Aberdeen Standard OEIC I*

Prospectus

20 August 2019

* This *fund* was formerly known as Aberdeen Investment Funds ICVC
UK-625696583.38

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SUMMARY

Funds

The following *funds* are available:

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ASI Emerging Markets Bond Fund

ASI Emerging Markets Equity Fund

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ASI Sterling Long Dated Government Bond Fund

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[1] This *fund* will be launched on 20 August 2019.[2] This *fund* was formerly known as Aberdeen Ethical World Equity
[2] This *fund* was formerly known as Aberdeen Ethical World Equity
[3] This *fund* was formerly known as Aberdeen European Equity Fund
[4] This *fund* was formerly known as Aberdeen European Property Share Fund
[5] This *fund* was formerly known Aberdeen Japan Equity Fund
[6] This *fund* was formerly known as Aberdeen North American Equity Fund
[7] This *fund* was formerly known as Aberdeen Property Share Fund
[8] This *fund* was formerly known as Aberdeen Responsible UK Equity Fund
[9] This *fund* was formerly known as Aberdeen Sterling Government Bond Fund
[10] This *fund* was formerly known as Aberdeen Sterling Index Linked Bond Fund
[11] This *fund* is in the process of termination and is not available for investment.

ASI Sterling Money Market Fund

ASI Sterling Opportunistic Corporate Bond Fund

ASI (AAM) Sterling Short Dated Corporate Bond Fund[12]

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Details of these *funds*, including their investment objectives and policies are given on pages 14 – 58. All *funds* have a valuation point of 12 noon on each *dealing day*.

Prices: Buying and selling prices of the *shares* are available at www.aberdeenstandard.com or by calling Customer Services on 0345 113 6966.

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 14 - 58.

[12] This *fund* was formerly known as Aberdeen Sterling Short Dated Corporate Bond Fund
[13] This *fund* was formerly known as Aberdeen UK Equity Income Fund
[14] This *fund* was formerly known as Aberdeen UK Smaller Companies Equity Fund
[15] This *fund* was formerly known as Aberdeen World Equity Fund
[16] This *fund* was formerly known as Aberdeen World Equity Income Fund
[17] This *fund* was formerly known as Aberdeen World Opportunistic Bond Fund

DIRECTORY

Authorised Corporate Director

Aberdeen Standard Fund Managers Limited[18]

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

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Philadelphia, PA 19103

Aberdeen Standard Investments (Japan) Limited

Otemachi Financial City Grand Cube 9F

1-9-2 Otemachi

Chiyoda-ku

Tokyo 100-0004

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Hong Kong

Sub-Sub Adviser

Aberdeen Standard Investments (Asia) Limited

21 Church Street

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Singapore, 049480

Depositary

Citibank Europe plc, acting through its UK Branch

Registered Office

1 North Wall Quay

[18]Aberdeen Standard Fund Managers Limited was previously known as Aberdeen Fund Managers Limited, having changed name on 10 December 2018.

Dublin

Ireland

UK Branch Office

Citigroup Centre

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Canary Wharf

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Auditors

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St Vincent Plaza,

319 St Vincent Street,

Glasgow,

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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)

GLOSSARY

Please note not all terms in the glossary are used in the Prospectus.

Term	Definition
Absolute Returns	A *fund* which targets a specific level of return rather than a return in excess of that of a stock, Bond, *commercial property* or other market.
Active / Actively Managed	An investment management technique where judgement is employed based on analysis to select *fund* holdings in an attempt to deliver targeted performance.
Asset Backed Commercial Papers / ABCP	A *short term debt* instrument issued on a discount basis. The proceeds of *ABCP* issuance are primarily used to obtain interests in various assets for example trade receivables, consumer *debt* receivables or auto loans. Such financings may take the form of a traditional asset purchase or a secured loan.
Asset-Backed Securities / ABS	A *debt security* whose *yield*, credit quality and effective maturity derive from an interest in an underlying pool of *debt* assets, such as credit card *debt*, car loans, mortgages, student loans, equipment lease, collateralized *repo* loans and EETCs (Enhanced Equipment Trust Certificates).
Average	When used in the context of a group of *funds* with different returns, "*average*" is calculated by adding together all the returns and then dividing by the number of *funds*.
Authorised Corporate Director / *ACD*	Aberdeen Standard 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*.
Bond/s	An investment taking the form of a loan, usually to a company or government, that pays interest. There are many different types of *bonds* with specific characteristics; examples include inflation-linked, convertible, asset-backed and Mortgage-Backed.
Cash	Readily available non-invested assets held at a bank or other financial institution.
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.
Commercial Property	Land and buildings such as offices, shopping centres, and warehouses owned on a *freehold* or *leasehold* (see *freehold* / *leasehold*) basis and let to tenants in exchange for a rent. Non-traditional assets include nursing *homes*, student accommodation, caravan parks and multi-let residential developments. Excludes assets such as houses let to individual tenants.
Commodity	A raw material or product that can be traded on various exchanges such as gold, silver or oil.
Comparator/Performance Comparator	A factor against which a *fund* manager invites investors to compare a *fund's* performance.
Constraint/Portfolio Constraining Benchmark	A factor that *fund* managers use to limit or constrain how they construct a *fund's* portfolio with the intention of limiting risk. A "*portfolio constraining benchmark*" is an index which is used as a reference point for these factors.
Conversion	The *conversion* of *shares* in one *class* in a *fund* to *shares* of another *class* in the same *fund* and "*convert*" shall be construed accordingly.

Creditworthiness	An assessment of the ability of a borrower to repay *debt*. Typically refers to the perceived riskiness of *bonds* issued by companies or governments.
Currency Exposure	The potential for a *fund* that invests overseas to lose or gain money purely because of changes in the currency exchange rate.
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 www.aberdeenstandard.com.
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.
Depositary	Citibank Europe plc, acting through its UK Branch or such other person as may be appointed as *depositary*.
Derivative	Financial instruments whose value depends in some way on the value of other, more basic, underlying financial assets or indices. They may commonly relate to the value of particular equities or markets more broadly, *commodities* like oil or grain, but also *interest rates*, inflation and *volatility*. There are many types of *derivatives*, with the most common being *swaps*, *futures* and *options*.
Diversification	Holding a variety of investments that typically perform differently from one another with the intention of smoothing the *fund's* performance profile.
Domiciled	Country where a company has its permanent registered headquarters.
Duration	A measure of sensitivity to the effect of changes in *interest rates* on the value of *bonds*. Individual *bonds* or *bond funds* with high *duration* are more sensitive than those with low *duration.*
EEA State	A State which is a contracting party to the agreement on the European Economic Area signed at Oporto on 2 May 1992, as it has effect for the time being.
Eligible Assets	The assets referred to under Article 9(1) of the *MMF Regulation*.
Emerging Markets	Countries that are progressing towards becoming advanced, usually shown by some development in financial markets, the existence of some form of stock exchange and a regulatory body.
Enhanced Index/Indexing	A form of portfolio management supported by the use of numerical techniques where *funds* are typically managed more closely to, and constrained by, a *performance comparator*, than traditional *actively managed funds*.
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 Related Securities	Instruments which *share* many or most of the characteristics of equities (company *shares*) such as P-Notes (participatory notes).
Exposure	Direct or indirect investment in a particular asset, or asset type currency or market which may be expressed as a percentage of a *fund*.
FCA	The Financial Conduct Authority.
Fixed Rate	An *interest rate* that will remain the same throughout the asset lifecycle.
Floating Rate	An *interest rate* that may change throughout the asset lifecycle often dependent on a pre-set reference point
Freehold/Leasehold	The owner of the property owns it outright including the land its built on/The owner holds the property but not the land, on expiry of the lease the

	ownership returns to the freeholder.
Frontier Markets	Countries that are more established than the least developed countries but still less established than *emerging markets*.
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*.
Futures	*Futures* are financial contracts obligating the buyer to purchase an asset or the seller to sell an asset, such as a physical *commodity* or a financial instrument, at a predetermined future date and price.
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.
ICAP	The internal credit quality assessment procedures established by the *ACD* as referred to in Appendix VII.
Infrastructure	Investments in companies (via *shares* or loans) managing or developing projects aimed at improving a country or region's *infrastructure* including transportation, water, communication, electric systems etc.
Instrument of Incorporation	The *instrument of incorporation* on the basis of which the Company is incorporated.
Interest Rates	An *interest rate* is a percentage charged/earned on the total amount you borrow/save.
Investment Grade / High Yield	Refers to the credit quality of a *bond* (a loan to a company or government). I*nvestment grade bonds* have a higher rating as judged by a *rating agency* than *high yield bonds* and are thus judged to be less likely to default on their obligations to repay the loan and the interest on it. To compensate for the higher risk, *high yield bonds* pay a higher rate of interest than *investment grade bonds*.
Key Investor Information Document / 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*.
Leverage	An increase in *exposure* within a *fund* either through borrowing *cash* to *fund* asset purchases or the use of *derivatives*. In the case of the latter, *leverage* occurs because the *exposure* obtained by purchasing *derivatives* exceeds the *cash* cost of the *derivative* itself.
Liquidity	The degree to which an investment can be quickly bought or sold on a market without it materially affecting its price.
Long Positions	A *long position* refers to the ownership of an asset with the expectation that it will rise in value.
Long Term	Five or more years.
Mainland China	*PRC* excluding Hong Kong, Macau and Taiwan.
Mark-to-Market	The valuation of positions at readily available closing prices that are sourced independently, including exchange prices, screen prices, or quotes from several independent reputable brokers.

