of such securities of any one issue;

16.3.3 the scheme property includes such securities issued by that or another issuer, of at least six different issues.

16.4 The 'Investment Objectives and Policies and Other Details of the Funds' section on pages 10 – 39 specifies the Funds in respect of which paragraph 16.3 is applicable. The names of the states, local authorities and public international bodies (the "issuers") issuing government and public securities in which such Funds may invest over 35% of their assets are set out in the Table 1 at the end of this section.

16.5 In relation to such securities:

16.5.1 issue, issuer and guarantor include guarantee, guaranteed and guarantor; and

16.5.2 an issue differs from another if there is a difference as to repayment date, rate of interest, guarantor or other material terms of the issue.

16.6 Notwithstanding paragraph 14.1 and subject to paragraphs 16.2 and 16.3, in applying the 20% limit in paragraph 14.11 with respect to a single body, government and public securities issued by that body shall be taken into account.

17. INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

17.1 In the case of Aberdeen Asia Pacific and Japan Equity Fund, Aberdeen Asia Pacific Equity Fund, Aberdeen Corporate Bond Fund, Aberdeen Diversified Income Fund, Aberdeen Eastern European Equity Fund, Aberdeen Emerging Markets Bond Fund, Aberdeen Emerging Markets Equity Fund, Aberdeen Ethical World Equity Fund, Aberdeen Euro Corporate Bond Fund, Aberdeen European Equity Fund, Aberdeen European Property Share Fund, Aberdeen European Smaller Companies Equity Fund, Aberdeen Financial Equity Fund, Aberdeen Global High Yield Bond Fund, Aberdeen Japan Equity Fund, Aberdeen European High Yield Bond Fund, Aberdeen Latin American Equity Fund, Aberdeen North American Equity Fund, Aberdeen Property Share Fund, Aberdeen Responsible UK Equity Fund, Aberdeen Sterling Bond Fund, Aberdeen Sterling Government Bond Fund, Aberdeen Sterling Index-Linked Bond Fund, Aberdeen Sterling Long Dated Corporate Bond Fund, Aberdeen Sterling Long Dated Government Bond Fund, Aberdeen Sterling Money Market Fund, Aberdeen Sterling Opportunistic Corporate Bond Fund, Aberdeen Sterling Short Dated Corporate Bond Fund, Aberdeen Sterling Short Term Government Bond Fund, Aberdeen Strategic Bond Fund, Aberdeen Target Return Bond Fund, Aberdeen UK Equity Fund, Aberdeen UK Equity Income Fund, Aberdeen UK Mid-Cap Equity Fund, Aberdeen UK Smaller Companies Equity Fund, Aberdeen World Equity Fund, Aberdeen World Equity Income Fund and Aberdeen World Opportunistic Bond Fund, not more than 10% of the scheme property of any Fund is to consist of units in collective investment schemes.

17.2 In the case of Aberdeen Multi-Asset Fund and except where the investment policy of the Fund is inconsistent with this, up to 100% in value of the scheme property may consist of units in other schemes.

- 17.3 Subject to paragraph 17.1, a Fund may invest in units in a collective investment scheme ("second scheme") provided that the second scheme satisfies all of the following conditions and provided no more than 30% of the value of Fund is invested in second schemes within 17.3.1.2 to 17.3.1.5.
- 17.3.1 the second scheme must:
- 17.3.1.1 satisfy the conditions necessary for it to enjoy the rights conferred by the UCITS Directive; or
 - 17.3.1.2 be a recognised scheme under the provisions of section 272 of the Act (Individually recognised overseas schemes) that is authorised by the supervisory authorities of Guernsey, Jersey or the Isle of Man (provided the requirements of article 50(1)(e) of the UCITS Directive are met); or
 - 17.3.1.3 be authorised as a non-UCITS retail scheme (provided the requirements of article 50(1)(e) of the UCITS Directive are met); or
 - 17.3.1.4 be authorised in another EEA State (provided the requirements of article 50(1)(e) of the UCITS Directive are met); or
 - 17.3.1.5 be authorised by the competent authority of an OECD member country (other than another EEA State) which has signed the IOSCO Multilateral Memorandum of Understanding and approved the scheme's management company, rules and depositary/custody arrangements (provided the requirements of article 50(1)(e) of the UCITS Directive are met):
- 17.3.2 it is a scheme which complies where relevant with paragraph 17.4 below;
- 17.3.3 the second scheme must have terms which prohibit more than 10% in value of the scheme property consisting of units in collective investment schemes;
- 17.3.4 in the case of Aberdeen Sterling Money Market Fund only, the second scheme must be a scheme that invests primarily in: (a) deposits; and (b) debentures which are not transferable securities; whether with or without securities which are transferable securities; and
- 17.3.5 where the second scheme is an umbrella scheme, the provisions in paragraph 14 and paragraphs 17.3.2 and 17.3.3 apply to each sub-fund as if it were a separate scheme.
- 17.4 A Fund may invest in units in second schemes managed or operated by (or, if it is an open-ended investment company, has as its authorised corporate director) the ACD or an associate of the ACD, provided the provisions in paragraphs 17.5 and 17.6 are complied with.
- 17.5 Investment may only be made in second schemes managed by the ACD, or an associate of the ACD, whose maximum annual management charge does not exceed 5%.
- 17.6 A Fund must not invest in or dispose of units in another collective investment scheme (the second scheme), which is managed or operated by (or, in the case of an open-ended investment company, has as its authorised corporate director) the ACD, or an associate of the ACD, unless:
- 17.6.1 there is no charge in respect of the investment in or the disposal of units in the second scheme; or
 - 17.6.2 the ACD is under a duty to pay to the Fund by the close of business on the fourth business day next after the agreement to buy or to sell the amount referred to in paragraphs 17.6.3 and 17.6.4;
 - 17.6.3 on investment, either:
 - 17.6.3.1 any amount by which the consideration paid by the Fund for the units in the second scheme exceeds the price that would have been paid for the benefit of the second scheme had the units been newly issued or sold by it; or
 - 17.6.3.2 if such price cannot be ascertained by the ACD, the maximum amount of any charge permitted to be made by the seller of units in the second scheme;
 - 17.6.4 on disposal, the amount of any charge made for the account of the authorised fund manager or operator of the second scheme or an associate of any of them in respect of the disposal.
- 17.7 In paragraph 17.6:
- 17.7.1 any addition to or deduction from the consideration paid on the acquisition or disposal of units in the second scheme, which is applied for the benefit of the second scheme and is, or is like, a dilution levy or SDRT provision, is to be treated as part of the price of the units and not as part of any charge; and

17.7.2 any switching charge made in respect of an exchange of units in one sub-fund or separate part of the second scheme for units in another sub-fund or separate part of that scheme is to be included as part of the consideration paid for the units.

17.8 The scheme property attributable to a Fund may include Shares in another Fund of the Company ("Second Fund") subject to the requirements of paragraph 17.9 below.

17.9 A Fund may invest in or dispose of Shares of a Second Fund provided that:

17.9.1 the Second Fund does not hold Shares in any other Fund of the Company;

17.9.2 the requirements set out in paragraph 17.6 above; and

17.9.3 subject to paragraph 17.1, not more than 20% in value of the scheme property of the Fund is to consist of Shares in the Second Fund.

18. INVESTMENT IN NIL AND PARTLY PAID SECURITIES

A transferable security or approved money market instruments on which any sum is unpaid falls within a power of investment only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the Fund, at the time when payment is required, without contravening the rules in this Appendix.

19. INVESTMENT IN DEPOSITS

Each of the Funds may invest in deposits, but only with an Approved Bank (as defined in the glossary of definitions in the FCA Handbook) and which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months.

20. USE OF DERIVATIVES: GENERAL

20.1 Each of the Funds may enter into derivatives and forward transactions in accordance with the following paragraphs for the purposes of hedging and use within efficient portfolio management techniques as described in paragraph 21.

20.2 In addition, Aberdeen Emerging Markets Bond Fund, Aberdeen Diversified Income Fund, Aberdeen Multi-Asset Fund, Aberdeen Sterling Opportunistic Corporate Bond Fund, Aberdeen Strategic Bond Fund, Aberdeen Target Return Bond Fund, Aberdeen World Equity Income Fund and Aberdeen World Opportunistic Bond Fund may use derivatives in accordance with the following paragraphs for the purpose of investment.

20.3 The use of derivatives by Aberdeen Emerging Markets Bond Fund, Aberdeen Diversified Income Fund, Aberdeen Multi-Asset Fund, Aberdeen Sterling Opportunistic Corporate Bond Fund, Aberdeen Strategic Bond Fund, Aberdeen Target Return Bond Fund, Aberdeen World Equity Income Fund and Aberdeen World Opportunistic Bond Fund is not expected to have a detrimental effect on the risk profile of these Funds. The use of these instruments may expose each of these Funds to volatile investment returns although it is the intention that use of these instruments should not increase the volatility of the relevant Fund materially in excess of the situation where the relevant Fund holds the underlying investments directly.

20.4 The use of derivatives for investment purposes by Aberdeen Emerging Markets Bond Fund, Aberdeen Diversified Income Fund, Aberdeen Multi-Asset Fund, Aberdeen Sterling Opportunistic Corporate Bond Fund, Aberdeen Strategic Bond Fund, Aberdeen Target Return Bond Fund, Aberdeen World Equity Income Fund and Aberdeen World Opportunistic Bond Fund may result in some leverage. The use of leverage allows the authorised fund manager to commit a relatively small amount of cash (generally known as premium or margin) to obtain exposure to the full returns of the associated underlying asset. The use of leverage creates special risks and may increase the relevant Fund's investment risk. Leverage creates the opportunity for greater yield and total return but at the same time will increase the exposure of the relevant Fund to greater capital risk. The low margin deposits normally required in derivatives has the potential to lead higher degrees of leverage. This may also lead to greater fluctuations in the price.

20.5 Funds whose global exposure is calculated according to the VaR method (see paragraph 36) may be more highly leveraged than Funds whose global exposure is calculated according to the commitment approach.

20.6 For Aberdeen Sterling Opportunistic Corporate Bond Fund, Aberdeen Strategic Bond Fund and Aberdeen Target Return Bond Fund where derivatives could be used to a significant extent, the risks of using derivatives are higher. In addition, both long and short positions in individual stocks and markets as well as currencies may be taken for these Funds.

20.7 The eligible derivatives markets for each Fund are set out in Appendix II.

21. EFFICIENT PORTFOLIO MANAGEMENT ("EPM") TECHNIQUES AND HEDGING

- 21.1 The Funds may make use of EPM techniques to reduce risk and/or costs in the Funds and to produce additional capital or income in the Funds in a manner which is economically appropriate and with an acceptable level of risk. Techniques used by the Funds may include using derivatives for hedging against price or currency fluctuations and stock lending transactions. Further details on these techniques can be found below.
- 21.2 In adverse situations, however, the Funds' use of EPM techniques may be ineffective and the Funds may suffer significant loss as a result. The Funds' ability to use EPM strategies may be limited by market conditions, regulatory limits and tax considerations.
- 21.3 EPM techniques may involve Funds entering into derivative transactions with a counterparty where there may be a risk that a counterparty will wholly or partially fail to honour its contractual obligations. To mitigate that risk, the counterparties to these transactions may be required to provide collateral to the Funds. The counterparty will forfeit its collateral if it defaults on the transaction. However, in the event of counterparty default, if the collateral is in the form of securities, there is a risk that when they are sold it will realise insufficient cash to settle the counterparty's liability to the Funds. This may result in losses for investors. The policy of the ACD is to only accept cash collateral in relation to derivative transactions. For stock lending transactions receivable collateral will usually consist of government bonds. The ACD has in place a collateral management policy which details the eligible categories of acceptable collateral received. Please see the paragraph headed "Collateral Management Policy" below for further information on the collateral management policy.
- 21.4 There is no guarantee that the Funds will achieve the objective for which they entered into a transaction in relation to EPM. This may result in losses for investors.
- 21.5 Any income or capital generated by EPM (net of direct or indirect operational costs) will be paid to the Funds.
- 21.6 There is no limit on the amount of the scheme property which may be used for hedging and EPM but the transactions must satisfy three broadly-based requirements:
- 21.6.1 A transaction must be reasonably believed by the ACD to be economically appropriate to the efficient portfolio management of the relevant Fund. This means that, for transactions undertaken to reduce risk or cost (or both), the transaction alone or in combination will diminish a risk or cost of a kind or level which it is sensible to reduce.
- 21.6.2 The purpose of any transaction within this paragraph 21 must be to achieve one of the following in respect of the relevant Fund:
- 21.6.2.1 Reduction of risk. This allows for the use of the technique of cross-currency hedging in order to switch all or part of the scheme property away from a currency the ACD considers unduly prone to risk, to another currency. This aim also permits the use of tactical asset allocation.
- 21.6.2.2 Reduction of cost. The aims of reduction of risk or cost, together or separately, allow the ACD on a temporary basis to use the technique of tactical asset allocation. Tactical asset allocation permits the ACD to undertake a switch in exposure by use of derivatives, rather than through the sale and purchase of scheme property. If a transaction for the Fund relates to the acquisition or potential acquisition of transferable securities, the ACD must intend that the Fund should invest in transferable securities within a reasonable time and the ACD must thereafter ensure that, unless the position has itself been closed out, that intention is realised within that reasonable time.
- 21.6.2.3 The generation of additional capital or income for the Fund (so called "enhancement strategies") with no, or an acceptably low level of, risk. There is an acceptably low level of risk in any case where the ACD reasonably believes that the Fund is certain (or certain barring events which are not reasonably fore-seeable) to derive a benefit.