Market Cycle	An assessment by market participants of changes between different market or business environments.
Medium Term	Three to five years.
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);
MMF Regulation	Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on Money Market *funds* as may be amended or replaced from time to time.
Money-Market Fund(s) / MMF(s)	A *fund* which qualifies as a "*money market fund*" in accordance with the *MMF Regulation*.
Money-Market Instruments	Investments usually issued by banks or governments that are a *short term* loan to the issuer by the buyer. The buyer receives interest and the return of the original amount at the end of a certain period.
Mortgage-Backed Bond	A *mortgage-backed bond* is a *bond* secured by a mortgage on one or more assets, typically backed by real estate holdings and real property such as equipment.
Net Asset Value / 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* and, with respect to ASI Sterling Money Market Fund, the *MMF Regulation*.
OEIC Regulations	The Open-Ended Investment Companies Regulations 2001.
Options	*Options* are similar to *futures*; however instead of being obliged to buy/sell something at a pre-determined date, the *fund* is buying the *option* to buy/sell something during a period of time or on a specific date.
Passively Managed	An investment management technique where the management team aims to achieve a similar investment return to that of a particular market index.
Performance Target	Refers to a level of performance which the management team has in mind when managing a particular *fund*. Usually expressed by reference to an index or as a particular value. Although the management team aims to achieve the *performance target*, there is no certainty this will be achieved.
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).
PRC	People's Republic of China
Quantitative Techniques	Investment management techniques where the management team use approaches based on numerical analysis to select *fund* holdings.
Quartile	A term used when a group of products are grouped together and ranked by a particular feature, such as performance, and then split into four groups (four *quartiles*). As an example, "Top *quartile* performance" refers to the products within the group (*quartile*) that performed the best.
Rating Agency	A *rating agency* is a company that assesses the financial strength of companies and government regarding their ability to make interest payments and ultimately repay *debts*, particularly *bonds*, they have issued.
Real Estate Investment Trusts (REITS)	Companies usually listed on a stock exchange that own and manage predominantly income-producing commercial or residential property.

Regulated Market	A *regulated market* as defined in *MiFID*, namely a market which appears on the list of the *regulated markets* drawn up by each Member State, which functions regularly, is characterised by the fact that regulations issued or approved by the competent authorities define the conditions for the operation of the market, the conditions for access to the market and the conditions that must be satisfied by a financial instrument before it can effectively be dealt in on the market, requiring compliance with all the reporting and transparency requirements laid down by *MiFID* and any other market which is regulated, operates regularly and is recognised and open to the public in any Member State of the European Union or any other state in Eastern and Western Europe, Asia, Africa, Australia, North America, South America or Oceania.
Repo /Reverse Repo	An agreement between two parties, one of which is the *fund*, to sell or buy an asset and later reverse the trade at a pre-agreed date and price.
Risk Target	Refers to a level of risk which the management team has in mind when managing a particular *fund*. In this context, "risk" refers to the *volatility* of the *fund's share* price. May be expressed relative to an index, or as a particular value. Although the management team aims to achieve the *risk target*, there is no certainty this will be achieved.
Reverse Repurchase Agreement	Any agreement in which one party receives securities or any rights related to a title or security from a counterparty subject to a commitment to sell them back at a specified price on a future date specified or to be specified.
Rolling	Refers to periods of time which are of a consistent length and which continually move (or "roll") forward as time elapses. So "*rolling* three year periods" refers to a period of time going back three years from a given date, where the given date moves forward by 1 day every day.
Sector/Sector Weightings	A grouping of companies or businesses which are categorised for investors as operating in similar industry or market and sharing similar characteristics. "*Sector weightings*" refers to the proportion of a *fund* invested in a particular *sector* or *sectors*. Additionally, similar *funds* are typically grouped together by organisations such as the Investment Association as a means of facilitating performance comparisons – these groups are also referred to as "*sectors*".
Securitisation	The creation of a *bond* by combining the *cash* flows from multiple underlying assets into a single asset which can be bought or sold by investors.
Share	Any *share* of any *class* of a *fund*.
Shareholder	Any person holding *shares* of a *fund*.
Short Position	A *short position* refers to transactions in assets which are expected to benefit from a fall in the value of the asset.
Short Term	Less than three years.
SRRI	Synthetic Risk and Reward Indicator; as used in *key investor information documents*, this is a measure of *fund* risk represented by a 1 to 7 scale where "1" represents the lowest and "7" the highest risk, based on historic *fund* price *volatility*."
Standard MMF / Standard VNAV MMFs	A *fund* that invests in eligible *money-market instruments* referred to in Article 10(1) and (2) of the *MMF Regulation* that is subject to the portfolio rules set out in Article 25 of the *MMF Regulation* and whose characteristics are more fully described under "Investment Objectives and Policies and Other Details of the *Funds*".
Sterling	*Pounds Sterling*, the currency of the United Kingdom
Sub Investment Grade	Sub *investment grade bonds* have a lower rating as judged by a *rating agency* than *high yield bonds* and are thus judged to be more likely to default on their obligations to repay the loan and the interest.

Supranational	A *supranational bond* is one issued by a body which is composed of representatives of more than one nation. Such bodies include, for example, the European Central Bank or the World Bank.
Swaps	A *swap* is a *derivative* contract through which two parties exchange the *cash* flows or liabilities from two different financial instruments.
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.
Variable NAV	A *net asset value* per *share* which is not stable, in principle fluctuates daily and which is calculated in accordance with Article 30 of the *MMF Regulation* and rounded to the nearest basis point or its equivalent.
Variable Net Asset Value MMF / VNAV MMF	A *fund* as defined under Article 2(13) of the *MMF Regulation* that complies with the specific requirements laid down in Articles 29, 30 and 33(1) of the *MMF Regulation* and whose characteristics are more fully described under "*fund* Information".
VIE (variable interest entity)	A structure that enables foreign investors to gain indirect *exposure* to companies with foreign ownership restrictions.
Volatility	A measure of the size of changes in the value of an investment. Commonly, the higher the *volatility*, the higher the risk.
WAL	*Weighted average life* or *WAL* means the average length of time to legal maturity of all of the underlying assets in ASI Sterling Money Market Fund reflecting the relative holdings in each asset.
WAM	Weighted average maturity or *WAM* means the average length of time to legal maturity or, if shorter, to the next *interest rate* reset to a money market rate, of all of the underlying assets in ASI Sterling Money Market Fund reflecting the relative holdings in each asset.
Yield	The income from an investment usually stated as a percentage of the value of the investment.

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 Standard OEIC I 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 Standard OEIC I 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 Standard OEIC I and in a manner exempt from registration under the said Acts.

CONSTITUTION

Aberdeen Standard OEIC I 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
ASI Asia Pacific and Japan Equity Fund	637993	ASI UK Real Estate Share Fund	637995
ASI Asia Pacific Equity Fund	637994	ASI UK Responsible Equity Fund	637996
ASI China A Share Equity Fund^	846522	ASI Sterling Bond Fund	692493
ASI Corporate Bond Fund	692474	ASI (AAM) Sterling Government Bond Fund	692494
ASI Diversified Income Fund	637998	ASI Sterling Inflation-Linked Bond Fund	692495
ASI Eastern European Equity Fund	638000	Aberdeen Sterling Long Dated Corporate Bond Fund*	728901
ASI Emerging Markets Bond Fund	638006	ASI Sterling Long Dated Government Bond Fund	728902
ASI Emerging Markets Equity Fund	637983	ASI Sterling Money Market Fund	637997
ASI Global Ethical Equity Fund	637977	ASI Sterling Opportunistic Corporate Bond Fund	692496
ASI Euro Corporate Bond Fund	692478	ASI (AAM) Sterling Short Dated Corporate Bond Fund	761339
ASI Europe ex UK Equity Fund	637985	ASI Sterling Short Term Government Bond Fund	692497
ASI European High Yield Bond Fund	638007	ASI Strategic Bond Fund	692498
ASI European Real Estate Share Fund	692481	ASI Target Return Bond Fund	692473
ASI European Smaller Companies Fund	637991	ASI UK Equity Fund	637987
ASI Financial Equity Fund	692484	ASI UK Income Equity Fund	637989

ASI Global High Yield Bond Fund	692488	ASI UK Mid-Cap Equity Fund	637988
ASI Japanese Equity Fund	637978	ASI (AAM) UK Smaller Companies Fund	637984
ASI Latin American Equity Fund	638008	ASI Global Equity Fund	637979
ASI Multi-Asset Fund	637980	ASI World Income Equity Fund	638004
ASI American Equity Fund	637992	ASI Global Opportunistic Bond Fund	638009

**This fund is in the process of termination and is not available for investment.*

^This Fund will be launched on 20 August 2019.

Details of the investment objectives and policies of each of the *funds* are set out on pages 14 - 58.

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 74 below and the "*Deferred Redemption*" section on page 73 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 14 - 58. 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 20 August 2019.

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 54 – 57. For up to date details of the *share classes* of each *fund* available for investment, please refer to www.aberdeenstandard.com. 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 £50, 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. [19]

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 £1,000,000. All *class* I *shares* have a minimum subsequent investment of £50,000. *Class* I *shares* are only available to investors who are approved by the *ACD*, as institutional investors[20]. The minimum holding of *class* I *shares* shall be £50,000. These minima may be waived or varied by the *ACD* at its sole discretion.

Class* I Gross *shares* have a minimum initial investment of £1,000,000. All *class* I *shares* have a minimum subsequent investment of £50,000. *Class* I Gross *shares* are only available to investors who are approved by the *ACD*, as institutional investors,[21]. The minimum holding of *class* I Gross *shares* shall be £50,000. These minima may be waived or varied by the *ACD* at its sole discretion.

Class* K *shares have a minimum initial investment of £150,000,000 for lump sum investment with a minimum subsequent investment of £150,000,000. *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 £150,000,000. 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* have a minimum initial investment of £150,000,000 for lump sum investment with a minimum subsequent investment of £150,000,000. *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 £150,000,000. 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

[19] This restriction applies to new investors from and including 1 December 2018
[20] This restriction applies to new investors from and including 10 December 2018
[21] This restriction applies to new investors from and including 10 December 2018

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.

Class* P Gross *shares* 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* 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* 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.

**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.

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 82 – 85.

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.

ASI ASIA PACIFIC AND JAPAN EQUITY FUND

<u>Investment Objective</u>

To generate growth over the *long term* (5 years or more) by investing in Asia Pacific, including Japan equities (company *shares*).

Performance Target: To achieve the return of the MSCI AC Asia Pacific Index plus 3% per annum over *rolling* three year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index

<u>Investment Policy</u>

Portfolio Securities

- The *fund* invests at least 70% in equities and *equity related securities* of companies listed, incorporated or *domiciled* in Asia Pacific including Japan countries, or companies that derive a significant proportion of their revenues or profits or have a significant proportion of their assets there.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments*, and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at country, *sector* and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.
- In seeking to achieve the *Performance Target*, the MSCI AC Asia Pacific Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints.* The expected variation ("tracking error") between the returns of the *fund* and the index, is not ordinarily expected exceed 12.5%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the MSCI AC Asia Pacific Index.

***Derivatives* and Techniques**

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with risk profile of the *fund* ("Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, cash can be invested while maintaining the *fund*'s existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) *Emerging markets* risk

(iii) *VIE* risk

(iv) China A/Stock Connect risk

(v) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to http://www.aberdeenstandard.com. 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

ASI ASIA PACIFIC EQUITY FUND

Investment Objective

To generate growth over the *long term* (5 years or more) by investing in Asia Pacific, excluding Japan equities (company *shares*).

Performance Target: To achieve the return of the MSCI AC Asia Pacific ex Japan Index plus 3% per annum over *rolling* three year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* invests at least 70% in equities and *equity related securities* of companies listed, incorporated or *domiciled* in Asia Pacific excluding Japan countries, or companies that derive a significant proportion of their revenues or profits or have a significant proportion of their assets there.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments*, and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at country, *sector* and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.
- In seeking to achieve the *Performance Target*, the MSCI AC Asia Pacific ex Japan Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints.* The expected variation ("tracking error") between the returns of the *fund* and the index, is not ordinarily expected to exceed 12.5%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the MSCI AC Asia Pacific ex Japan Index over the *long term.*

***Derivatives* and Techniques**

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* ("Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) *Emerging markets* risk

(iii) *VIE* risk

(iv) China A/Stock Connect risk

(v) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to http://www.aberdeenstandard.com. 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

ASI CHINA A SHARE EQUITY FUND^

^ This *fund* will be launched on 20th August 2019.

Investment Objective

To generate growth over the *long term* (5 years or more) by investing in China A equities (company shares).

Performance Target: To achieve the return of the MSCI China A Onshore Index, plus 3% per annum over *rolling* three year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 70% in China A equities of companies listed on Chinese Stock Exchanges authorised by the China Securities Regulatory Commission. The *fund* may also invest in China A equities through RQFII, the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme in *equities and equity related securities*.
- The *fund* may also invest in China B equities, China H equities and participator notes.
- The *fund* may also invest in other *fund*s (including those managed by Aberdeen Standard Investments), *money-market instruments*, and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at *sector* and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the *Performance Target*, the MSCI China A Onshore Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the *fund* and the index, is not ordinarily expected to exceed 12.5%. Due to the active nature of the management process, the *fund*'s performance profile may deviate significantly from that of the MSCI China A Onshore Index.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* ("Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund*'s existing allocations to company *shares*.

Specific Risks (for more details see Risks section)All general investment risks apply, however, for this sub-*fund* *investors* should specifically be aware of the following:

- Equity risk
- Concentration risk
- Country risk - China
- China A/Stock Connect risk
- *Derivative* risk

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share classes available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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 three months of this date.
Sub-Adviser:	Aberdeen Standard Investments (Hong Kong) Limited
Sub-Sub Adviser:	Aberdeen Standard Investments (Asia) Limited (in respect of China A equities through the RQFII regime only)
Historic performance:	Detailed in Appendix V

ASI CORPORATE BOND FUND

<u>Investment Objective</u>

To generate income and some growth over the *long term* (5 years or more) by investing in *Sterling* denominated *investment grade* corporate *bonds*.

Performance Target: To achieve the return of the iBoxx Sterling Collateralized & Corporates Index plus 1% per annum (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 60% in *Sterling* denominated *investment grade* corporate *bonds*.
- The *fund* may also invest in *bonds* issued anywhere in the world by governments and corporations, such as sub-sovereigns, *sub-investment grade*, inflation-linked, convertible, *asset backed* and *mortgage-backed bonds*. The *fund* will employ techniques to reduce (*hedge*) risk related to currency movements on non-*Sterling bonds*.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments,* and *cash.*

Management Process

- The management team use their discretion (*active* management) to identify *bonds* and *derivatives* after analysing company's prospects and *creditworthiness* alongside global economic and market conditions.
- In seeking to achieve the *performance target*, the iBoxx Sterling Collateralized & Corporates Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 3.5%. Due the *fund's* risk *constraints*, the intention is that the *fund's* performance profile will not deviate significantly from the iBoxx Sterling Collateralized & Corporates Index over the longer term.

Please Note: The *fund's* ability to buy and sell *bonds* and the associated costs can be affected during periods of market stress which could include periods where *interest rates* move sharply.

Derivatives and Techniques

- The *fund* will routinely use *derivatives* to reduce risk or reduce cost and/or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivatives* include instruments used to manage expected changes in *interest rates*, inflation, currencies or *creditworthiness* of corporations or governments.

Specific Risks for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Credit risk

(ii) Interest rate risk

(iii) *High yield* Credit risk

(iv) Asset Backed / Mortgage Backed Securities risk

(v) Convertible Securities and CoCos risk

(vi) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI EASTERN EUROPEAN EQUITY FUND

Investment Objective

To generate growth over the *long term* (5 years or more) by investing in European *emerging markets* equities (company *shares*).

Performance Target: To achieve the return of the MSCI Emerging Market Europe 10/40 Index plus 3% per annum over *rolling* three year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* invests at least 70% in equities and *equity related securities* of companies listed, incorporated or *domiciled* in European *emerging market* countries, or companies that derive a significant proportion of their revenues or profits or have a significant proportion of their assets there.
- The *fund* may also invest up to 10% in other European equities.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments* and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at country, *sector* and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.
- In seeking to achieve the *Performance Target*, the MSCI *Emerging Market* Europe 10/40 Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index, is not ordinarily expected to exceed 12.5%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the MSCI *Emerging Market* Europe 10/40 Index over the *long term*.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* ("Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) *Emerging markets* risk

(iii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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 62 - 80.

ASI EMERGING MARKETS BOND FUND

Investment Objective

To generate income and some growth over the longer term (5 years or more) by investing in *emerging markets* corporate and/or government *bonds*.

*Performance Target***:** To achieve the return of the JP Morgan EMBI Global Diversified Index (Hedged to GBP) plus 2.5% per annum (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 70% in *bonds* including government, sub-sovereign, and corporate *bonds* issued by *emerging market* countries or corporations which carry out a substantial part of their operations, derive a significant proportion of their revenues or profits or have a significant proportion of their assets in these countries.
- The *fund* may also hold *bonds* issued by other governments or sub-sovereigns anywhere in the world.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments*, and *cash*.

Management Process

- The management team use their discretion (*active* management) to identify *bonds* and *derivatives* after analysing company's prospects and *creditworthiness* alongside global economic and market conditions. They make flexible allocations across *bonds* and *derivatives* in *emerging markets* as well as currencies.
- In seeking to achieve the *performance target*, the JP Morgan EMBI Global Diversified (GBP Hedged) Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to

exceed 8.50%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the JP Morgan EMBI Global Diversified (GBP Hedged) Index.

Please Note: The *fund's* ability to buy and sell *bonds* and the associated costs can be affected during periods of market stress which could include periods where *interest rates* move sharply.

Derivatives and Techniques

- The *fund* will routinely use *derivatives* to reduce risk, reduce cost and/ or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivatives* can also be used to generate growth, consistent with the *fund's* risk profile, if market prices are expected to rise ("*long positions*") or fall ("*short positions*").
- *Derivatives* include instruments used to manage expected changes in *interest rates*, inflation, currencies or *creditworthiness* of corporations or governments.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Credit risk

(ii) Interest rate risk

(iii) *Emerging markets* risk

(iv) *High yield* Credit risk

(v) Asset Backed / Mortgage Backed Securities risk

(vi) Convertible Securities and CoCos risk

(vii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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 62 - 80.

ASI EMERGING MARKETS EQUITY FUND

Investment Objective

To generate growth over the *long term* (5 years or more) by investing in *emerging markets* equities (company *shares*).

Performance Target: To achieve the return of the MSCI Emerging Markets Index, plus 3% per annum over *rolling* three year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

<u>Investment Policy</u>

Portfolio Securities

- The *fund* invests at least 70% in equities and *equity related securities* of companies listed, incorporated or *domiciled* in global *emerging market* countries, or companies that derive a significant proportion of their revenues or profits or have a significant proportion of their assets there.
- *Emerging Markets* include Asian, Eastern European, Middle Eastern, African and Latin American countries or any country included within the MSCI *Emerging Markets* Index.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments*, and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at country, *sector* and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.
- In seeking to achieve the *performance target*, the MSCI *Emerging Markets* Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 9%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the Index over the *long term*.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* ("Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) *Emerging markets* risk

(iii) *VIE* risk

(iv) China A/Stock Connect risk

(v) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.

- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI GLOBAL ETHICAL EQUITY FUND

Investment Objective

To generate growth over the *long term* (5 years or more) by investing in a global equities (company *shares*) which meet the *fund's* ethical screening criteria.

Performance Target: To achieve the return of the FTSE World Index, plus 3% per annum over *rolling* three year periods(before charges).