21.6.3 The generation of additional capital or income may arise out of taking advantage of price imperfections or from the receipt of a premium for writing of covered call or covered put options (even if the benefit is obtained at the expense of the chance of yet greater benefit) or pursuant to stock lending arrangements as permitted by the COLL Sourcebook.

21.6.4 The relevant purpose must relate to scheme property; scheme property (whether precisely identified or not) which is to be or is proposed to be acquired for the relevant Fund; and anticipated cash receipts of the Fund, if due to be received at some time and likely to be received within one month.

21.7 For the purposes of this paragraph 21., efficient portfolio management techniques must not include speculative transactions.

22. DERIVATIVES: GENERAL

22.1 A transaction in derivatives or a forward transaction must not be effected for a Fund unless the transaction is of a kind specified in paragraph 23 below; and the transaction is covered, as required by paragraph 26.

22.2 Where a Fund invests in derivatives, the exposure to the underlying assets must not exceed the limits set out in paragraphs 14 and 15 except for index based derivatives where paragraph 22.6 applies.

22.3 Where a transferable security or approved money-market instrument embeds a derivative, this must be taken into account for the purposes of complying with this Appendix.

22.4 A transferable security or an approved money-market instrument will embed a derivative if it contains a component which fulfils the following criteria:

22.4.1 by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or approved money-market instrument which functions as host contract can be modified according to a specified interest rate, financial instrument price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, and therefore vary in a way similar to a stand-alone derivative;

22.4.2 its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and

22.4.3 it has a significant impact on the risk profile and pricing of the transferable security or approved money-market instrument.

22.5 A transferable security or an approved money-market instrument does not embed a derivative where it contains a component which is contractually transferable independently of the transferable security or the approved money-market instrument. That component shall be deemed to be a separate instrument.

22.6 Where a scheme invests in an index based derivative, provided the relevant index falls within paragraph 24, the underlying constituents of the index do not have to be taken into account for the purposes of the paragraphs 14 and 15. The relaxation is subject to the ACD continuing to ensure that the scheme property provides a prudent spread of risk.

23. PERMITTED TRANSACTIONS (DERIVATIVES AND FORWARDS)

23.1 A transaction in a derivative must be in an approved derivative; or be one which complies with paragraph 27.

23.2 A transaction in a derivative must have the underlying consisting of any or all of the following to which the scheme is dedicated:

23.2.1 transferable securities permitted under 9.1;

23.2.2 approved money-market instruments;

23.2.3 permitted deposits;

23.2.4 derivatives permitted under this paragraph;

23.2.5 collective investment scheme units permitted under paragraph 17;

23.2.6 financial indices which satisfy the criteria set out in paragraph 24;

23.2.7 interest rates;

23.2.8 foreign exchange rates; and

23.2.9 currencies.

23.3 A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market.

23.4 A transaction in a derivative must not cause a Fund to diverge from its investment objectives as stated in the Instrument constituting the scheme and the most recently published version of this Prospectus.

23.5 A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more, transferable securities, approved money-market instruments, units in collective investment schemes, or derivatives provided that the sale is not to be considered as uncovered if the conditions in paragraph 26 are satisfied.

23.6 Any forward transaction must be with an Eligible Institution or an Approved Bank.

23.7 A derivative includes an instrument which fulfils the following criteria:

- 23.7.1 it allows the transfer of the credit risk of the underlying independently from the other risks associated with that underlying;
- 23.7.2 it does not result in the delivery or the transfer of assets other than those referred to in paragraph 3 including cash;
- 23.7.3 in the case of an OTC derivative, it complies with the requirements in paragraph 27.
- 23.7.4 its risks are adequately captured by the risk management process of the ACD, and by its internal control mechanisms in the case of risks of asymmetry of information between the ACD and the counterparty to the derivative, resulting from potential access of the counterparty to non-public information on persons whose assets are used as the underlying by that derivative.

23.8 The scheme may not undertake transactions in derivatives on commodities.

24. FINANCIAL INDICES UNDERLYING DERIVATIVES

24.1 The financial indices referred to in paragraph 23.2.6 are those which satisfy the following criteria:

- 24.1.1 the index is sufficiently diversified;
- 24.1.2 the index represents an adequate benchmark for the market to which it refers; and
- 24.1.3 the index is published in an appropriate manner.

24.2 A financial index is sufficiently diversified if:

- 24.2.1 it is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index;
- 24.2.2 where it is composed of assets in which the scheme is permitted to invest, its composition is at least diversified in accordance with the requirements with respect to spread and concentration set out in this Appendix; and
- 24.2.3 where it is composed of assets in which the scheme cannot invest, it is diversified in a way which is equivalent to the diversification achieved by the requirements with respect to spread and concentration set out in this Appendix.

24.3 A financial index represents an adequate benchmark for the market to which it refers if:

- 24.3.1 it measures the performance of a representative group of underlyings in a relevant and appropriate way;
- 24.3.2 it is revised or rebalanced periodically to ensure that it continues to reflect the markets to which it refers, following criteria which are publicly available; and
- 24.3.3 the underlyings are sufficiently liquid, allowing users to replicate it if necessary.

24.4 A financial index is published in an appropriate manner if:

- 24.4.1 its publication process relies on sound procedures to collect prices, and calculate and subsequently publish the index value, including pricing procedures for components where a market price is not available; and
- 24.4.2 material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis.

24.5 Where the composition of underlyings of a transaction in a derivative does not satisfy the requirements for a financial index, the underlyings for that transaction shall where they satisfy the requirements with respect to other underlyings pursuant to paragraph 23 be regarded as a combination of those underlyings.

25. TRANSACTIONS FOR THE PURCHASE OF PROPERTY

25.1 A derivative or forward transaction which will or could lead to the delivery of property for the account of the Company may be entered into only if that property can be held for the account of the Company, and the ACD having taken reasonable care determines that delivery of the property under the transaction will not occur or will not lead to a breach of the rules in the COLL Sourcebook.

26. REQUIREMENT TO COVER SALES

26.1 No agreement by or on behalf of the Company to dispose of property or rights may be made unless the obligation to make the disposal and any other similar obligation could immediately be honoured by the Company by delivery of property or the assignment (or, in Scotland, assignation) of rights, and the property and rights above are owned by the Company at the time of the agreement. This requirement does not apply to a deposit.

27. OTC TRANSACTIONS IN DERIVATIVES

27.1 Any transaction in an OTC derivative under paragraph 23.1 must be:

27.1.1 with an approved counterparty; A counterparty to a transaction in derivatives is approved only if the counterparty is an Eligible Institution or an Approved Bank; or a person whose permission (including any requirements or limitations), as published in the FCA Register or whose Home State authorisation, permits it to enter into the transaction as principal off-exchange;

27.1.2 on approved terms; the terms of the transaction in derivatives are approved only if, the ACD carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the counterparty; and can enter into one or more further transactions to sell, liquidate or close out that transaction at any time, at its fair value arrived at under the reliable market value basis or pricing model agreed under paragraph 27.1.3; and

27.1.3 capable of reliable valuation; a transaction in derivatives is capable of reliable valuation only if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy: on the basis on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or, if that value is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and

27.1.4 subject to verifiable valuation; a transaction in derivatives is subject to verifiable valuation only if, throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out by an appropriate third party which is independent from the counterparty of the derivative, at an adequate frequency and in such a way that the ACD is able to check it; or a department within the ACD which is independent from the department in charge of managing the scheme property and which is adequately equipped for such a purpose.

27.1.5 For the purposes of paragraph 27.1.2 "fair value" is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

28. VALUATION OF OTC DERIVATIVES

28.1 For the purposes of paragraph 27.1.2 the ACD must:

28.1.1 establish, implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of the exposures of a Fund to OTC derivatives; and

28.1.2 ensure that the fair value of OTC derivatives is subject to adequate, accurate and independent assessment.

28.2 Where the arrangements and procedures referred to in paragraph 28.1 above involve the performance of certain activities by third parties, the ACD must comply with the requirements in SYSC 8.1.13 R (Additional requirements for a management company) and COLL 6.6A.4 R (4) to (6) (Due diligence requirements of AFMs of UCITS schemes).

28.3 The arrangements and procedures referred to in 28.1 must be:

28.3.1 adequate and proportionate to the nature and complexity of the OTC derivative concerned; and

28.3.2 adequately documented.

29. RISK MANAGEMENT PROCESS

29.1 The ACD uses a risk management process (including a risk management policy) in accordance with COLL 6.12, as reviewed by the Depositary and filed with the FCA, enabling it to monitor and measure at any time the risk of a Fund's positions and their contribution to the overall risk profile of the Fund. The following details of the risk management process must be regularly notified to the FCA and at least on an annual basis:

29.1.1 a true and fair view of the types of derivatives and forward transactions to be used within the Fund together with their underlying risks and any relevant quantitative limits.

29.1.2 the methods for estimating risks in derivative and forward transactions.

29.2 The ACD must notify the FCA in advance of any material alteration to the details above.

30. SIGNIFICANT INFLUENCE

30.1 The Company must not acquire transferable securities issued by a body corporate and carrying rights to vote (whether or not on substantially all matters) at a general meeting of that body corporate if:

30.1.1 immediately before the acquisition, the aggregate of any such securities held by the Company gives the Company power significantly to influence the conduct of business of that body corporate; or

30.1.2 the acquisition gives the Company that power.

30.2 The Company is to be taken to have power significantly to influence the conduct of business of a body corporate if it can, because of the transferable securities held by it, exercise or control the exercise of 20% or more of the voting rights in that body corporate (disregarding for this purpose any temporary suspension of voting rights in respect of the transferable securities of that body corporate).

31. CONCENTRATION

The Company

31.1 must not acquire transferable securities (other than debt securities) which:

31.1.1 do not carry a right to vote on any matter at a general meeting of the body corporate that issued them; and

31.1.2 represent more than 10% of those securities issued by that body corporate;

31.2 must not acquire more than 10% of the debt securities issued by any single body;

31.3 must not acquire more than 25% of the units in a collective investment scheme. For the purpose of the application of this investment limit, each compartment of a collective investment scheme with multiple compartments is to be considered as a separate collective investment scheme;

31.4 must not acquire more than 10% of the approved money-market instruments issued by any single body; and

31.5 need not comply with the limits in paragraphs 31.1 to 31.3 if, at the time of acquisition, the net amount in issue of the relevant investment cannot be calculated.

32. RELEVANT INDICES

32.1.1 The indices referred to in paragraph 38 are those which satisfy the following criteria:

32.1.1.1 The composition is sufficiently diversified;

32.1.1.2 The index represents an adequate benchmark for the market to which it refers; and

32.1.1.3 The index is published in an appropriate manner.

32.1.2 The composition of an index is sufficiently diversified if its components adhere to the spread and concentration requirements in this paragraph.

32.1.3 An index represents an adequate benchmark if its provider uses a recognised methodology which generally does not result in the exclusion

of a major issuer of the market to which it refers.

32.1.4 An index is published in an appropriate manner if:

32.1.4.1 it is accessible to the public;

32.1.4.2 the index provider is independent from the index-replicating fund; this does not preclude index providers and the Funds from forming part of the same group, provided that effective arrangements for the management of conflicts of interest are in place.

33. DERIVATIVE EXPOSURE

33.1 The Funds may invest in derivatives and forward transactions as long as the exposure to which a Fund is committed by that transaction itself is suitably covered from within its scheme property. Exposure will include any initial outlay in respect of that transaction.

33.2 Cover ensures that a Fund is not exposed to the risk of loss of property, including money, to an extent greater than the net value of the scheme property. Therefore, a Fund must hold scheme property sufficient in value or amount to match the exposure arising from a derivative obligation to which that Fund is committed. Paragraph 34 (Cover for investment in derivatives) below sets out detailed requirements for cover of that Fund.

33.3 Cover used in respect of one transaction in derivatives or forward transaction must not be used for cover in respect of another transaction in derivatives or a forward transaction.

34. COVER FOR INVESTMENT IN DERIVATIVES

34.1 A Fund may invest in derivatives and forward transactions as part of its investment policy provided:

34.1.1 its global exposure relating to derivatives and forward transactions held in the Fund does not exceed the net value of the scheme property; and

34.1.2 its global exposure to the underlying assets does not exceed in aggregate the investment limits laid down in paragraph 14 above.

35. COVER AND BORROWING

35.1 Cash obtained from borrowing, and borrowing which the ACD reasonably regards an Eligible Institution or an Approved Bank to be committed to provide, is available for cover under the previous paragraph 33 as long as the normal limits on borrowing (see below) are observed.

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- 35.2 Where, for the purposes of this paragraph a Fund borrows an amount of currency from an Eligible Institution or an Approved Bank; and keeps an amount in another currency, at least equal to such borrowing for the time on deposit with the lender (or his agent or nominee), then this applies as if the borrowed currency, and not the deposited currency, were part of the scheme property.
- 35.3 The ACD must (as frequently as necessary), recalculate the amount of cover required in respect of derivatives and forward positions already in existence under this paragraph.
- 35.4 Derivatives and rights under forward transactions may be retained in the scheme property only so long as they remain covered globally under paragraph 34.

36. CALCULATION OF GLOBAL EXPOSURE AND LEVERAGE

- 36.1 The ACD must calculate the global exposure of a Fund on at least a daily basis.
- 36.2 The ACD must calculate the global exposure of any Fund it manages either as:
- 36.2.1 the incremental exposure and leverage generated through the use of derivatives and forward transactions (including embedded derivatives as referred to in paragraph 22 (Derivatives: General), which may not exceed 100% of the net value of the scheme property; or
- 36.2.2 the market risk of the scheme property by way of the value at risk (VaR) approach.
- 36.3 For the purposes of this section exposure must be calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.
- 36.4 The ACD must calculate the global exposure of a Fund by using:
- 36.4.1 commitment approach, which converts each derivative investment position the market value of an equivalent position in the underlying asset of that derivative, as detailed in paragraph 37 below, as a measure of leverage; or
- 36.4.2 the value at risk (VAR) approach, which measures the maximum potential loss due to market risk rather than leverage. More particularly, it measures the maximum potential loss at a given confidence level (probability) over a specific period under normal market conditions as detailed in paragraph 37 below.

- 36.5 The ACD must ensure that the method selected above is appropriate, taking into account:
- 36.5.1 the investment strategy pursued by the Fund;
- 36.5.2 types and complexities of the derivatives and forward transactions used; and
- 36.5.3 the proportion of the scheme property comprising derivatives and forward transactions.
- 36.6 Where a Fund employs techniques and instruments including repo contracts or stock lending transactions in accordance with paragraph 47 (Stock lending) in order to generate additional leverage or exposure to market risk, the authorised fund manager must take those transactions into consideration when calculating global exposure.
- 36.7 The Funds whose global exposure is calculated using the value at risk (VAR) approach are set out in the table below.
- 36.8 Where it is possible to determine an appropriate risk benchmark for a Fund as indicated in the table below, the relevant Fund will apply a Relative VaR risk management approach which will measure the risk profile of each Fund against a reference portfolio or risk benchmark ("Risk Benchmark"). If for any reason it is not possible or appropriate to determine a Risk Benchmark for any Fund, then the ACD will consider adopting an Absolute VaR risk management approach on all of a Fund's portfolio positions. The table below lists the Risk Benchmarks assigned to each Fund. The referenced Risk Benchmark may be subject to change, which shall be updated in this Prospectus at the next available opportunity. Information on the Risk Benchmark applicable to a Fund will be available upon request from the ACD. Where a Fund's Risk Benchmark is based on a combination of indices, the proportion of each index will be indicated as a percentage of the Risk Benchmark.
- 36.9 The column entitled "Maximum" refers to the regulatory risk limits applied to Funds in accordance with their risk management approach. Under the relative VaR approach, the global exposure of a Fund is determined calculating the VaR of the Funds' current portfolio versus the VaR of the reference portfolio: the VaR of the Fund must be lower than twice the VaR of the reference portfolio (i.e.200%). In a case of a Fund for which an absolute VaR approach is used, the maximum absolute VaR that a Fund can have is 20% of its Net Asset Value (NAV). Under the commitment approach, a Fund's total exposure to financial derivative instruments is limited to 100% of Fund's NAV.

Fund	Risk Management Approach	Max (%)	Risk Benchmark	Expected Level of Leverage (%) based on "Sum of Notionals" approach
Aberdeen Sterling Opportunistic Corporate Bond Fund	Relative VaR	200	Markit IBOXX GBP Collateralized & Corporates 1-10 Index	102.41
Aberdeen Strategic Bond Fund	Absolute VaR	20	n/a	70.73
Aberdeen Target Return Bond Fund	Absolute VaR	20	n/a	778.91

36.10 The expected maximum level of leverage per Fund for which a VaR risk management approach is used is also set out above, which has been calculated using the "Sum of Notionals" of the derivatives. The "Sum of Notionals" approach takes the notional derivative positions (long and short) and provides an overall total of the absolute values. No reductions apply to the figures to reflect netting and/or hedging arrangements. This leverage figure can be very high when interest rates or other swaps are used, even for hedging or risk reduction purposes, due to large notional values and the absence of netting off hedging arrangements in the calculation.

36.11 The leverage is not expected to exceed the levels indicated above but investors should note that there is possibility of higher leverage levels in certain circumstances, e.g. where a Fund's portfolio manager may make more extensive use of financial derivative instruments for investment purposes (within the limits of each Fund's investment objective) as opposed to a more limited use for hedging purposes or if swaps are used as described above.

36.12 The expected levels of leverage indicated above reflect the use of all derivative instruments within the portfolio of a given Fund (where applicable). An expected level of leverage does not necessarily represent an increase of risk in the Fund as some of the derivative instruments used may even reduce the risk. Shareholders should note that the "Sum of Notionals" calculation method of the expected level of leverage does not make a distinction as to the intended use of a derivative e.g. being either hedging or investment purposes.

36.13 The "Sum of Notionals" calculation typically results in a higher leverage figure than for the commitment approach calculation.

36.14 This may be varied within applicable limits if considered to be in the best interests of the Fund.

37. COMMITMENT AND VAR APPROACH

37.1 Where the ACD uses the commitment approach for the calculation of global exposure, it must:

37.1.1 ensure that it applies this approach to all derivative and forward transactions (including embedded derivatives as referred to in paragraph 22 (Derivatives: General)), whether used as part of the relevant Fund's general investment policy, for the purposes of risk reduction or for the purposes of efficient portfolio management in accordance with paragraph 47 (Stock lending); and

37.1.2 convert each derivative or forward transaction into the market value of an equivalent position in the underlying asset of that derivative or forward (standard commitment approach).

37.2 The ACD may apply other calculation methods which are equivalent to the standard commitment approach.

37.3 For the commitment approach, the ACD may take account of netting and hedging arrangements to reduce the global exposure calculations, where these arrangements do not disregard obvious and material risks and result in a clear reduction in risk exposure. The risk management process outlines the calculations process in more detail. Currently, the ACD does not generally apply such hedging or netting to the calculations with the exception of forward FX transactions used for hedging currency and exchange rate risks.

37.4 Where the use of derivatives or forward transactions does not generate incremental exposure for the relevant Fund, the underlying exposure need not be included in the commitment calculation

37.5 Where the commitment approach is used, temporary borrowing arrangements entered into on behalf of the relevant Fund in accordance with paragraph 40 (General Power to Borrow) need not form part of the global exposure calculation.

37.6 The half-yearly and annual long reports of the Company will provide detail on minimum, average and maximum leverage levels during the accounting period.

38. SCHEMES REPLICATING AN INDEX

38.1 Notwithstanding paragraph 14, a Fund may invest up to 20% in value of the scheme property in shares and debentures which are issued by the same body where the stated investment policy is to replicate the composition of a relevant index as defined in paragraph 32.

38.2 Replication of the composition of a relevant index shall be understood to be a reference to replication of the composition of the underlying assets of that index, including the use of techniques and instruments permitted for the purpose of efficient portfolio management.

38.3 The limit in paragraph 38.1 can be raised up to 35% in value of the scheme property, but only in respect of one body and where justified by exceptional market conditions.

39. CASH AND NEAR CASH

39.1 Cash and near cash must not be retained in the scheme property except to the extent that, where this may reasonably be regarded as necessary in order to enable:

39.1.1 redemption of Shares; or

39.1.2 efficient management of the relevant Fund in accordance with its investment objectives; or

39.1.3 other purposes which may reasonably be regarded as ancillary to the investment objectives of the relevant Fund.

39.2 During the period of the initial offer the scheme property may consist of cash and near cash without limitation.

39.3 In addition to paragraphs 39.1 and 35.2, Aberdeen Corporate Bond Fund, Aberdeen Eastern European Equity Fund, Aberdeen Emerging Markets Bond Fund, Aberdeen Euro Corporate Bond Fund, Aberdeen European Property Share Fund, Aberdeen Financial Equity Fund, Aberdeen Global High Yield Bond Fund, Aberdeen European High Yield Bond Fund, Aberdeen Diversified Income Fund, Aberdeen Sterling Bond Fund, Aberdeen Sterling Government Bond Fund, Aberdeen Sterling Index-Linked Bond Fund, Aberdeen Sterling Long Dated Corporate Bond Fund, Aberdeen Sterling Long Dated Government Bond Fund, Aberdeen Sterling Money Market Fund, Aberdeen Sterling Opportunistic Corporate Bond Fund, Aberdeen Sterling Short Dated Corporate Bond Fund, Aberdeen Sterling Short Term Government Bond Fund, Aberdeen Strategic Bond Fund, Aberdeen Target Return Bond Fund, Aberdeen World Equity Income Fund and Aberdeen World Opportunistic Bond Fund may also use cash and near cash for the pursuit of the Fund's investment objectives.

39.4 In the case of all Funds except Aberdeen Corporate Bond Fund, Aberdeen Eastern European Equity Fund, Aberdeen Emerging Markets Bond Fund, Aberdeen Euro Corporate Bond Fund, Aberdeen Global High

Yield Bond Fund, Aberdeen European High Yield Bond Fund, Aberdeen Diversified Income Fund, Aberdeen Sterling Bond Fund, Aberdeen Sterling Government Bond Fund, Aberdeen Sterling Index-Linked Bond Fund, Aberdeen Sterling Money Market Fund, Aberdeen Sterling Opportunistic Corporate Bond Fund, Aberdeen Sterling Short Dated Corporate Bond Fund, Aberdeen Sterling Short Term Government Bond Fund, Aberdeen Strategic Bond Fund, Aberdeen Target Return Bond Fund, Aberdeen World Equity Income Fund and Aberdeen World Opportunistic Bond Fund, the amount of cash held will not usually exceed 5% of the total value of the relevant Fund. However, where circumstances dictate, e.g. (a) volatility in prices of investments or extraordinary movements in world stock markets, (b) where an exceptional number of redemptions are anticipated or (c) where the relevant Fund has received large cash sums upon the creation of shares or the realisation of investments, the ACD, in the exercise of its discretion, may elect to hold cash balances in excess of the figure quoted.

40. GENERAL POWER TO BORROW

40.1 The Funds may, in accordance with this paragraph and paragraph 41, borrow money for the use of the Funds on terms that the borrowing is to be repayable out of the scheme property. This power to borrow is subject to the obligation of the Funds to comply with any restriction in the instrument constituting the Funds.

40.2 The Funds may borrow under paragraph 41.1 only from an Eligible Institution or an Approved Bank.

40.3 The ACD must ensure that any borrowing is on a temporary basis and that borrowings are not persistent, and for this purpose the ACD must have regard in particular to:

40.3.1 the duration of any period of borrowing; and

40.3.2 the number of occasions on which resort is had to borrowing in any period.