The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 70% in equities and *equity related securities* of companies listed on global stock exchanges.
- As well as choosing companies on the basis of their financial record, management and business prospects, the investment team will consider environmental, social and other relevant criteria. Where they believe that practices relating to these criteria are lacking they will encourage the company to adopt more responsible practices.
- All investments will comply with the *fund's* ethical screening criteria, which looks to exclude investing in companies that operate to a degree in certain areas, including but not limited to those deriving revenue from animal testing, tobacco, pornography and weaponry.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at country, *sector* and stock level, with country and *sector weightings* within the portfolio typically a by-product of the underlying stock *exposure*.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.
- To deliver the *performance target*, the FTSE World Index is also used as a reference point for portfolio construction and as a basis for setting risk *constraints.* The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 9%. Due to the ethical nature of the management process, there are a material number of stocks and *sectors* in the FTSE World Index that the *fund* is unable to invest, which means the *fund's* performance profile may deviate significantly from that of the FTSE World Index.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* ("Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) Concentration risk

(iii) *Emerging markets* risk

(iv) *VIE* risk

(v) China A/Stock Connect risk

(vi) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).
- Investors with a specific need around ethical criteria.
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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 Standard 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 Standard 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.

ASI EURO CORPORATE BOND FUND

Investment Objective

To generate income and some growth over the *long term* (5 years or more) by investing in Euro denominated *investment grade* corporate *bonds*.

*Performance target***:** To achieve the return of the iBoxx Euro Corporates Index (in Euro terms), plus 0.65% per annum (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

<u>**Investment Policy**</u>

Portfolio Securities

- The *fund* invests at least 80% in *investment grade* corporate *bonds* that are denominated in Euros.
- The *fund* may also invest in *bonds* issued anywhere in the world by governments and corporations, such as: sub-sovereigns, *sub-investment grade*, inflation-linked, convertible, *asset backed* and *mortgage backed*. The *fund* will employ techniques to reduce (*hedge*) risk related to currency movements on non-Euro *bonds*.
- Where the *fund* gains *exposure* to currencies other than Euros, the *fund* will employ techniques to reduce (*hedge*) risk related to currency movements on non-Euro *bonds*.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments*, and *cash*.

Management Process

- The management team use their discretion (*active* management) to identify investments after analysing individual *bonds* and *derivatives* alongside global economic and market conditions.
- In seeking to achieve the *performance target*, the iBoxx Euro Corporates Index (in Euro terms) is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 2.50%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the iBoxx Euro Corporates Index (in Euro terms).

Please Note: The *fund's* ability to buy and sell *bonds* and the associated costs can be affected during periods of market stress which could include periods where *interest rates* move sharply.

Derivatives and Techniques

- The *fund* will make routine use of *derivatives* to reduce risk, reduce cost and/ or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivatives* include instruments used to manage expected changes in *interest rates*, inflation, currencies or *creditworthiness* of corporations or governments.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Credit risk

(ii) Interest rate risk

(iii) *High yield* Credit risk

(iv) Asset Backed / Mortgage Backed Securities risk

(v) Convertible Securities and CoCos risk

(vi) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

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 www.aberdeenstandard.com. 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

ASI EUROPE ex UK EQUITY FUND

Investment Objective

To generate growth over the *long term* (5 years or more) by investing in European equities (company *shares*).

Performance Target: To achieve the return of the FTSE World Europe ex UK Index plus 3% per annum over *rolling* three year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 70% in equities and *equity related securities* of companies listed, incorporated or *domiciled* in European countries, or companies that derive a significant proportion of their revenues or profits from European operations or have a significant proportion of their assets there.
- European counties can include the *emerging markets* of Europe, but excludes the UK.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments* and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at country, *sector* and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.
- In seeking to achieve the *Performance Target*, the FTSE World Europe ex UK Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints.* The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 9%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the index over the *long term*.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* ("Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI EUROPEAN REAL ESTATE SHARE FUND

Investment Objective

To generate income and some growth over the *long term* (5 years or more) by investing in European property-related equities (company *shares*) including listed closed ended *real estate investment trusts* ("*REITs*").

Performance Target: To achieve the return of the FTSE EPRA Nareit Europe (UK Restricted) 10% Capped Index plus 3% per annum over *rolling* three year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* invests in equities and equity-related securities of companies that derive a significant proportion of their revenues or profits from European real estate operations or have a significant proportion of their assets in European real estate.
- European countries can include the UK and the *emerging markets* of Europe.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments*, and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a concentrated asset mix at *sector*, country and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings that can be held for the *long term*.

- The FTSE EPRA Nareit Europe (UK Restricted) 10% Capped Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 9%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the index over the *long term*.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Concentration Risk

(ii) *Real estate investment trust* Risk

(iii) Equity Risk

(iv) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI EUROPEAN SMALLER COMPANIES FUND

Investment Objective

To generate growth over the *longer term* (5 years or more) by investing in European smaller capitalisation equities (company *shares*).

Performance Target: To achieve the return of the EMIX Smaller European Companies Index, plus 3% per annum over *rolling* five year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

<u>Investment Policy</u>

Portfolio Securities

- The *fund* will invest at least 70% in equities and *equity related securities* of smaller capitalisation companies listed, incorporated or *domiciled* in European countries, or companies that derive a significant proportion of their revenues or profits from European operations or have a significant proportion of their assets there.
- European countries include the *emerging markets* of Europe and the UK.
- Smaller capitalisation companies are defined as any stock included in the EMIX Smaller European Companies Index or, if not included within the index any stock having a market capitalisation smaller than that of the stock with the largest market capitalisation in such index.
- The *fund* may also invest in mid and larger capitalisation companies listed, incorporated or *domiciled* in European countries.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments* and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at country, *sector* and stock level.
- Their primary focus is on stock selection using the management team's quality, growth and momentum approach. It aims to identify companies that exhibit a range of high quality characteristics, operate in growing markets and display positive business momentum.
- In seeking to achieve the *performance target*, the EMIX Smaller European Companies Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 9%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the index.
- Please note: The *fund*'s ability to buy and sell small and mid-capitalisation shares and the associated costs can be affected during periods of market stress. In certain circumstances investors in the *fund* may not be able to sell their investment when they want to.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* ("Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) Small and Mid-Cap Stock risk

(iii) *Emerging markets* risk

(iv) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).

- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI FINANCIAL EQUITY FUND

Investment Objective

To generate growth over the *long term* (5 years or more) by investing in equities (company *shares*) issued by financial institutions.

Performance Target: To achieve the return of the MSCI AC World Financials Index plus 3% per annum over *rolling* three year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 70% in equities and *equity related securities* of financial institutions, such as banking, insurance, financial services and property companies, listed on global stock exchanges.
- The *fund* may also invest in companies which generate a significant part of their earnings from financial activity.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments* and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a concentrated but *diversified* asset mix at country and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.
- In seeking to achieve the *Performance Target*, the MSCI AC Financial Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 9%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the index over the long term.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* ("Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) Concentration risk

(iii) *Emerging markets* risk

(iv) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI GLOBAL HIGH YIELD BOND FUND

Investment objective and policy:

Investment Objective

To generate income and some growth over the *long term* (5 years or more) by investing in *sub-investment grade* (*high yield*) corporate *bonds*.

Performance Target: To achieve the return of the Bloomberg Barclays Global High Yield Corporate Index (Hedged to GBP) plus 1.25% per annum (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* invests at least 80% in *sub-investment grade bonds* issued anywhere in the world by corporations.
- At least 50% of the *bonds* will be issued by corporations based in Europe and/or North America which carry out a substantial part of their operations, derive a significant proportion of their revenues or profits or have a significant proportion of their assets in these regions.
- The *fund* may also invest in *bonds* issued anywhere in the world by governments and corporations, such as sub-sovereigns , *investment grade*, inflation-linked, convertible, *asset backed* and *mortgage-backed bonds*.
- The *fund* will employ techniques to reduce (*hedge*) risk related to currency movements on non-*Sterling bonds*.

- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments*, and *cash*.

Management Process

- The management team use their discretion (*active* management) to identify *bonds* and *derivatives* after analysing company's prospects and *creditworthiness* alongside global economic and market conditions.
- In seeking to achieve the *performance target*, the Bloomberg Barclays Global High Yield Corporate Index (Hedged to GBP), is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 4.50%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the Bloomberg Barclays Global High Yield Corporate Index (Hedged to GBP).

Please Note: The *fund's* ability to buy and sell *bonds* and the associated costs can be affected during periods of market stress which could include periods where *interest rates* move sharply.

Derivatives and Techniques

- The *fund* will routinely use *derivatives* to reduce risk or reduce cost and/or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivatives* include instruments used to manage expected changes in *interest rates*, inflation, currencies or *creditworthiness* of corporations or governments.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Credit risk

(ii) Interest rate risk

(iii) *High yield* Credit risk

(iv) *Emerging markets* risk

(v) Asset Backed / Mortgage Backed Securities risk

(vi) Convertible Securities and CoCos risk

(vii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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 Standard Investments Inc.
Historic performance:	Detailed in Appendix V

ASI EUROPEAN HIGH YIELD BOND FUND

Investment Objective

To generate income and some growth over the *long term* (5 years or more) by investing in *Sterling* and Euro denominated *sub-investment grade* (*high yield*) corporate *bonds*.

Performance Target: To achieve the return of the ICE BofAML European Currency High Yield Constrained Index (Hedged to GBP) plus 1.25% per annum (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 70% in *Sterling* and Euro denominated *sub-investment grade* corporate *bonds*.
- The *fund* may also invest in *bonds* issued anywhere in the world by governments and corporations, such as sub-sovereigns, *investment grade*, inflation-linked, convertible, *asset backed* and *mortgage-backed bonds*.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments*, and *cash*.

Management Process

- The management team use their discretion (*active* management) to identify *bonds* and *derivatives* after analysing company's prospects and *creditworthiness* alongside global economic and market conditions.
- In seeking to achieve the *performance target*, the ICE BofAML European Currency High Yield Constrained Index (Hedged to GBP) is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 4.50%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the ICE BofAML European Currency High Yield Constrained Index (Hedged to GBP).

Please Note: The *fund's* ability to buy and sell *bonds* and the associated costs can be affected during periods of market stress which could include periods where *interest rates* move sharply.