40.4 The ACD must ensure that no period of borrowing exceeds three months, without the consent of the Depositary.

40.5 These borrowing restrictions do not apply to "back to back" borrowing for currency hedging purposes.

40.6 The Funds must not issue any debenture unless it acknowledges or creates a borrowing that complies with paragraph 40.1 to 40.5.

41. BORROWING LIMITS

- 41.1 The ACD must ensure that a Fund's borrowing does not, on any business day, exceed 10% of the value of the scheme property of the relevant Fund.
- 41.2 In this paragraph 41, "borrowing" includes, as well as borrowing in a conventional manner, any other arrangement (including a combination of derivatives) designed to achieve a temporary injection of money into the scheme property in the expectation that the sum will be repaid.
- 41.3 For each Fund, borrowing does not include any arrangement for the Fund to pay to a third party (including the ACD) any set up costs which the Fund is entitled to amortise and which were paid on behalf of the Fund by the third party.

42. RESTRICTIONS ON LENDING OF MONEY

- 42.1 None of the money in the scheme property of a Fund may be lent and, for the purposes of this prohibition, money is lent by the Fund if it is paid to a person ("the payee") on the basis that it should be repaid, whether or not by the payee.
- 42.2 Acquiring a debenture is not lending for the purposes of paragraph 42.1; nor is the placing of money on deposit or in a current account.
- 42.3 Paragraph 42.1 does not prevent a Fund from providing an officer of the Fund with funds to meet expenditure to be incurred by him for the purposes of the Fund (or for the purposes of enabling him properly to perform his duties as an officer of the Fund) or from doing anything to enable an officer to avoid incurring such expenditure.

43. RESTRICTIONS ON LENDING OF PROPERTY OTHER THAN MONEY

- 43.1 The scheme property of the Funds other than money must not be lent by way of deposit or otherwise.
- 43.2 Transactions permitted by paragraph 47 are not lending for the purposes of paragraph 43.1.
- 43.3 The scheme property of the Funds must not be mortgaged.
- 43.4 Where transactions in derivatives or forward transactions are used for the account of the Company in accordance with any of the provisions of this Appendix, nothing in this paragraph 43 prevents the Company or the Depositary at the request of the Company from lending, depositing, pledging or charging scheme property for margin requirements or transferring scheme property under the terms of this agreement in relation to margin requirements, provided that the ACD reasonably considers that both the agreement and the margin arrangements made under it (including in relation to the level of margin) provide appropriate protections to Shareholders.

44. GENERAL POWER TO ACCEPT OR UNDERWRITE PLACINGS

- 44.1 Any power in Chapter 5 of the COLL Sourcebook to invest in transferable securities may be used for the purpose of entering into transactions to which this paragraph applies, subject to compliance with any restriction in the Instrument of Incorporation.
- 44.2 This section applies, subject to paragraph to any agreement or understanding:
 - 44.2.1 which is an underwriting or sub-underwriting agreement; or
 - 44.2.2 which contemplates that securities will or may be issued or subscribed for or acquired for the account of a Fund.
- 44.3 Paragraph 44.2 does not apply to:
 - 44.3.1 an option; or
 - 44.3.2 a purchase of a transferable security which confers a right:
 - 44.3.2.1 to subscribe for or acquire a transferable security; or
 - 44.3.2.2 to convert one transferable security into another.
 - 44.3.3 The exposure of a Fund to agreements and understandings within paragraph 44.2 must, on any business day:
 - 44.3.3.1 be covered in accordance with the requirements of rule 5.3.3R of the COLL Sourcebook; and
 - 44.3.3.2 be such that, if all possible obligations arising under them had immediately to be met in full, there would be no breach of any limit in Chapter 5 of the COLL Sourcebook.

45. GUARANTEES AND INDEMNITIES

- 45.1 The Company or the Depositary for the account of each Fund must not provide any guarantee or indemnity in respect of the obligation of any person.
- 45.2 None of the scheme property of a Fund may be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person.
- 45.3 Paragraphs 45.1 and 45.2 do not apply in respect of a Fund to:
 - 45.3.1 any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with the FCA rules;
 - 45.3.2 an indemnity falling within the provisions of regulation 62(3) (Exemptions from liability to be void) of the OEIC Regulations;

45.3.3 an indemnity (other than any provision in it which is void under regulation 62 of the OEIC Regulations) given to the Depositary against any liability incurred by it as a consequence of the safekeeping of any of the scheme property by it or by anyone retained by it to assist it to perform its function of the safekeeping of the scheme property; and

45.3.4 an indemnity given to a person winding up a scheme if the indemnity is given for the purposes of arrangements by which the whole or part of the property of that scheme becomes the first property of a Fund and the holders of units in that scheme become the first Shareholders in that Fund.

46. SCHEMES REPLICATING AND INDEX

46.1 In the case of a Fund replicating an index the scheme property need not consist of the exact composition and weighting of the underlying in the relevant index in cases where the Fund's investment objective is to achieve a result consistent with the replication of an index rather than an exact replication.

47. STOCK LENDING

47.1 As an extension of efficient portfolio management techniques explained above, the Company or the Depositary acting in accordance with the instructions of the ACD, may enter into certain stock lending arrangements or repo contracts.

47.2 Any stock lending arrangements or repo entered into must be of the kind described in section 263 B of the Taxation of Chargeable Gains Act 1992 (without extension by section 263 C), but only if:

47.2.1 all the terms of the agreement under which securities are to be reacquired by the Depositary for the account of the Company are in a form which is acceptable to the Depositary and are in accordance with good market practice;

47.2.2 the counterparty is:

47.2.2.1 an authorised person; or

47.2.2.2 a person authorised by a Home State regulator; or

47.2.2.3 a person registered as a broker-dealer with the Securities and Exchange Commission of the United States of America; or

47.2.2.4 a bank, or a branch of a bank, supervised and authorised to deal in investments as principal, with respect to OTC derivatives by at least one of

the following federal banking supervisory authorities of the United States of America: the Office of the Comptroller of the Currency; the Federal Deposit Insurance Corporation; the Board of Governors of the Federal Reserve System; and the Office of Thrift Supervision; and

47.2.3 high quality and liquid collateral is obtained to secure the obligation of the counterparty under the terms referred to in 47.2.1 and the collateral is:

47.2.3.1 acceptable to the Depositary;

47.2.3.2 adequate;

47.2.3.3 sufficiently immediate; and

47.2.3.4 compliant with the requirements of ESMA Guidelines on ETFs and other UCITS issues (ESMA/2012/832EN).

47.3 The counterparty for the purpose of paragraph 47.2 is the person who is obliged under the agreement referred to in paragraph 47.2.1 to transfer to the Depositary the securities transferred by the Depositary under the stock lending arrangement or securities of the same kind.

47.4 Paragraph 47.2.3 does not apply to a stock lending transaction made through Euroclear Bank SA/NV's Securities Lending and Borrowing Programme.

47.5 In addition, the stock lending agent, Securities Finance Trust Company is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending. The fee is calculated as a percentage of the gross income from stock lending. The current fee is 15% of the gross income generated by the stock lending activity. The remaining 85% of gross income generated is returned to the relevant Fund.

47.6 The maximum amount of scheme property which will be used for stock lending purposes for each Fund is 50% of NAV. The expected amount of the scheme property which will be used for stock lending purposes for each Fund is from 0 to 50% of NAV.

47.7 The ACD and the stock lending agent have agreed minimum requirements for a counterparty to be approved for the purposes of entering into a stock lending transaction. The requirements include a list of eligible counterparties that can be transacted with and requires that the counterparty have a minimum credit rating of BBB+ awarded by two of the three following ratings agencies: Standard & Poor's, Fitch and/or Moody's.

48. TREATMENT OF COLLATERAL

- 48.1 Collateral is adequate for the purposes of paragraph 47 only if it is:
- 48.1.1 transferred to the Depositary or its agent;
 - 48.1.2 received under a title transfer arrangement; and
 - 48.1.3 at all times equal in value to the market value of the securities transferred by the depositary plus a premium.
- 48.2 Where the collateral is invested in units in a qualifying money market fund managed or operated by (or, for an ICVC, whose authorised corporate director is) the ACD or an associate of the ACD, the conditions in paragraph 17.5 must be complied with.
- 48.3 Collateral is sufficiently immediate for the purposes of paragraph 47 if:
- 48.3.1 it is transferred before or at the time of the transfer of the securities by the Depositary; or
 - 48.3.2 the Depositary takes reasonable care to determine at the time referred to in paragraph 48.3.1 that it will be transferred at the latest by the close of business on the day of the transfer.
- 48.4 The Depositary must ensure that the value of the collateral at all times meet the requirements of paragraph 48.1.3.
- 48.5 The duty in paragraph 48.4 may be regarded as satisfied in respect of collateral the validity of which is about to expire or has expired where the Depositary takes reasonable care to determine that sufficient collateral will again be transferred at the latest by the close of business on the day of expiry.
- 48.6 Any agreement for transfer at a future date of securities or of collateral (or of the equivalent of either) under this paragraph may be regarded, for the purposes of valuation and pricing of the Company or this Appendix, as an unconditional agreement for the sale or transfer of property, whether or not the property is part of the property of the authorised fund.
- 48.7 Collateral transferred to the Depositary is part of the scheme property for the purposes of the rules in the COLL Sourcebook, except in the following respects:
- 48.7.1 it does not fall to be included in any calculation of NAV or this Appendix, because it is offset under paragraph 48.6 by an obligation to transfer; and

48.7.2 it does not count as scheme property for any purpose of this Appendix other than this paragraph.

48.8 Paragraphs 48.6 and 48.7.1 not apply to any valuation of collateral itself for the purposes of this paragraph.

48.9 Further descriptions of the risk involved in the use of derivative instruments are set out at paragraphs 20 to 28 and risks linked to collateral management and stock lending techniques are set out below.

49. STOCK LENDING AND COLLATERAL RISKS

- 49.1 When a Fund engages in stock lending it will be exposed to counterparty credit risk in that the borrower may default on a loan, become insolvent, or otherwise be unable to meet, or refuse to honour, its obligations to return loaned or equivalent securities. In this event, the relevant Fund could experience delays in recovering the loaned securities, may not be able to recover the loaned securities, and/or may incur a capital loss which might result in a reduction in the net asset value of the Fund. A Fund's exposure to its counterparty will be mitigated by the fact that the counterparty will be requested to post collateral, in the form acceptable to the Depositary, as set out above, and will forfeit its collateral if it defaults on the transaction. If a counterparty defaults and fails to return equivalent securities to those loaned, the Fund may suffer a loss equal to the shortfall between the value of the realised collateral and the market value of the replacement securities.
- 49.2 Such collateral shortfall may arise as a result of inaccurate pricing of the collateral, unfavourable market movements in the value of the collateral, or a lack of liquidity in the market on which the collateral is traded. If the relevant transaction with a counterparty is not fully collateralised, then the Fund's credit exposure to the counterparty in such circumstances will be higher than if the transaction had been fully collateralised.
- 49.3 Where a Fund reinvests cash collateral in one or more of the permitted types of investments above, there is a risk that the investment will earn less than the interest that is due to the counterparty in respect of that cash and that it will return less than the amount of cash that was invested. In such circumstances the Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, and would therefore suffer a loss.

- 49.4 A Fund will be subject to the risk of the inability of any counterparty to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes. Cash or other assets may be passed to counterparties as margin or collateral. Subject to applicable regulations, at any one time, a Fund may be exposed to the creditworthiness of its counterparties in respect of all or part of such margin or collateral. In the event of the insolvency of a counterparty, a Fund may not be able to recover cash or assets of equivalent value in full. In particular, stock lending transactions may, in the event of a default by a counterparty, result in the securities lent being recovered late or only in part. This may result in losses for investors.
- 49.5 For stock lending purposes, a schedule of permitted collateral will be agreed with the stock lending agent and this will be reviewed regularly to assess for risks such as liquidity and credit risks. Where the review highlights concerns on either of these risks, the relevant asset will be removed from the schedule of permitted collateral. Collateral is valued and monitored on a daily basis to ensure compliance with the ACD's collateral requirements. The collateral received must be issued by an entity that is independent from the stock lending counterparty and is expected not to display a high correlation with the performance of that counterparty.
- 49.6 Other risks linked to the management of collateral, such as operational and legal risks, will be identified, managed and mitigated in accordance with the ACD's risk management policy.
- 49.7 Custody risk is managed by virtue of the Depositary holding securities taken as collateral in custody, and cash is only accepted as collateral where it is held for the benefit of the Fund by a tri-party collateral agent. Securities taken as collateral are safe-kept by the Depositary with sub-custody arrangements in place with the collateral custodian.
- 49.8 Legal risk is managed by the ACD ensuring that appropriate contractual arrangements are in place with third parties. For derivative transactions, this involves contractual arrangements between the Depositary and the derivatives counterparty. For stock lending transactions, the ACD has contractual arrangements in place with the stock lending agent (including but not limited to an indemnity programme), whilst the Depositary has contractual arrangements in place with the collateral custodian.

Table 1

The following is a list of the names of the States, local authorities and public international bodies ("**issuers**") in whose government and public securities any one or more of the Funds can invest more than 35% of its assets:-

1	The government of the United Kingdom
2	The government of Canada
3	The government of France
4	The government of Germany
5	The government of Italy
6	The government of Japan
7	The government of United States of America
8	The government of Austria
9	The government of Belgium
10	The government of Denmark
11	The government of Finland
12	The government of Greece
13	The government of Iceland
14	The government of Ireland
15	The government of Liechtenstein
16	The government of Luxembourg
17	The government of Netherlands
18	The government of Norway
19	The government of Portugal
20	The government of Spain
21	The government of Sweden

The following table indicates (by reference to the numbers used in the above list), in relation to each Fund, those of the issuers listed above in whose government and public securities that Fund can invest more than 35% of its assets:-

Fund	Reference Numbers
Aberdeen Target Return Bond Fund	1-7
Aberdeen Short Term Government Bond Fund	1
Aberdeen Sterling Government Bond Fund	1
Aberdeen Sterling Bond Fund	1
Aberdeen Sterling Index-Linked Bond Fund	1-7
Aberdeen Sterling Long Dated Government Bond Fund	1-21
Aberdeen Euro Corporate Bond Fund	1, 3, 4, 5 and 8-21
Aberdeen Strategic Bond Fund	1-21

General

REPORT AND ACCOUNTS

The annual accounting period of the Company ends on 31 July or a day chosen by the ACD, with the agreement of the Depositary, being within seven days of that date.

From 27 February 2017, the annual and half-yearly short reports of the Company will no longer be produced and distributed to Shareholders. The annual long report of the Company will continue to be published on or before 30 November and the half-yearly long report on or before 31 March in each year. Long reports are available on request from the ACD.

Copies of the most recent annual and half-yearly long reports may be inspected at, and copies obtained free of charge from the ACD at its registered office during ordinary office hours. Copies of the long reports together with further information about how the Funds are managed can also be found on aberdeen-asset.co.uk.

VOTING

Voting Rights

Entitlement to receive notice of a particular meeting or adjourned meeting and to vote at such a meeting is determined by reference to those persons who are holders of Shares in the Company on the date seven days before the notice is sent ("the cut-off date"), but excluding any persons who are known not to be holders at the relevant date.

At a meeting of Shareholders on a show of hands every holder who (being an individual) is present in person or, if a corporation, is represented by a properly authorised representative, has one vote. On a poll votes may be given either personally or by proxy and the voting rights attached to a Share are such proportion of the total voting rights attached to all Shares in issue as the price of the Share bears to the aggregate price of all Shares in issue on the cut-off date. A holder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way. A vote will be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman, by the Depositary or by two Shareholders present in person or by proxy.

An instrument appointing a proxy may be in any usual or common form or in any other form approved by the ACD. It should be in writing under the hand of the appointor or his attorney or, if the appointor is a corporation, either under the common seal or under the hand of a duly authorised officer or attorney. A person appointed to act as a proxy need not be a holder.

The quorum at a meeting of holders is two Shareholders present in person or by proxy or (in the case of a corporation) by a duly authorised representative. If a quorum is not present within half an hour of the time appointed, the meeting will (if requisitioned by Shareholders) be dissolved and in any other case will be adjourned. If at such adjourned meeting a quorum is not present within 15 minutes from the appointed time, one person entitled to count in a quorum will be a quorum.

A corporation, being a holder, may by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of holders and the person so authorised is entitled to exercise the same powers on behalf of the corporation which he represents as the corporation could exercise if it were an individual holder.

In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority is determined by the order in which the names stand in the register of Shareholders.

The ACD is entitled to attend any meeting but, except in relation to third party Shares, is not entitled to vote or be counted in the quorum, and any Shares it holds are treated as not being in issue for the purpose of such meetings. An associate of the ACD is entitled to attend any meeting and may be counted in the quorum, but may not vote except in relation to third party Shares. For this purpose third party Shares are shares held on behalf of or jointly with a person who, if himself the registered Shareholder, would be entitled to vote, and from whom the ACD or the associate (as relevant) has received voting instructions. Where every Shareholder within a Fund is prohibited under COLL 4.4.8R (4) from voting, a resolution may, with the prior written agreement of the Depositary, instead be passed with the written consent of Shareholders representing 75% of the Shares of the Fund in issue.

Powers of a Shareholders' Meeting

The Company's constitution and the COLL Sourcebook empower the Shareholders in general meeting to sanction or require various steps (usually subject to FCA approval), including:

- changes to certain provisions of the Company's Instrument of Incorporation and this Prospectus.
- the removal of the ACD.
- the amalgamation or reconstruction of the Company.

In certain cases (for example, the approval of changes to the investment objectives of a Fund) an extraordinary resolution, ie a resolution notified and proposed as such and passed by a majority of not less than three-quarters of the votes validly cast, is required.

General

Other provisions of the Company's Instrument of Incorporation and this Prospectus may be changed by the ACD or Directors without the sanction of a Shareholders' meeting in accordance with the COLL Sourcebook.

TRANSFER OF SHARES

A Shareholder is entitled (subject as mentioned below) to transfer Shares by an instrument of transfer in any usual or common form or in any other form approved by the ACD. The ACD is not obliged to accept a transfer if it would result in the holder, or the transferee, holding less than the minimum holding of Shares of the Class in question. The instrument of transfer, duly stamped if it is required to be stamped, must

be lodged with the Registrar for registration. The transferor remains the holder until the name of the transferee has been entered in the register.

The Company or the Registrar may require the payment of such reasonable fee as the ACD and the Company may agree for the registration of any grant of probate, letters of administration or any other documents relating to or affecting the title to any Share.

WINDING UP OF THE COMPANY AND TERMINATION OF FUNDS

Winding up the Company

The Company may be wound up under the provisions of the COLL Sourcebook or as an unregistered company under Part V of the Insolvency Act 1986. Winding up under the COLL Sourcebook is only permitted with the approval of FCA and if a statement has been lodged with the FCA by the ACD confirming that the Company will be able to meet all its liabilities within twelve months of the date of the statement (a "solvency statement").

Subject to the foregoing, the Company will be wound up under the COLL Sourcebook:

- if an extraordinary resolution to that effect is passed; or
- if FCA agrees to a request by the ACD for the revocation of the authorisation order in respect of the Company.

Winding up under the COLL Sourcebook is carried out by the ACD, which will, as soon as practicable, cause the property of the Company attributable to each Fund to be realised and the liabilities of the Company attributable to the Funds to be met out of the proceeds. Provided that there are sufficient liquid funds available after making provision for the expenses of winding up and the discharge of the liabilities of the Company; the ACD may arrange for interim distribution(s) to be made to Shareholders; when all liabilities have been met, the balance (net of a provision for any further expenses of the Company) will be distributed to Shareholders. The distributions out of each Fund will be made to the holders of Shares linked to the relevant Fund.

On completion of the winding up, the Company will be dissolved and any money (including unclaimed distributions) standing to the account of the Company will be paid into court within one month of dissolution.

Termination of a Fund

A Fund may be terminated with the approval of the FCA, if a solvency statement is lodged with the FCA in respect of the liabilities of the Company relating to the Fund and:

- an extraordinary resolution to that effect has been passed at Class meeting(s) of the Class(es) of shares linked to the Fund; or
- the FCA has agreed to a request by the ACD for the termination of the Fund.

The ACD may make such a request, among other circumstances, if at any time after the first anniversary of the issue of the first shares linked to the Fund, the net value of the assets of the Company attributable to the Fund is less than £10 million.

Termination of a Fund will be carried out by the ACD in accordance with the COLL Sourcebook in broadly the same way as the winding up of the Company as described above.

OTHER INFORMATION

Recategorisation of the Company

If for a period of 24 consecutive months starting at any time after the first issue of any shares of the Company, shares linked to less than two Funds are in issue, the ACD is required by the COLL Sourcebook to take steps to change the category of the Company (so that it ceases to be an umbrella company) or to cause shares linked to another Fund to be issued.

Delegation

The ACD and, subject to exceptions specific in the COLL Sourcebook, the Depositary may retain (or arrange for the Company to retain) the services of other persons to assist them in the performance of their respective functions and, in relation to certain functions, the ACD or the Depositary (as applicable) will not be liable for the actions of the persons so appointed, provided certain provisions of the COLL Sourcebook apply.

Provision of Administration services

In performing its role as authorised corporate director, the ACD may delegate such of its functions as it may determine from time to time. As at the date of this Prospectus, certain investment administration functions are provided by BNP Paribas Securities Services, London Branch.

The Registrar is an English company limited by shares with its registered office at DST House, St Nicholas Lane, Basildon, Essex, SS15 5FS. It is authorised and regulated by the FCA.

Provision of Fund Accounting services

Fund accounting services are provided by Citibank N.A., London Branch.

Conflicts of Interest

The Depositary or any associate of the Depositary, or of any Investment Adviser may (subject to the COLL Sourcebook) hold money on deposit from, lend money to, or engage in stock lending transactions in relation to the Company, so long as the services concerned are provided at arm's length terms.

The Depositary, the ACD or any Investment Adviser or any associate of any of them may sell or deal in the sale of property to the Company or purchase property from the Company provided the applicable provisions of the COLL Sourcebook are applied and observed.

Subject to compliance with the COLL Sourcebook the ACD may be party to or interested in any contract, arrangement or transaction to which the Company is a party to or in which it is interested. The ACD is entitled at its own discretion to determine the terms of its appointment as such.

The Depositary, the ACD, or any Investment Adviser or any associates of any of them will not be liable to account to the Company or any other person, including the holders of Shares or any of them, for any profit or benefit made or derived from or in connection with:

- (a) their acting as agent for the Company in the sale or purchase of property to or from the Funds; or
- (b) their part in any transaction for the supply of services permitted by the COLL Sourcebook; or
- (c) their dealing in property equivalent to any owned by (or dealt in for the account of) the Company.

The ACD, Investment Adviser and other associated companies have established and implemented a conflicts of interest policy pursuant to the COLL Sourcebook which shall be read in conjunction with the conflicts of interest handbook (hereinafter collectively referred to as the "conflicts of interest policy") (both of which may be revised and updated from time to time) and are available to Shareholders on request. The conflicts of interest policy sets out how the ACD, Investment Adviser and/or other associated companies must seek to identify, prevent and manage all conflicts of interest.

Liability and Indemnity

With the exceptions mentioned below:

- the ACD, the Depositary and the Auditors are each entitled under the Instrument of Incorporation of the Company to be indemnified against any loss, damage or liability incurred by them in or about the execution of their respective powers and duties in relation to the Company; and
- the ACD and the Depositary are, under the terms of their respective agreements with the Company, exempted from any liability for any loss or damage suffered by the Company.

The above provisions will not, however, apply in the case of:

- any liability which would otherwise attach to the ACD or the Auditors in respect of any negligence, default, breach of duty or trust in relation to the Company;
- any liability on the part of the Depositary for any failure to exercise due care and diligence in the discharge of its functions;
- any breach by the ACD or the Depositary of their respective obligations under the Financial Services And Markets Act 2000 or any rules made under or in pursuance of that Act.
- any liability on the part of the Depositary in respect of financial instruments which are "lost" (as defined in the Level 2 Regulations) by the Depositary or any third party to which the Depositary has delegated its safekeeping functions, or for all other losses suffered by the Company or by the Shareholders as a result of the Depositary's negligent or intentional failure to comply with or otherwise fulfil its obligations under applicable law.

Rebate of Fees; Commission

Subject to the FCA Rules, the ACD may at its sole discretion rebate any annual management charge it receives in respect of any application for, or holding of, Shares. Similarly, the Company may rebate or waive its charges in relation to any exchange of Shares.