Derivatives and Techniques

- The *fund* will routinely use *derivatives* to reduce risk or reduce cost and/or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivatives* include instruments used to manage expected changes in *interest rates*, inflation, currencies or *creditworthiness* of corporations or governments.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Credit risk

(ii) Interest rate risk

(iii) *High yield* Credit risk

(iv) Asset Backed / Mortgage Backed Securities risk

(v) Convertible Securities and CoCos risk

(vi) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI JAPANESE EQUITY FUND

Investment Objective

To generate growth over the *long term* (5 years or more) by investing in Japanese equities (company *shares*).

Performance Target: To achieve the return of the MSCI Japan Index, plus 3% per annum over *rolling* three year periods(before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 70% in equities and *equity related securities* of companies listed, incorporated or *domiciled* in Japan or companies that derive a significant proportion of their revenues or profits from Japanese operations or have a significant proportion of their assets there.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments* and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at *sector* and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.
- In seeking to achieve the *Performance Target*, the MSCI Japan Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints.* The expected variation (“tracking error”) between the returns of the *fund* and the index is not ordinarily expected to exceed 10%. Due to the *active* nature of the management process, the *fund’s* performance profile may deviate significantly from that of the index.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, to reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* (“Efficient Portfolio Management”).

- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) *Concentration risk*

(iii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI LATIN AMERICAN EQUITY FUND

<u>Investment Objective</u>

To generate growth over the *long term* (5 years or more) by investing in Latin American equities (company *shares*).

Performance Target: To achieve the return of the MSCI EM Latin America 10/40 Net Total Return Index plus 3% per annum over *rolling* three year periods(before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

<u>Investment Policy</u>

Portfolio Securities

- The *fund* will invest at least 70% in equities and *equity related securities* of companies listed, incorporated or *domiciled* in Latin American countries or companies that derive a significant proportion of their revenues or profits from Latin American operations or have a significant proportion of their assets there.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments* and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at country, *sector* and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.
- In seeking to achieve the *Performance Target*, the MSCI EM Latin America 10/40 Net Total Return Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 12.5%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the index.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, to reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* ("Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) *Emerging market* risk

(iii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI DIVERSIFIED INCOME FUND

Investment Objective

To generate a positive return through income and some capital growth over the *long term* (5 years or more) by investing in a globally *diversified* portfolio of assets whilst reducing the risk of losses. Invested capital is however at risk and there is no guarantee that this will be attained over any time period.

Performance Target: To exceed the return of 1 Month GBP LIBOR by 5% per annum over *rolling* five year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

1 Month GBP LIBOR has been chosen as a proxy for the return on *cash* deposits.

<u>Investment Policy</u>

Portfolio Securities

- The *fund* invests globally in a range of asset *classes*, *derivatives*, *money-market instruments* and *cash*.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments) to gain *exposure* to a broad mix of assets from across the global investment universe.
- Asset *classes* that the *fund* invests in may include listed equities, private equity, property, *infrastructure*, *high yield bonds*, loans, *emerging market debt*, *asset-backed securities*, alternative risk premia, insurance linked securities, litigation finance, peer-to-peer lending, aircraft leasing and healthcare royalties.
- Asset *classes* such as *infrastructure*, property or private equity will typically be accessed through investment route such as listed equities.

Management Process

- The management team use their discretion (*active* management) to identify a diverse mix of investments which they believe are most appropriate for the investment objective. As a result of this *diversification*, and during extreme equity market falls, we expect losses to be below those of conventional global equity markets, with a *volatility* typically less than two thirds of equities.
- Their primary focus is on stock selection using the management team's quality, growth and momentum approach. It aims to identify companies that show a range of high quality characteristics, operate in growing markets and display positive business momentum.
- The team separately conduct extensive research to identify the most appropriate type of investment for each asset *class*.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares* or management of currency risk.
- Some underlying *funds* invested in by the *fund* may use *derivatives* more extensively. *Derivatives* may be used within underlying *funds* to generate growth if market prices are expected to rise ("*long positions*") or fall ("*short positions*").

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) *Emerging Markets risk*

(ii) *Interest Rate risk*

(iii) *Credit risk*

(iv) Real Estate Investment Trust risk

(v) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).

- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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 62 - 80.

ASI MULTI-ASSET FUND

Investment Objective

To generate income and some growth over the *long term* (5 years or more) by investing in a globally *diversified* portfolio of assets.

Performance Target: To exceed the return of the following composite index: 40% FTSE All-Share Index, 25% MSCI World ex UK Index, 15% FTSE Actuaries UK Conventional Gilts All Stocks Index, 5% FTSE Small Cap UK Index, 7.5% 7 DAY GBP LIBOR, 5% HFRI FOF Conservative Index , 2.5% FTSE All-Share Index-Equity Investment Instruments. The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of each index.

Investment Policy

Portfolio Securities

- The *fund* will invest in equities (company *shares*) and *bonds* (loans to companies and governments) issued anywhere and in any currency.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments*, and *cash*.

Management Process

- The management team use their discretion (*active* management) to identify the investments they believe are most appropriate for the *fund's* objective.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on identifying companies where the management team have a different view of a company's prospects to that of the market, and which align with their views regarding future economic and business conditions.
- The composite index is used as a reference point for portfolio construction and as a basis for setting risk *constraints.* Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the composite Index.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, to reduce cost and/or generate additional income or consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").

- *Derivative* usage in the *fund* is expected to be limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) *Interest rate* risk

(ii) *Credit* risk

(iii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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 62 - 80.

ASI AMERICAN EQUITY FUND

Investment Objective

To generate growth over the *long term* (5 years or more) by investing in North American equities (company *shares*).

Performance Target: To achieve the return of the S&P 500 Index plus 3% per annum over *rolling* three years (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 70% in equities and *equity related securities* of companies listed, incorporated or *domiciled* in the US or companies that derive a significant proportion of their revenues or profits from US operations or have a significant proportion of their assets there.
- The *fund* may also invest up to 20% in companies listed, incorporated or *domiciled* in Canada or *Latin America*.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments* and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at *sector* and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.
- In seeking to achieve the *Performance Target*, the S&P 500 Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 9%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the S&P 500 Index over the *long term*.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* ("Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) *Concentration* risk

(iii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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 Inc.
Historic performance:	Detailed in Appendix V

ASI UK REAL ESTATE SHARE FUND

Investment Objective

To generate income and some growth over the *long term* (5 years or more) by investing in UK property-related equities (company *shares*) including listed closed ended *real estate investment trusts* ("*REITs*").

Performance Target: To achieve the return of the FTSE 350 Real Estate Index plus 3% per annum (before charges) over *rolling* three year periods. The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

<u>Investment Policy</u>

Portfolio Securities

- The *fund* invests in equities and equity-related securities of companies that derive a significant proportion of their revenues or profits from real estate operations or have a significant proportion of their assets in real estate.
- At least 80% of the *fund* must be invested in UK listed securities, while up to 20% may be invested overseas
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments* and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a concentrated asset mix at *sector* and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.
- The FTSE 350 Real Estate Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints.* The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 12%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the index over the *long term*.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity Risk

(ii) *Concentration* Risk

(iii) *Real Estate Investment Trust* Risk

(iv) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI UK RESPONSIBLE EQUITY FUND

Investment Objective

To generate growth over the *long term* (5 years or more) by investing in UK equities (company *shares*), which meet the *fund's* environmental, social and governance screening criteria.

Performance Target: To achieve the return of the FTSE All-Share Index plus 3% per annum over *rolling* five year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 70% in equities and *equity related securities* of companies listed, incorporated or *domiciled* in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments* and *cash*.
- All investments will comply with the *fund's* ethical screening criteria, which looks to exclude investing in companies that operate to a degree in certain areas, including but not limited to those deriving revenue from animal testing, tobacco, pornography and weaponry.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at *sector* and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.
- In seeking to achieve the *performance target*, the FTSE All-Share Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 7.5%. Due to the responsible nature of the management process, there are a material number of stocks and *sectors* in the FTSE All-Share Index that the *fund* is unable to invest, which means the *fund's* performance profile may deviate significantly from that of the FTSE All-Share Index.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* ("Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) Concentration risk

(iii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).
- Investors with a specific need around ethical criteria.
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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 Standard 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.

ASI STERLING BOND FUND

Investment Objective

To generate income and some growth over the *long term* (5 years or more) by investing in *Sterling*-denominated *bonds*.

Performance Target: To achieve the return of the iBoxx Sterling Overall Index plus 1% per annum (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target*.

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 80% in *Sterling* denominated government, sub-sovereign and *investment grade* corporate *bonds*.
- The *fund* may also invest in *bonds* issued anywhere in the world by governments and corporations, such as sub-sovereigns, *sub-investment grade*, inflation-linked, convertible, *asset backed* and *mortgage-backed bonds*. The *fund* has some flexibility to seek returns from currencies.

- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments* and *cash*.

Management Process

- The management team use their discretion (*active* management) to identify *bonds* and *derivatives* after analysing company's prospects and *creditworthiness* alongside global economic and market conditions. They make flexible allocations using *bonds* and *derivatives*.
- In seeking to achieve the *performance target*, the iBoxx Sterling Overall Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 3.50%. Due to the *fund's* risk *constraints* the intention is that the *fund's* performance will not deviate significantly from that of the index over the *long term*.

Please Note: The *fund's* ability to buy and sell *bonds* and the associated costs can be affected during periods of market stress which could include periods where *interest rates* move sharply.

Derivatives and Techniques

- The *fund* will make routine use of *derivatives* to reduce risk, to reduce cost and/ or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivatives* can be used to generate growth, consistent with the *fund's* risk profile, if market prices are expected to rise ("*long positions*") or fall ("*short positions*"). These positions can be used in overseas markets.
- *Derivatives* include instruments used to manage expected changes in *interest rates*, inflation, currencies or *creditworthiness* of corporations or governments.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Credit risk

(ii) Interest rate risk

(iii) *High yield* Credit risk

(iv) Asset Backed / Mortgage Backed Securities risk

(v) Convertible Securities and CoCos risk

(vi) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

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 www.aberdeenstandard.com. 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

ASI (AAM) STERLING GOVERNMENT BOND FUND

Investment Objective

To generate income and some growth over the *long term* (5 years or more) by investing in UK Government *bonds*.