Any initial charge collected by the Company for the benefit of a Fund may not be rebated to any persons by way of a commission or discount. Otherwise, a proportion of any initial charge may be rebated to the introducer (the investor's financial intermediary) in the form of commission payment. Each investor should check with its financial intermediary regarding the amount of commission such financial intermediary has received.

Best execution

Details of the ACD's Execution Policy are available to investors free of charge from the ACD.

Exercise of Voting Rights in respect of Scheme Property

The ACD has developed and maintains adequate and effective strategies for determining when and how voting rights attached to ownership of scheme property are to be exercised, to the exclusive benefit of the Scheme. A summary description of these strategies, as well as details of any actions taken on the basis of these strategies, is available to Investors at the offices of the ACD.

Collateral Management Policy

The ACD has a collateral management policy which it keeps under regular review. The policy defines "eligible" types of collateral which the Funds may receive to mitigate counterparty exposure. The policy will also include any additional restrictions deemed appropriate by the ACD. If this were to change the policy will be revised and updated. For stock lending transactions receivable collateral will usually consist of government bonds. The maturity of these bonds may vary and it is not subject to limitations.

Whilst the collateral may not cover the full value of the counterparty exposure of a Fund, the ACD aims to fully cover the value of that exposure at all times. Where a Fund re-invests cash collateral in one or more permitted types of investment, there is a risk that the investment will earn less than the interest that is due to the counterparty in respect of that cash and that it will return less than the amount of cash that was invested.

Collateral will be valued, and may be adjusted, on a daily basis, using available market prices. The valuation of collateral reflects the daily market to mark to market value and takes into account appropriate discounts which will be determined by the ACD for each asset class.

All collateral used to reduce counterparty risk will comply with the following criteria at all times:

- it must be highly liquid and traded on a regulated market;
- it must be valued at least daily;
- it must be of high credit quality;
- it will not be highly correlated with the performance of the counterparty;

- it will be sufficiently diversified in terms of country, markets and issuers (in accordance with ESMA Guidelines on ETFs and other UCITS issues (ESMA/2012/832EN));
- it will be held by the Depositary or a third party custodian which is subject to prudential supervision and which is unrelated to the provider of the collateral; and
- it will be capable of being fully enforced by the ACD at any time without reference or approval from the counterparty.

Permitted collateral includes (subject to the rules on stock lending under COLL 5.4) cash and government or other public securities.

Non-cash collateral will not be sold, re-invested or pledged. Cash collateral will only be:

- placed on deposit with entities that meet the requirements of Article 50(f) of the UCITS Directive; or
- invested in high-quality government bonds; or
- used for the purpose of reverse repo transactions with credit institutions that are subject to prudential supervision (and on terms that permit the ACD to recall at any time the full amount of cash on an accrued basis); or
- invested in short-term money market funds as defined in ESMA's (then CESR's) Guidelines on a Common Definition of European Money Market Funds.

Remuneration Policy

In accordance with the COLL Rules, the ACD has approved and adopted a UCITS V Remuneration Policy Statement in conjunction with the remuneration policy established and implemented by the ACD and other associated companies (together, the "Remuneration Policy"). The ACD believes the UCITS V Remuneration Policy Statement is consistent with the UCITS Remuneration Code; is consistent with, and promotes sound and effective risk management; does not encourage risk-taking which is inconsistent with the risk profiles of the Funds or the Instrument of Incorporation, and does not impair compliance of the ACD's duty to act in the best interests of each of the Funds and the Shareholders. The ACD believes that rewarding staff for their contribution is key to recruiting and retaining a talented workforce.

The Remuneration Policy has been designed to:

- Align the interests of staff with the sustained long-term interests of the ACD, the Funds, the business, shareholders, and other stakeholders;
- Focus on performance-related pay, at both a corporate and an individual level, tempered by an emphasis on ensuring that performance is not achieved by taking risks which fall outside the risk appetite of the ACD and/or other associated companies and its funds;
- Promote sound risk management and discourage risk taking that exceeds the level of risk tolerated by the ACD and/or other associated companies, having regard to the investment profiles of funds;

- Incorporate measures to avoid conflicts of interest; and
- Offer fixed remuneration and award incentives which are reasonable and competitive within the asset management sector.

A Remuneration Committee has been established that operates on a group-wide basis. The Remuneration Committee is responsible for:

- Approving the Remuneration Policy;
- Approving the remuneration packages of senior executives;
- Determining the size of any annual variable pay pool;
- Approving the design of incentive plans; and
- Considering the recruitment and redundancy of certain employees.

Details of the up-to-date UCITS V Remuneration Policy Statement, including, but not limited to, a description of how remuneration and benefits are calculated, and the identities of persons responsible for awarding remuneration and benefits including the composition of the Remuneration Committee, is available at aberdeen-asset.com. A paper copy is made available free of charge upon request at the ACD's registered office.

Benchmark Regulation

Unless otherwise disclosed in this Prospectus, the indices or benchmarks used by the Funds for the purpose of defining the asset allocation of their portfolio are, as at the date of this Prospectus, provided by benchmark administrators who benefit from the transitional arrangements afforded under the Benchmark Regulation and accordingly may not appear yet on the register of administrators and benchmarks maintained by ESMA pursuant to the Benchmark Regulation. Benchmark administrators should apply for authorisation or registration as an administrator under Benchmark Regulation before 1 January 2020. Updated information on this register should be available no later than 1 January 2020. The ACD maintains a written plan setting out the actions that will be taken in the event of the benchmark materially changing or ceasing to be provided.

Complaints

Any complaint should be referred to the ACD at 10 Queen's Terrace, Aberdeen AB10 1XL. Alternatively, you can also make a complaint by:

Telephone: **01224 404490**

E-Mail: complaints@aberdeen-asset.com

If a satisfactory final response has not been obtained the complaint may be referred to the Financial Ombudsman Service at Exchange Tower, London E14 9SR. Alternatively, you can contact the Financial Ombudsman Service by:

Telephone: **0800 023 4 567** or from outside UK

+44 20 7964 1000

E-Mail: complaint.info@financial-ombudsman.org.uk

A copy of the ACD's complaints procedure is available on request, free of charge from the compliance officer at Bow Bells House, 1 Bread Street, London, EC4M 9HH.

Financial Services Compensation Scheme for Retail investors

We are covered by the Financial Services Compensation Scheme, which means if we become insolvent, you may be entitled to compensation. The level of compensation will depend on the type of business and the circumstances of your claim. Currently, investments are covered for 100% of the first £50,000. Details are available from the FSCS Helpline on 0800 678 1100 or 020 7741 4100 and on the FSCS website: www.fscs.org.uk.

General

A notice of an applicant's right to cancel the agreement to purchase Shares will be forwarded, where this is required by rules made under the Conduct of Business Sourcebook.

When the investment is in a lump sum investment (or the first payment, being larger than the second payment, in a regular payment Savings Plan) an applicant who is entitled to cancel and does so will not get a full refund of the money paid by him if the purchase price of the Shares falls before the cancellation notice is received by the ACD, because an amount equal to such fall (the "shortfall") will be deducted from the refund he would otherwise receive. Where the purchase price has not yet been paid the applicant will be required to pay the amount of the shortfall to the ACD. The deduction does not apply where the service of the notice of the right to cancel precedes the entering into of the agreement. Cancellation rights must be exercised by posting a cancellation notice to the ACD on or before the 14th day after the date on which the Notice of the Right to Cancel is received.

The address for service on the Company of notices of other documents required or authorised to be served on it is 10 Queen's Terrace, Aberdeen AB10 1XL.

Copies of this Prospectus may be inspected at, and obtained from, the ACD at its registered office during ordinary office hours.

Copies of the Instrument of Incorporation and any amendments thereto may be inspected at, and copies obtained from the ACD at its registered office - a fee may be charged for copies of the Instruments of Incorporation.

This Prospectus describes the constitution and operation of the Company at the date of this Prospectus. In the event of any materially significant change in the matters stated herein or any materially significant new matter arising which ought to be stated herein this Prospectus will be revised. Investors should check with the ACD that this is the latest version and that there have been no revisions or updates.

Appendix I

Eligible securities Markets in which Funds may invest

All Funds may deal through securities markets established in an EU or EEA State on which transferable securities admitted to official listing in an EU or EEA State are dealt in or traded (approved securities).

In addition up to 10% in value of any Fund may be invested in transferable securities which are not approved securities.

The ACD, after consultation with the Depositary, has agreed that the following exchanges are eligible markets in the context of the investment policies of the Funds:

SECURITIES

Australia	Australian Securities Exchange
Bermuda	Bermuda Stock Exchange
Brazil	BM&FBOVESPA
Canada	Toronto Stock Exchange TSX Venture Exchange Montreal Stock Exchange
Chile	Bolsa de Comercio De Santiago
Colombia	Bolsa Colombia
Mainland China*	Shanghai Stock Exchange Shenzen Stock Exchange Shanghai-Hong Kong Stock Connect China Interbank Bond Market
Croatia	Zagreb Stock Exchange
Czech Republic	Prague Stock Exchange
Dubai	NASDAQ Dubai Dubai Financial Market
Egypt	Cairo and Alexander Stock Exchange
Guernsey	Channel Islands Securities Exchange
Hong Kong	Hong Kong Stock Exchange Hong Kong Growth Enterprise Market Shanghai-Hong Kong Stock Connect Shenzhen-Hong Kong Stock Connect
Hungary	Budapest Stock Exchange
India	Calcutta Stock Exchange BSE National SE (NSE)
Indonesia	Indonesia SE (IDX)
Israel	Tel-Aviv Stock Exchange (TASE)
Japan	Fukuoka Stock Exchange Nagoya Stock Exchange Sapporo Securities Exchange Tokyo Stock Exchange JASDAQ Osaka Securities Exchange
Korea (South)	KOSDAQ Korea Stock Exchange
Malaysia	Bursa Malaysia

APPENDIX I CONTINUED

Mexico	Bolsa Mexicana de Valores
New Zealand	NZX
Peru	Bolsa de Valores de Lima
Philippines	Philippines SE
Poland	Warsaw Stock Exchange
Romania	Bucharest Stock Exchange
Russia	MICEX MICEX - RTS
Singapore	Singapore Exchange (SGX)
South Africa	Johannesburg Stock Exchange (JSE)
Sri Lanka	Colombo Stock Exchange (CSE)
Switzerland	SIX Swiss Exchange
Taiwan	Taiwan Stock Exchange (TWSE) Tai Securities Market
Thailand	The Stock Exchange of Thailand (SET)
Turkey	Istanbul Stock Exchange (ISE)
USA	New York Stock Exchange (NYSE) American Stock Exchange Boston Stock Exchange National Stock Exchange Pacific Stock Exchange Philadelphia Stock Exchange NYSE AMEX NASDAQ
Other EU	Alternative Investment Markets Virt -x

* Additional information about investing in Mainland China:

Where a Fund's Investment Objective and Policy permits investment in Mainland China, such investment may be made via the Shanghai-Hong Kong Stock Connect programme and/or the Shenzhen-Hong Kong Stock Connect programme (together referred to as "Stock Connect"). Stock Connect is a cross-boundary investment channel that connects both the Shanghai and Shenzhen stock exchanges with the Hong Kong stock exchange.

China A Shares

Investing in China A shares involves special considerations and risks, including without limitation greater price volatility, less developed regulatory and legal framework, economic, social and political instability of the stock market in the PRC.

There are restrictions on the amount of China A shares which a single foreign investor is permitted to hold and restrictions on the combined holdings of all foreign investors in a single company's China A shares. Where those limits are reached, no further purchase of those shares will be permitted until the holding is reduced below the threshold and if the thresholds are exceeded, the relevant issuer of the China A shares may sell

those shares to ensure compliance with Chinese law which may mean that the relevant China A shares are sold at a loss.

China A shares are denominated in Renminbi ("RMB") and as RMB is not the base currency of these Funds the ACD may have to convert payments from RMB into Sterling when realising China A Shares and convert Sterling into RMB when purchasing China A Shares. The exchange rate for RMB may be affected by, amongst other things, any exchange control restrictions imposed by the government in the PRC which may adversely affect the market value of these Funds.

China A shares are held by third party securities settlement systems in Hong Kong (Hong Kong Securities Clearing Company ["HKSCC"]) and the PRC ("ChinaClear") where they are mixed with other investors' assets and may be subject to lower safekeeping, segregation and record keeping requirements than investments held domestically or in the European Union.