*Performance Target***:** To achieve the return of the FTSE Actuaries UK Conventional Gilts All Stocks Index plus 0.5% per annum (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* invests at least 80% in government *bonds* issued or guaranteed by the UK Government.
- The *fund* may also invest in *investment grade bonds* issued anywhere in the world by governments, sub-sovereigns and corporations including inflation-linked *bonds*. The *fund* will employ techniques to reduce (*hedge*) risk related to currency movements on non-*Sterling bonds.*
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments* and *cash.*

Management Process

- The management team use their discretion (*active* management) to identify investments after analysing individual *bonds* and *derivatives* alongside global economic and market conditions.
- In seeking to achieve the *Performance Target*, the FTSE Actuaries UK Conventional Gilts All Stocks Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints.* The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 1.70%. Due to the *fund's* risk *constraints* the intention is that the *fund's* performance will not deviate significantly from that of the index over the *long term*.

Derivatives and Techniques

- The *fund* will make routine use of *derivatives* to reduce risk, to reduce cost and/ or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivatives* can be used to generate growth, consistent with the *fund's* risk profile, if market prices are expected to rise ("*long positions*") or fall ("*short positions*"). These positions can be used in overseas markets.
- *Derivatives* include instruments used to manage expected changes in *interest rates*, inflation, currencies or *creditworthiness* of corporations or governments.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Credit risk

(ii) *Interest rate* risk

(iii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

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 www.aberdeenstandard.com. 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

ASI STERLING INFLATION-LINKED BOND FUND

<u>Investment Objective</u>

To generate income and some growth over the *long term* (5 years or more) by investing in UK Government inflation-linked *bonds*.

Performance Target: To achieve the return of the FTSE Actuaries UK Index Linked Gilts Over 5 years Index plus 0.5% per annum (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

<u>Investment Policy</u>

Portfolio Securities

- The *fund* invests at least 80% in inflation-linked government *bonds* issued or guaranteed by the UK Government.
- The *fund* may also invest in inflation-linked and non-inflation-linked *investment grade* corporate *bonds* and sub-sovereigns issued anywhere in the world. The *fund* will employ techniques to reduce (*hedge*) risk related to currency movements on non-*Sterling bonds*.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), money-market instruments, and *cash*.

Management Process

- The management team use their discretion (*active* management) to identify investments after analysing individual *bonds* and *derivatives* alongside global economic and market conditions.
- In seeking to achieve the *performance target*, the FTSE Actuaries UK Index Linked Gilts Over 5 years Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to

exceed 1.70%. Due to the *fund's* risk *constraints* the intention is that the *fund's* performance will not deviate significantly from that of the index over the *long term*.

Derivatives and Techniques

- The *fund* will make routine use of *derivatives* to reduce risk, reduce cost and/ or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivatives* can be used to generate growth, consistent with the *fund's* risk profile, if market prices are expected to rise ("*long positions*") or fall ("*short positions*"). These positions can be used in overseas markets.
- *Derivatives* include instruments used to manage expected changes in *interest rates*, inflation, currencies or *creditworthiness* of corporations or governments.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Credit risk

(ii) Interest rate risk

(iii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

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 www.aberdeenstandard.com. 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 STERLING LONG DATED CORPORATE BOND FUND (in the process of termination)

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*.

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 www.aberdeenstandard.com. 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.

ASI STERLING LONG DATED GOVERNMENT BOND FUND

Investment Objective

To generate income and some growth over the *long term* (5 years or more) by investing in UK Government *bonds* with a maturity of 10 years or longer.

Performance Target: To achieve the return of the FTSE Actuaries UK Conventional Gilts All Stocks Over 15 Years Index plus 0.5% per annum (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* invests at least 80% in government *bonds* issued or guaranteed by the UK Government with a maturity of ten years or longer.

- The *fund* may also invest in *investment grade bonds* of any maturity, issued anywhere in the world by governments, sub-sovereigns and corporations including inflation-linked *bonds*. The *fund* will employ techniques to reduce (*hedge*) risk related to currency movements on non-*Sterling bonds*.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), money-market instruments, and *cash*.

Management Process

- The management team use their discretion (*active* management) to identify investments after analysing individual *bonds* and *derivatives* alongside global economic and market conditions.
- In seeking to achieve the *Performance Target*, the FTSE Actuaries UK Conventional Gilts All Stocks Over 15 Years Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 1.70%. Due to the *active* nature of the management process the intention is that the *fund's* performance will not deviate significantly from that of the index over the *long term*.

Derivatives and Techniques

- The *fund* will make routine use of *derivatives* to reduce risk, reduce cost and/ or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivatives* can be used to generate growth, consistent with the *fund's* risk profile, if market prices are expected to rise ("*long positions*") or fall ("*short positions*"). These positions can be used in overseas markets.
- *Derivatives* include instruments used to manage expected changes in *interest rates*, inflation, currencies or *creditworthiness* of corporations or governments.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Credit risk

(ii) Interest rate risk

(iii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

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 www.aberdeenstandard.com. 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

ASI STERLING MONEY MARKET FUND

Investment Objective

The *fund* aims to generate income and preserve some capital over the *short term* (2 years or less) by investing in *cash* deposits and *money market instruments*.

Performance Target: The *fund* targets a return equivalent to 1 Week GBP LIBID. The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.* 1 Week GBP LIBID has been chosen as a proxy for the return from *cash* deposits.

Investment Policy

Portfolio Securities

- The *fund* invests at least 80% in *cash* deposits and *money market instruments*.
- The *fund* may also invest in *reverse repos*, securitisations and asset-backed commercial paper.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments).
- The *fund* qualifies as a *money-market fund* under the *MMF Regulation* and more specifically as a *Standard VNAV MMF*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at country, *sector* and company level.
- The *fund* is managed in line with the *MMF Regulation* which is used as a reference for portfolio management and risk monitoring of the *fund*. For example, *constraints* include limits on the *average* maturity of the portfolio.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/ or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivatives* include instruments used to manage expected changes in *interest rates*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) *Interest Rate risk*

(ii) Money Market Instruments risk

(iii) *Credit risk*

(iv) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors wanting to preserve capital.
- Investors wanting an income and to preserve capital over the *medium term* (less than 3years).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI STERLING OPPORTUNISTIC CORPORATE BOND FUND

Investment Objective

The *fund* aims to provide income and some growth over the *long term* (5 years or more) by investing in *bonds*.

*Performance Target***:** To achieve the return of iBoxx Sterling Collateralized & Corporates (1-10 year) Index plus 1.25% per annum (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 80% in *bonds* issued anywhere in the world by governments, sub-sovereigns and corporations.
- The *fund* may invest in *investment grade*, *emerging market*, *high yield*, inflation-linked, convertible, *asset backed* and *mortgage-backed bonds*.
- At least 80% of the *fund's* investments will be in *Sterling* or will be subjected to techniques to reduce (*hedge*) risk related to currency movements on non-*Sterling* investments. The *fund* has some flexibility to seek returns from currencies.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments) and money-market instruments, and *cash*.

Management Process

- The management team use their discretion (*active* management) to identify *bonds* and *derivatives* after analysing company's prospects and *creditworthiness* alongside global economic and market conditions.
- In seeking to achieve the *Performance Target*, the iBoxx Sterling Collateralized & Corporates (1-10 year) Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The team seeks to reduce the risk of significant changes in the value of the *fund* compared to the index. The potential change in value of the *fund* (as measured by expected *volatility*) is not ordinarily expected to exceed 150% of the potential change in value of the index.

Please Note: The *fund's* ability to buy and sell *bonds* and the associated costs can be affected during periods of market stress which could include periods where *interest rates* move sharply.

Derivatives and Techniques

- The *fund* will routinely use of *derivatives* to reduce risk, reduce cost and/ or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivatives* can be used to generate growth, consistent with the *fund's* risk profile, if market prices are expected to rise ("*long positions*") or fall ("*short positions*"). These positions can be used in overseas markets.
- *Derivatives* include instruments used to manage expected changes in *interest rates*, inflation, currencies or *creditworthiness* of corporations or governments.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Credit risk

(ii) Interest rate risk

(iii) *High yield* Credit risk

(iv) Asset Backed / Mortgage Backed Securities risk

(v) Convertible Securities and CoCos risk

(vi) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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 62 - 80.

ASI (AAM) STERLING SHORT DATED CORPORATE BOND FUND

Investment Objective

To generate income and some growth over the *medium term* (3 to 5 years) by investing in *Sterling* denominated *investment grade* corporate *bonds* with maturities of up to 5 years.

Performance Target: To achieve the return of the iBoxx Sterling Corporates (1-5 year) Index plus 0.25% per annum (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 60% in *Sterling* denominated *investment grade* corporate *bonds* with a maturity of up to 5 years.
- The *fund* may also invest in *bonds* of any maturity, issued anywhere in the world by governments and corporations, such as sub-sovereigns, *sub-investment grade*, inflation-linked, convertible, *asset backed* and

mortgage-backed bonds. The *fund* will employ techniques to reduce (*hedge*) risk related to currency movements on non-*Sterling bonds*.

- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments) and money-market instruments, and *cash*.

Management Process

- The management team use their discretion (*active* management) to identify *bonds* and *derivatives* after analysing company's prospects and *creditworthiness* alongside global economic and market conditions.
- In seeking to achieve the *Performance Target*, the iBoxx Sterling Corporates (1-5 year) Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 1.5%. Due to the *fund's* risk *constraints* the intention is that the *fund's* performance will not deviate significantly from that of the index over the *long term*.

Please Note: The *fund's* ability to buy and sell *bonds* and the associated costs can be affected during periods of market stress which could include periods where *interest rates* move sharply.