It is considered unlikely that ChinaClear will become insolvent but, if it does so, HKSCC is likely to seek to recover any outstanding China A shares from ChinaClear through available legal channels but it is not obligated to do so. If HKSCC does

not enforce claims against ChinaClear these Funds may not be able to recover their China A shares.

The tax treatment of China A shares is uncertain and particularly whether capital gains tax applies. There is a risk that capital gains realised may be subject to additional taxation in the future.

Stock Connect

Stock Connect is a new and relatively untested scheme whose rules may change at any time in a manner which may adversely impact these Funds.

Stock Connect will only operate when banks in Hong Kong and the PRC are both open.

The ability of these Funds to invest through Stock Connect is subject to the performance by HKSCC of its obligations and any failure or delay by HKSCC may result in the failure of settlement, or loss of China A shares.

It is not possible to buy and sell shares on the same day on Stock Connect.

Not all China A shares are eligible for trading through Stock Connect and if a China A share ceases to be eligible, further purchases of such shares will not be permitted, although these Funds will always be able to sell such shares.

Stock Connect is currently subject to both daily and aggregate trading caps which if exceeded will lead to suspension of trading for that day or other relevant period which may mean that an order to purchase China A shares cannot be processed. Under the Stock Connect rules, these Funds will always be able to sell China A shares regardless of whether the daily or aggregate quota has been exceeded. The daily or aggregate quotas can be changed from time to time without prior notice.

China A Shares traded through Stock Connect are uncertificated and are held in the name of HKSCC or its nominee. PRC law may not recognise the beneficial ownership of the China A shares by these Funds and, in the event of a default of ChinaClear, it may not be possible for the China A shares held by these Funds to be recovered.

Transactions in Stock Connect will not be covered by the Investor Compensation Scheme in Hong Kong nor the equivalent scheme in the PRC.

Some Funds may also invest in the China Interbank Bond Market, which is made up of the interbank bond market and the exchange listed bond market. The China Interbank Bond Market was established in 1997. The main products traded in this market include government bonds, central bank papers, policy bank bonds and corporate bonds. Registration, settlement and clearance of interbank bonds are performed by China Central Depository & Clearing Co., Ltd ("CCDC") or Interbank Market Clearing House Co., Ltd (also known as Shanghai Clearing House) ("SCH") which are the centralised securities depository and settlement institutions for the China Interbank Bond Market. Different types of interbank bonds are registered and traded on CCDC and SCH, respectively. Certain overseas investors may be allowed to trade interbank bonds on the China Interbank Bond Market by registering with the People's Bank of China ("PBOC") and appointing a settlement agent to handle the trading, clearance and settlement of interbank bonds. Funds which invest in interbank bonds will be registered with the PBOC by its Sub-Adviser, Aberdeen Standard Investments (Asia) Limited. Interbank bonds purchased by a Fund will be held in accounts in CCDC or SCH opened in the name of Aberdeen Standard Investments (Asia) Limited and the relevant Fund. The above regulation is all relatively new, novel in nature and may be subject to further revisions in the future.

Appendix II

Eligible Derivatives Markets in which Funds may invest

Austria – Wiener Borse
Australian Securities Exchange; Futures and Options Exchange and Sydney Futures Exchange
Bermuda Stock Exchange
BME Spanish Exchanges
Bourse de Montreal
Brazil – Brazilian Mercantile and Futures Exchange; Bo Vespa Sao Paulo
CME Group Inc
Chicago Board of Trade
Chicago Board Options Exchange
Eurex – Finland
Eurex – Germany
Euronext – Belgium
Euronext Paris
Euronext – Netherlands
Euronext Amsterdam
Hong Kong Futures Exchange
Irish Stock Exchange
JSE Securities Exchange
Kansas City Board of Trade
Korea Exchange Incorporated (KRX)
LIFFE / ICE Futures Europe
London Securities and Derivatives Exchange (OMLX)
Luxembourg Stock Exchange
MEFF Renta Fija
MEFF Renta Variable
Mercato Italiano Futures (IDEM)
MICEX – RTS (Russian Trading System)
NASDAQ OMX Copenhagen A/S
NASDAQ OMX Futures Exchange
NASDAQ OMX PHLX
NASDAQ OMX Stockholm AB
New York Futures Exchange
New York Mercantile Exchange
New York Stock Exchange
NYSA Acra
NYSE AMEX
NZX Limited
OM Stockholm
Osaka Securities Exchange
Singapore Exchange (SGX)
South African Futures Exchange (Safex)
Tokyo Stock Exchange
US OTC Markets
Vienna Stock Exchange

Appendix III

Share Classes in Issue

The following Share Classes are currently in issue:

- A Shares – net accumulation
- A Shares – net income
- G Shares – net accumulation
- G Shares – net income
- I Shares – net accumulation
- I Shares – net income
- I Gross Acc – gross accumulation
- I Gross Inc – gross income
- K Shares – net accumulation
- K Shares – net income
- K Gross Acc – gross accumulation
- K Gross Inc – gross income
- L Shares – net accumulation
- L Shares – net income
- P Shares – net income
- P Gross Inc – gross income
- Q Shares – net income
- Q Gross Inc – gross income
- Z Shares – net accumulation
- Z Shares – net income
- Z Gross Acc – gross accumulation
- Z Gross Inc – gross income

The ACD also intends to issue shares in the following Share Class:

- M Shares – net accumulation
- M Shares - net income

but as at the date of this Prospectus these are not currently available for issue.

Share Classes Available for Investment

Not all Share Classes are available for investment in all Funds. **For up to date details of the Share Classes of each Fund available for investment, please refer to aberdeen-asset.co.uk. A KIID will be published on that website for each Share Class that is available for investment from time to time.**

Effective Operating, Administrative and Servicing Expenses

The effective fixed rate of the Operating, Administrative and Servicing Expenses applicable to Share Classes available for investment as at the date of this Prospectus are as follows. The referenced rates may be subject to change up to the maximum fixed rates as provided for in the 'Operating, Administrative and Servicing Expenses' section of this Prospectus which shall be updated accordingly at the next available opportunity.

APPENDIX III CONTINUED

	A Shares Effective rate of Operating, Administrative and Servicing Expenses %	G Shares Effective rate of Operating, Administrative and Servicing Expenses %	I Shares Effective rate of Operating, Administrative and Servicing Expenses %	K Shares Effective rate of Operating, Administrative and Servicing Expenses %	L Shares Effective rate of Operating, Administrative and Servicing Expenses %	M Shares Effective rate of Operating, Administrative and Servicing Expenses %	Z Shares Effective rate of Operating, Administrative and Servicing Expenses %	P Shares Effective rate of Operating, Administrative and Servicing Expenses %	Q Shares Effective rate of Operating, Administrative and Servicing Expenses %
Aberdeen Asia Pacific and Japan Equity Fund	0.12	-	0.12	-	-	0.19	-	-	-
Aberdeen Asia Pacific Equity Fund	0.21	-	0.21	-	-	0.25	0.21	-	-
Aberdeen Corporate Bond Fund	0.11	-	0.11	-	-	0.13	0.11	0.11	0.04
Aberdeen Eastern European Equity Fund	0.19	-	0.19	-	-	0.24	-	-	-
Aberdeen Emerging Markets Bond Fund	0.15	-	0.15	-	-	0.20	0.15	-	-
Aberdeen Emerging Markets Equity Fund	0.21	0.21	0.21	-	-	0.26	0.21	-	-
Aberdeen Ethical World Equity Fund	0.12	-	0.12	-	-	0.17	-	-	-
Aberdeen Euro Corporate Bond Fund	0.11	-	0.11	-	-	0.16	-	-	-
Aberdeen European Equity Fund	0.12	-	0.12	-	-	0.17	0.12	-	-
Aberdeen European High Yield Bond Fund	0.11	-	0.11	-	-	0.16	0.11	-	-
Aberdeen European Property Share Fund	0.10	-	0.10	-	-	0.15	0.10	-	-
Aberdeen European Smaller Companies Equity Fund	0.12	-	0.12	0.12	-	0.17	0.12	-	-
Aberdeen Financial Equity Fund	0.12	-	0.12	-	-	0.17	-	-	-
Aberdeen Global High Yield Bond Fund	0.11	-	0.11	-	-	0.15	0.11	0.11	0.03
Aberdeen Japan Equity Fund	0.12	-	0.12	-	-	0.17	-	-	-
Aberdeen Latin American Equity Fund	0.19	-	0.19	-	-	0.24	-	-	-
Aberdeen Diversified Income Fund	0.10	-	0.10	-	-	0.23	0.10	-	-
Aberdeen Multi-Asset Fund	0.10	-	0.10	-	-	0.23	-	-	-
Aberdeen North American Equity Fund	0.12	-	0.12	-	-	0.17	0.12	-	-
Aberdeen Property Share Fund	0.10	-	0.10	0.10	-	0.16	-	-	-
Aberdeen Responsible UK Equity Fund	0.12	-	0.12	-	-	0.17	-	-	-
Aberdeen Sterling Bond Fund	0.11	-	0.11	0.11	0.11	0.17	0.11	-	-
Aberdeen Sterling Government Bond Fund	0.10	-	0.10	-	-	0.15	0.10	0.10	0.04
Aberdeen Sterling Index-Linked Bond Fund	0.10	-	0.10	0.10	-	0.15	0.10	-	-

	A Shares Effective rate of Operating, Administrative and Servicing Expenses %	G Shares Effective rate of Operating, Administrative and Servicing Expenses %	I Shares Effective rate of Operating, Administrative and Servicing Expenses %	K Shares Effective rate of Operating, Administrative and Servicing Expenses %	L Shares Effective rate of Operating, Administrative and Servicing Expenses %	M Shares Effective rate of Operating, Administrative and Servicing Expenses %	Z Shares Effective rate of Operating, Administrative and Servicing Expenses %	P Shares Effective rate of Operating, Administrative and Servicing Expenses %	Q Shares Effective rate of Operating, Administrative and Servicing Expenses %
Aberdeen Sterling Long Dated Corporate Bond Fund	-	-	-	0.11	-	-	0.11	-	-
Aberdeen Sterling Long Dated Government Bond Fund	0.10	-	0.10	0.10	-	0.15	0.10	-	-
Aberdeen Sterling Money Market Fund	0.05	-	0.05	-	-	0.10	0.05	-	-
Aberdeen Sterling Opportunistic Corporate Bond Fund	0.11	-	0.11	-	-	0.17	0.11	0.11	0.03
Aberdeen Sterling Short Dated Corporate Bond Fund	0.05	-	0.05	0.05	-	0.10	0.05	-	-
Aberdeen Sterling Short Term Government Bond Fund	0.05	-	0.05	-	-	0.10	0.05	0.05	-
Aberdeen Strategic Bond Fund	0.11	-	0.11	-	-	0.16	0.11	-	-
Aberdeen Target Return Bond Fund	0.11	-	0.11	0.11	-	0.16	0.11	-	-
Aberdeen UK Equity Fund	0.10	-	0.10	0.10	0.10	0.15	-	-	-
Aberdeen UK Equity Income Fund	0.10	-	0.10	0.10	-	0.15	-	-	-
Aberdeen UK Mid-Cap Equity Fund	0.10	-	0.10	0.10	-	0.15	0.10	-	-
Aberdeen UK Smaller Companies Equity Fund	0.10	-	0.10	0.10	-	0.15	0.10	-	-
Aberdeen World Equity Fund	0.12	-	0.12	-	0.12	0.17	-	-	-
Aberdeen World Equity Income Fund	0.12	-	0.12	-	-	0.17	-	-	-
Aberdeen World Opportunistic Bond Fund	0.11	-	0.11	-	-	0.16	0.11	-	-

Appendix IV

Directors of the ACD

Mr Gary Marshall

Mr Alan Hawthorn

Mr William Hemmings

Mr Jonathan Sim

Mrs Mandy Pike

Mr Aron Mitchell

Mr Ivor McKee

Mrs Allison Donaldson

THE MAIN BUSINESS ACTIVITIES OF THE DIRECTORS NOT CONNECTED WITH THE BUSINESS OF THE ACD:

A complete list of other directorships can be provided on written request

Appendix V

Historic Performance

Name	Year to 31/01/2018 (%)	Year to 31/01/2017 (%)	Year to 31/01/2016 (%)	Year to 31/01/2015 (%)	Year to 31/01/2014 (%)
Aberdeen Asia Pacific and Japan Equity Fund A Acc	15.11	39.45	-15.28	18.19	-10.92
Aberdeen Asia Pacific Equity Fund A Acc	16.51	40.85	-19.34	18.61	-12.92
Aberdeen Corporate Bond Fund Class A Acc	5.60	8.43	-4.85	13.47	3.65
Aberdeen Diversified Income Fund A Acc	6.23	15.20	-6.65	10.03	4.11
Aberdeen Eastern European Equity Fund A Acc	7.55	41.85	0.26	-12.95	-18.13
Aberdeen Emerging Markets Bond Fund A Acc	8.09	16.15	-7.17	3.93	-6.93
Aberdeen Emerging Markets Equity Fund A Acc	14.47	41.81	-17.28	18.35	-19.25
Aberdeen Ethical World Equity Fund Class A Inc	10.40	40.21	-16.14	13.19	-2.03
Aberdeen Euro Corporate Bond Fund Class A Inc	4.94	15.44	-0.42	-2.16	-0.23
Aberdeen European Equity Fund A Acc	15.91	26.12	-5.87	8.79	0.95
Aberdeen European High Yield Bond Fund A Acc	5.02	8.82	2.35	2.34	6.91
Aberdeen European Property Share Fund Class A Acc	19.88	7.09	-0.81	27.26	8.84
Aberdeen European Smaller Companies Equity Fund A Acc	22.22	26.89	-2.09	1.00	6.41
Aberdeen Financial Equity Fund A Inc	15.35	41.50	-9.86	9.60	9.77
Aberdeen Global High Yield Bond Fund Class A Acc	5.51	13.39	-8.23	-0.95	6.58
Aberdeen Japan Equity Fund A Acc	8.53	32.51	3.35	17.85	6.23
Aberdeen Latin American Equity Fund A Acc	16.59	82.46	-30.87	0.48	-29.73
Aberdeen Multi-Asset Fund I Acc	8.60	21.27	-7.93	11.24	2.40
Aberdeen North American Equity Fund A Acc	10.11	37.67	-5.84	16.94	10.48
Aberdeen Property Share Fund A Acc	20.44	-0.67	1.20	19.82	23.16
Aberdeen Responsible UK Equity Fund A Acc	11.78	26.97	-9.69	4.74	5.27
Aberdeen Sterling Bond Fund Class A Acc	2.03	4.65	-3.14	14.14	n/a
Aberdeen Sterling Government Bond Fund Class A Acc	1.16	2.68	-1.53	13.26	-1.64
Aberdeen Sterling Index-Linked Bond Fund Class A Acc	0.18	19.01	-1.38	20.09	-2.69
Aberdeen Sterling Long Dated Corporate Bond Fund K Acc	7.02	10.32	-6.05	21.11	4.42
Aberdeen Sterling Long Dated Government Bond Fund A Acc	4.07	n/a	n/a	n/a	n/a
Aberdeen Sterling Money Market Fund A Acc	0.20	0.25	0.14	0.03	-0.05
Aberdeen Sterling Opportunistic Corporate Bond Fund Class A Acc	4.40	6.16	-0.53	1.06	4.26
Aberdeen Sterling Short Dated Corporate Bond Fund A Acc	1.15	n/a	n/a	n/a	n/a
Aberdeen Sterling Short Term Government Bond Fund A Acc	-1.37	-0.29	0.42	1.10	-1.09
Aberdeen Strategic Bond Fund A Acc	6.36	7.43	-3.57	5.61	5.60
Aberdeen Target Return Bond Fund Class A Acc	0.62	1.53	-1.71	-4.79	2.37
Aberdeen UK Equity Fund A Inc	10.28	20.00	-11.44	5.59	6.66
Aberdeen UK Equity Income Fund A Acc	7.77	17.28	-10.98	7.73	7.05
Aberdeen UK Mid-Cap Equity Fund A Acc	14.43	18.69	-1.47	0.41	21.75
Aberdeen UK Smaller Companies Equity Fund A Acc	24.79	13.87	5.48	-7.76	31.56
Aberdeen World Equity Fund A Inc	10.30	35.74	-13.01	12.71	-1.23
Aberdeen World Equity Income Fund A Inc	8.16	36.49	-15.79	9.78	-7.67
Aberdeen World Opportunistic Bond Fund A Acc	3.72	5.36	-3.01	4.53	n/a

Source: Lipper. Basis: Total Return, NAV to NAV, UK Net Income Reinvested, GBP.

The above performance figures are based on NAV to NAV prices. These performance figures are presented as a matter of historical record. Performance is determined by many factors, not just the skill of the ACD, the Investment Adviser or the relevant Sub-Advisor, including the general direction and volatility of markets and may not be repeatable. Past performance is not a guide to future rates of return. The latest performance figures may be obtained from the ACD and at aberdeen-asset.co.uk. Performance information is shown for a period of five years where possible. Where no performance data is shown, performance data does not exist for the relevant periods.

Appendix VI

List of delegates and sub-delegates

Country	Citibank NA (Global Custody London & Luxembourg global window)
Albania	
Argentina	The branch of Citibank NA in the Republic of Argentina ** effective August 2nd **
Australia	Citigroup Pty. Limited
Austria	Citibank Europe plc Dublin
Bahrain	Citibank, N.A., Bahrain
Bangladesh	Citibank, N.A., Bangladesh
Belgium	Citibank Europe plc
Benin	Standard Chartered Bank Cote d'Ivoire
Bermuda	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Bermuda Limited
Bosnia-Herzegovina (Sarajevo)	UniCredit Bank d.d.
Bosnia-Herzegovina: Srpska (Banja Luka)	UniCredit Bank d.d.
Botswana	Standard Chartered Bank of Botswana Limited
Brazil	Citibank, N.A., Brazilian Branch
Bulgaria	Citibank Europe plc Bulgaria Branch
Burkina Faso	Standard Chartered Bank Cote d'Ivoire
Canada	Citibank Canada
Cayman Islands	
Channel Islands	
Chile	Banco de Chile
China B Shanghai	Citibank, N.A., Hong Kong Branch (For China B shares)
China B Shenzhen	Citibank, N.A., Hong Kong Branch (For China B shares)
China A Shares	Citibank China Co Ltd (China A shares)
China Hong Kong Stock Connect	Citibank, N.A., Hong Kong Branch
Clearstream ICSD	
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria
Costa Rica	banco Nacional de Costa Rica
Croatia	Privedna banka Zagreb d.d.
Cyprus	Citibank Europe plc, Greece branch
Czech Republic	Citibank Europe plc, organizacni slozka
Denmark	Nordea Danmark, filial af Nordea Bank AB (publ), Sverige
Egypt	Citibank, N.A., Cairo Branch
Estonia	Swedbank AS
Ecuador	
Euroclear	
Finland	Nordea Bank AB (publ), Finnish Branch
France	Citibank Europe plc
France	
Georgia	JSC Bank of Georgia
Germany	Citigroup global markets Deutschland ag

Country	Citibank NA (Global Custody London & Luxembourg global window)
Ghana	Standard Chartered Bank of Ghana Limited
Greece	Citibank Europe plc, Greece Branch
Guinea Bissau	Standard Chartered Bank Cote d'Ivoire
Hong Kong	Citibank NA Hong Kong
Hungary	Citibank Europe plc Hungarian Branch Office
Iceland	Citibank is a direct member of Clearstream Banking, which is an ICSD.
India	Citibank NA Mumbai Branch
Indonesia	Citibank, N.A., Jakarta Branch
Ireland	Citibank NA London Branch
Israel	Citibank, N.A., Israel Branch
Italy	Citibank, N.A., Milan Branch
Ivory Coast	Standard Chartered Bank Cote d'Ivoire
Jamaica	Scotia Investments Jamaica Limited
Japan	Citibank N.A. Tokyo Branch
Jordan	Standard Chartered Bank Jordan Branch
Kazakhstan	Citibank Kazakhstan JSC
Kenya	Standard Chartered Bank Kenya Limited
Korea (South)	Citibank Korea Inc.
Kuwait	Citibank NA Kuwait Branch
Latvia	Swedbank AS, based in Estonia and acting through its Latvian branch, Swedbank AS
Lebanon	BlomInvest Bank S.A.L.
Lithuania	Swedbank AS, based in Estonia and acting through its Lithuanian branch "Swedbank" AB
Luxembourg	only offered through the ICSDs- Euroclear & Clearstream
Macedonia	Raiffeisen Bank International AG
Malawi	
Malaysia	Citibank Berhad
Mali	Standard Chartered Bank Cote d'Ivoire
Malta	Citibank is a direct member of Clearstream Banking, which is an ICSD.
Mauritius	The Hong Kong & Shanghai Banking Corporation Limited
Mexico	Citibanamex
Morocco	Citibank Maghreb
Namibia	Standard Bank of South Africa Limited acting through its agent, Standard Bank Namibia Limited
Netherlands	Citibank Europe plc
New Zealand	Citibank, N.A., New Zealand Branch
Niger	Standard Chartered Bank Cote d'Ivoire
Nigeria	Citibank Nigeria Limited
Norway	DNB Bank ASA
Oman	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Oman S.A.O.G

APPENDIX VI CONTINUED

Country	Citibank NA (Global Custody London & Luxembourg global window)
Pakistan	Citibank, N.A. Karachi
Panama	Citibank NA Panama Branch
Peru	Citibank del Peru S.A
Philippines	Citibank, N.A., Manila Branch
Poland	Bank Handlowy w Warszawie SA
Portugal	Citibank Europe plc
Puerto Rico	
Qatar	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Middle East Limited
Romania	Citibank Europe plc, Dublin - Romania Branch
Russia	AO Citibank
Saudi Arabia	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Saudi Arabia Ltd.
Senegal	Standard Chartered Bank Cote d'Ivoire
Serbia	UniCredit Bank Srbija a.d.
Singapore	Citibank, N.A., Singapore Branch
Slovak Republic	Citibank Europe plc pobočka zahraničnej banky
Slovenia	UniCredit Banka Slovenia d.d. Ljubljana
South Africa	Citibank NA South Africa branch
South Africa	
Spain	Citibank Europe plc, Sucursal en Espana
Sri Lanka	Citibank NA Colombo Branch
Sweden	Citibank Europe plc, Sweden Branch
Swaziland	
Switzerland	Citibank NA London branch
Taiwan	Citibank Taiwan Limited
Tanzania	Standard Bank of South Africa acting through its affiliate Stanbic Bank Tanzania Ltd
Trinidad & Tobago	
Togo	Standard Chartered Bank Cote d'Ivoire
Thailand	Citibank, N.A.Bangkok Branch
Tunisia	Union Internationale de Banques
Turkey	Citibank, A.S.
Uganda	Standard Chartered Bank of Uganda Limited
Ukraine	PJSC Citibank
United Arab Emirates ADX & DFM	Citibank NA UAE
United Arab Emirates NASDAQ Dubai	Citibank NA UAE
United Kingdom	Citibank NA London branch
United States	Citibank NA New York offices
Uruguay	Banco Itau Uruguay S.A.
Venezuela	Citibank, N.A., Venezuela Branch
Vietnam	Citibank NA Hanoi Branch

Country	Citibank NA (Global Custody London & Luxembourg global window)
Zambia	Standard Chartered Bank Zambia Plc
Zimbabwe	Standard Bank of South Africa Ltd. acting through its affiliate Stanbic Bank Zimbabwe Ltd.

Copies of this Prospectus have been sent to the FCA and the Depositary.

Shares are offered on the basis of the information contained in the current Prospectus, the latest Key Investor Information document, the latest supplementary information document and the latest annual long reports or half-yearly long reports (if more recent than the annual long reports). Depending on applicable legal and regulatory requirements (including but not limited to MiFID), additional information on the Company, the Funds and the Shares may be made available to investors under the responsibility of intermediaries/distributors ("Mandatory Additional Information").

Except for Mandatory Additional Information, no person has been authorised by the Company to give any information or to make any representations in connection with the offering of Shares other than those contained in this Prospectus and the documents referred to herein and, if given or made, such information or representations must not be relied on. The delivery of this Prospectus (whether or not accompanied by any reports) or the issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date hereof.

The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

Potential investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters and are recommended to consult their own professional advisers concerning the acquisition, holding or disposal of Shares.

This Prospectus is based on information, law and practice at the date hereof. The Company cannot be bound by an out of date prospectus when it has issued a new prospectus and investors should check with the Authorised Corporate Director that this is the most recently published prospectus. Investors should ensure that they have read all sections of this Prospectus and, if this Prospectus has been obtained electronically, should refer to the contents page to ensure they have the complete Prospectus.