Derivatives and Techniques

- The *fund* will routinely use *derivatives* to reduce risk, reduce cost and/ or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivatives* include instruments used to manage expected changes in *interest rates*, inflation, currencies or *creditworthiness* of corporations or governments.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Credit risk

(ii) Interest rate risk

(iii) *High yield* Credit risk

(iv) Asset Backed / Mortgage Backed Securities risk

(v) Convertible Securities and CoCos risk

(vi) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors wanting to preserve capital.
- Investors wanting an income and to preserve capital over the medium to *longer term* (3-5 years).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI STERLING SHORT TERM GOVERNMENT BOND FUND

Investment Objective

To generate income and some growth over the medium to *long term* (3 to 5 years) by investing in UK Government *bonds* with a maturity of up to five years.

Performance Target: To achieve the return of the FTSE Actuaries UK Conventional Gilts All Stocks up to 5 Years Index plus 0.5% per annum (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* invests at least 80% in government *bonds* issued or guaranteed by the UK Government with a maturity of up to 5 years.
- The *fund* may also invest in *investment grade bonds* of any maturity, issued anywhere in the world by governments, sub-sovereigns and corporations including inflation-linked *bonds*. The *fund* will employ techniques to reduce (*hedge*) risk related to currency movements on non-*Sterling bonds*.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments*, and *cash*.

Management Process

- The management team use their discretion (*active* management) to identify investments after analysing individual *bonds* and *derivatives* alongside global economic and market conditions.
- In seeking to achieve the *Performance Target*, the FTSE Actuaries UK Conventional Gilts All Stocks up to 5 Years Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 1.70%. Due to the *fund's* risk *constraints* the intention is that the *fund's* performance will not deviate significantly from that of the index over the *long term*.

Derivatives and Techniques

- The *fund* will make routine use of *derivatives* to reduce risk, reduce cost and/ or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivatives* can be used to generate growth, consistent with the *fund's* risk profile, if market prices are expected to rise ("*long positions*") or fall ("*short positions*"). These positions can be used in overseas markets.
- *Derivatives* include instruments used to manage expected changes in *interest rates*, inflation, currencies or *creditworthiness* of corporations or governments.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Credit risk

(ii) *Interest rate* risk

(iii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors wanting to preserve capital.
- Investors wanting an income and to preserve capital over the medium to *longer term* (3-5 years).

- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

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 www.aberdeenstandard.com. 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

ASI STRATEGIC BOND FUND

Investment Objective

To generate income and some growth over the *long term* (5 years or more) by investing in government and corporate *bonds* issued anywhere in the world.

*Performance Target***:** To exceed the IA £ Strategic Bond Sector Average return over 1 year (after charges) and be top *quartile* over rolling three year periods. The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.* It has been chosen as the target as the constituents of the *sector* have similar aims and objectives.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 80% in *bonds* issued anywhere in the world by governments, sub-sovereigns and corporations.
- The *fund* may invest in *investment grade*, *emerging market*, *high yield*, inflation-linked, convertible, *asset backed* and *mortgage-backed bonds*.
- At least 80% of the *fund's* investments will be in *Sterling* or will be subjected to techniques to reduce (*hedge*) risk related to currency movements on non-*Sterling* investments. The *fund* has some flexibility to seek returns from currencies.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments) and money-market instruments, and *cash*.

Management Process

- The management team use their discretion (*active* management) to identify *bonds* and *derivatives* after analysing company's prospects and *creditworthiness* alongside global economic and market conditions.
- The team also seek to reduce the risk of losses and the expected change (as measured by annual *volatility*) in the value of the *fund*, is not ordinarily expected to exceed 8%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the *average fund* of the IA £ Strategic Bond Sector Average over the *long term*.

Please Note: The *fund's* ability to buy and sell *bonds* and the associated costs can be affected during periods of market stress which could include periods where *interest rates* move sharply.

Derivatives and Techniques

- The *fund* will routinely use *derivatives* to reduce risk, reduce cost and/ or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").

- *Derivatives* can be used to generate growth, consistent with the *fund's* risk profile, if market prices are expected to rise ("*long positions*") or fall ("*short positions*").
- *Derivatives* include instruments used to manage expected changes in *interest rates*, inflation, currencies or *creditworthiness* of corporations or governments.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Credit risk

(ii) Interest rate risk

(iii) *Emerging markets* risk

(iv) *High yield* Credit risk

(v) Asset Backed / Mortgage Backed Securities risk

(vi) Convertible Securities and CoCos risk

(vii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

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 www.aberdeenstandard.com. 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 62 - 80.

ASI TARGET RETURN BOND FUND

Investment Objective

To generate a positive return over *rolling* 12-month periods in all market conditions by investing in government and corporate *bonds* issued anywhere in the world. Invested capital is however at risk and there is no guarantee that this positive return will be attained over any time period.

Performance Target: To exceed the return of the 3 Month GBP LIBOR plus 3% per annum (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

3 Month GBP LIBOR has been chosen as a proxy for the return on *cash* deposits.

Investment Policy

Portfolio Securities

- The *fund* will invest directly or indirectly via *derivatives*, in fixed income markets and *bonds* issued anywhere in the world by governments, sub-sovereigns and corporations, as well as *money-market instruments* and *cash*.
- The *fund* may invest in *investment grade*, *high yield*, inflation-linked, convertible, *asset backed* and *mortgage-backed bonds*.
- The *fund* has flexibility to seek returns from currencies.
- The *fund* may invest in other *funds* (including those managed by Aberdeen Standard Investments).
- In some instances, up to 100% of the *fund* may at any time consist of *money-market instruments* and *cash*.

Management Process

- The management team use their discretion (*active* management) to identify *bonds* and *derivatives* based on analysis of global economic and market conditions (for example, *interest rates* and inflation), analysis of a company's prospects and *creditworthiness* compared to that of the market and make flexible allocations across *bond*, *derivatives* and currencies.
- The team also seek to reduce the risk of losses and the expected change (as measured by annual *volatility*) in the value of the *fund*, is not ordinarily expected to exceed 7.50%.
- Please Note: The *fund*'s ability to buy and sell *bonds* and the associated costs can be affected during periods of market stress which could include periods where *interest rates* move sharply.

Derivatives and Techniques

- The *fund* will make extensive use of *derivatives* to reduce risk, reduce cost and/ or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivatives* include instruments used to manage expected changes in *interest rates*, inflation, currencies or *creditworthiness* of corporations or governments.
- *Derivatives* can be used to generate growth, consistent with the *fund's* risk profile, if market prices are expected to rise ("*long positions*") or fall ("*short positions*"). *Leverage* in the *fund* arises as a result of the use of *derivatives*.

Examples of investment strategies implemented through *derivatives* are:

- An assessment of the direction of credit quality in one market relative to another.
- An assessment of one currency relative to another.
- An assessment of the direction of *interest rates*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Credit risk

(ii) Interest rate risk

(iii) *Emerging markets* risk

(iv) *High yield* Credit risk

(v) Asset Backed / Mortgage Backed Securities risk

(vi) Convertible Securities and CoCos risk

(vii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Please Note: the *fund's* ability to buy and sell *bonds* and the associated costs can be affected during periods of market stress which could include periods where *interest rates* move sharply.

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 www.aberdeenstandard.com. 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 62 - 80.

ASI UK EQUITY FUND

Investment Objective

To generate growth over the *long term* (5 years or more) by investing in UK equities (company *shares*).

Performance Target: To achieve the return of the FTSE All-Share Index plus 3% per annum over *rolling* three year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 70% in equities and *equity related securities* of companies listed, incorporated or *domiciled* in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments* and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at *sector* and stock level.

- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.

- In seeking to achieve the *Performance Target*, the FTSE All-Share Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints.* The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 9%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the index.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").

- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) *Concentration* risk

(iii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.

- Investors who can accept large *short term* losses.

- Investors wanting a return (growth) over the *longer term* (5 years or more).

- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.

- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI UK INCOME EQUITY FUND

Investment Objective

To generate income and some capital over the *long term* (5 years or more) by investing in UK equities (company *shares*).

Performance Target: To achieve the return of the FTSE All-Share Index plus 3% per annum over *rolling* three year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 70% in equities and *equity related securities* of companies listed, incorporated or *domiciled* in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- The *fund* may also invest up to 10% in *bonds* (loans to companies).
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments,* and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at *sector* and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.
- The *average yield* on assets in the *fund* is expected to be in line with or higher than the broad equity market.
- In seeking to achieve the *Performance Target*, the FTSE All-Share Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 9%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the index.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) *Concentration* risk

(iii) *Credit* risk

(iv) *Interest rate* risk

(v) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI UK MID-CAP EQUITY FUND

Investment Objective

To generate growth over the *long term* (5 years or more) by investing in UK mid-capitalisation equities (company *shares*).

Performance Target: To achieve the return of the FTSE 250 (ex Investment Trusts) Index plus 3% per annum over *rolling* three year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 60% in mid-capitalisation equities and *equity related securities* of companies listed, incorporated or *domiciled* in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- Mid capitalisation companies are defined as any stock included in the FTSE 250 (ex Investment Trusts) Index or, if not included within the index, any stock having a market capitalisation smaller than that of the stock with the largest market capitalisation in such index.
- The *fund* may also invest in smaller and larger capitalisation companies listed, incorporated or *domiciled* in the UK.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), money-market instruments, and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at *sector* and stock level.
- Their primary focus is on stock selection using the management team's quality, growth and momentum approach. It aims to identify companies that show a range of high quality characteristics, operate in growing markets and display positive business momentum.
- In seeking to achieve the *Performance Target*, the FTSE 250 (ex Investment Trusts) Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 9%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the index.
- Please note: The *fund*'s ability to buy and sell small and mid-capitalisation *shares* and the associated costs can be affected during periods of market stress. In certain circumstances investors in the *fund* may not be able to sell their investment when they want to.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management"). *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) Small and Mid-Cap Stock risk

(iii) Concentration risk

(iv) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI (AAM) UK SMALLER COMPANIES FUND

Investment Objective

To generate growth over the *long term* (5 years or more) by investing in UK smaller capitalisation equities (company *shares*).

Performance Target: To achieve the return of the Numis Smaller Companies Plus AIM excluding Investment Companies Index plus 3% per annum over *rolling* three year periods(before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 60% in smaller capitalisation equities and *equity related securities* of companies listed, incorporated or *domiciled* in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- Smaller capitalisation companies are defined as any stock having a market capitalisation less than the 10th percentile stock of the overall UK equity market.
- The *fund* may also invest in mid and larger capitalisation companies listed, incorporated or *domiciled* in the UK.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), money-market instruments and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at *sector* and stock level.
- Their primary focus is on stock selection using the management team's quality, growth and momentum approach. It aims to identify companies that show a range of high quality characteristics, operate in growing markets and display positive business momentum.
- In seeking to achieve the *Performance Target*, the Numis Smaller Companies Plus AIM excluding Investment Companies Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 10%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the index.
- Please note: The *fund*'s ability to buy and sell small and mid-capitalisation *shares* and the associated costs can be affected during periods of market stress. In certain circumstances investors in the *fund* may not be able to sell their investment when they want to.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) Small and Mid-Cap Stock risk

(iii) Concentration risk

(iv) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI GLOBAL EQUITY FUND

<u>Investment Objective</u>

To generate growth over the *long term* (5 years or more) by investing in equities (company *shares*) worldwide.

Performance Target: To achieve the return of the MSCI AC World Index plus 3% per annum over *rolling* three year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

<u>Investment Policy</u>

Portfolio Securities

- The *fund* will invest at least 80% in equities and *equity related securities* of companies listed on global stock exchanges.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments*, and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at country, *sector* and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.
- In seeking to achieve the *Performance Target*, the MSCI AC World Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints.* The expected variation (“tracking error”) between the returns of the *fund* and the index is not ordinarily expected to exceed 9%. Due to the *active* nature of the management process, the *fund’s* performance profile may deviate significantly from that of the index.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* (often referred to as “Efficient Portfolio Management”).
- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund’s* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) *Emerging markets* risk

(iii) *VIE* risk

(iv) China A/Stock Connect risk

(v) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting a return (growth) over the *longer term* (5 years or more).

- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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

ASI WORLD INCOME EQUITY FUND

Investment Objective

To generate income and some growth over the *long term* (5 years or more) by investing in equities (company *shares*) worldwide.

Performance Target: To exceed the return of the MSCI AC World High Yield Index plus 3% per annum over *rolling* three year periods (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 70% in equities and *equity related securities* of companies listed on recognised stock exchanges that offer good sustainable income prospects.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments), *money-market instruments*, and *cash*.

Management Process

- The management team use their discretion (*active* management) to maintain a diverse asset mix at country, *sector* and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the *long term*.
- In seeking to achieve the *Performance Target*, the MSCI AC World High Yield Index is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 9%. Due to the *active* nature of the management process, the *fund's* performance profile may deviate significantly from that of the index over the *long term*.

Derivatives and Techniques

- The *fund* may use *derivatives* to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivative* usage in the *fund* is expected to be very limited. Where *derivatives* are used, this would mainly be in response to significant inflows into the *fund* so that in these instances, *cash* can be invested while maintaining the *fund's* existing allocations to company *shares*.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Equity risk

(ii) Emerging Market risk

(iii) *VIE* risk

(iv) China A/Stock Connect risk

(v) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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 62 - 80.

ASI GLOBAL OPPORTUNISTIC BOND FUND

Investment Objective

To generate income and some growth over the *long term* (5 years or more) by investing in corporate and government *bonds* issued anywhere in the world.

Performance Target: To achieve the return of the Bloomberg Barclays Global Aggregate Credit Index (Hedged to GBP) plus 2% per annum (before charges). The *Performance Target* is the level of performance that the management team hopes to achieve for the *fund*. There is however no certainty or promise that they will achieve the *Performance Target.*

The *ACD* believes this is an appropriate target for the *fund* based on the investment policy of the *fund* and the constituents of the index.

Investment Policy

Portfolio Securities

- The *fund* will invest at least 70% in *bonds* issued anywhere in the world by corporations, governments and sub-sovereigns.

- The *fund* may also invest in *investment grade*, *high yield*, inflation-linked, convertible, *asset backed* and *mortgage-backed bonds*.
- The *fund* will employ techniques to reduce (*hedge*) risk related to currency movements on non-*Sterling bonds*.
- The *fund* may also invest in other *funds* (including those managed by Aberdeen Standard Investments) and money-market instruments, and *cash*.

Management Process

- The management team use their discretion (*active* management) to identify *bonds* and *derivatives* after analysing company's prospects and *creditworthiness* alongside global economic and market conditions.
- In seeking to achieve the *Performance Target*, the Bloomberg Barclays Global Aggregate Credit Index (Hedged to GBP) is used as a reference point for portfolio construction and as a basis for setting risk *constraints*. The expected variation ("tracking error") between the returns of the *fund* and the index is not ordinarily expected to exceed 7.00%. Due to the *active* nature of the management process, the *fund's* performance may deviate significantly from that of the index over the *long term*.

Please Note: The *fund's* ability to buy and sell *bonds* and the associated costs can be affected during periods of market stress which could include periods where *interest rates* move sharply.

Derivatives and Techniques

- The *fund* will routinely use of *derivatives* to reduce risk, reduce cost and/ or generate extra income or growth consistent with the risk profile of the *fund* (often referred to as "Efficient Portfolio Management").
- *Derivatives* include instruments used to manage expected changes in *interest rates*, inflation, currencies or *creditworthiness* of corporations or governments.

Specific Risks (for more details see Risks section)

All general investment risks apply however for this sub-*fund* investors should specifically be aware of the following:

(i) Credit risk

(ii) Interest rate risk

(iii) *Emerging markets* risk

(iv) *High yield* Credit risk

(v) Asset Backed / Mortgage Backed Securities risk

(vi) Convertible Securities and CoCos risk

(vii) *Derivatives risk*

Target Market

- Investors with basic investment knowledge.
- Investors who can accept large *short term* losses.
- Investors wanting an income and some growth over the *longer term* (5 years or more).
- The *fund* has specific and generic risks with a risk rating as per the *SRRI* number, all detailed on the *Key Investor Information Document*.
- For general sale to retail and professional investors through all distribution channels with or without professional advice.

Share *classes* available for investment:	For up to date details of the *share classes* available for investment in this *fund*, please refer to www.aberdeenstandard.com. 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 Standard Investments 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 62 - 80.

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*.

Risks

All investments involve risk. The risks of some of the *funds* may be comparatively high. The risk descriptions below correspond to the main risk factors for each *fund*. "**General Risks**" mostly apply to all *funds*; "**Specific Risks**" are particularly relevant where noted below each *fund's* investment objective and policy. A *fund* could potentially be affected by risks beyond those listed described for it here, nor are these risk descriptions themselves intended as exhaustive. Each risk is described as if for an individual *fund*.

A number of the risks described in this section aren't directly applicable to the securities held by the Company. However, if a *fund* invests into another *fund* which does hold securities where the risk is applicable then this is highlighted below the *fund's* investment objective and policy.

The value of investments and income from them can go down as well as up, and you might get back less than you invested.

Any of these risks could cause a *fund* to lose money, to perform less well than similar investments or a benchmark, to experience high *volatility* (ups and downs in *NAV*), or to fail to meet its objective over any period of time.

Statements made in this Prospectus are based on the law and practice in force at the date of this Prospectus.

Charges have the effect of reducing investment returns. Your investment must grow more than the rate of charges before you receive a positive return. A positive return is not guaranteed. Charges may reduce the value of your investment.

Some *funds* have charges taken from capital (set out on page 113), which may limit the growth in value of the relevant *fund*. However, when charges are taken from capital, more income is generally available to distribute to *shareholders*.

General Risks

Risks specific to investment in funds

As with any investment *fund*, investing in the Company involves certain risks an investor would not face if investing in markets directly:

- The actions of other investors, in particular sudden large outflows of *cash,* could interfere with orderly management of the Company and cause its *NAV* to fall.
- The investor cannot direct or influence how money is invested while it is in the Company.
- The Company's buying and selling of investments may not be optimal for the tax efficiency of any given investor.
- The Company is subject to various investment laws and regulations that limit the use of certain securities and investment techniques that might improve performance; to the extent that the Company decides to register in jurisdictions that impose narrower limits, this decision could further limit its investment activities.
- Because Company *shares* are not publicly traded, the only option for liquidation of *shares* is generally redemption, which could be subject to any redemption policies set by the Company.
- To the extent that the Company invests in other UCITS / UCIs, it will have less direct knowledge of, and no control over, the decisions of the UCITS / UCI's investment managers, it could incur a second layer of investment fees (which will further erode any investment gains), and it could face *liquidity* risk in trying to unwind its investment in a UCITS /UCI.
- The Company may not be able to hold a service provider fully responsible for any losses or lost opportunities arising from the service provider's misconduct.
- To the extent that the Company conducts business with affiliates of in the Aberdeen Standard Investments group, and these affiliates (and affiliates of other service providers) do business with each other on behalf of the Company, conflicts of interest may be created (although to mitigate these, all such business dealings must be conducted on an "arm's length" basis, and all entities, and the individuals associated with them, are subject to strict "fair dealing" policies that prohibit profiting from inside information and showing favouritism).

Counterparty risk

An entity with which the Company does business could become unwilling or unable to meet its obligations to the Company.

The bankruptcy or insolvency of counterparty could result in delays in getting back securities or *cash* of the Company's that were in the possession of the counterparty. This could mean the Company is unable to sell the securities or receive the income from them during the period in which it seeks to enforce its rights, which process itself is likely to create additional costs. Various operational risks could also cause delays even if there is no inability of the counterparty to pay.

If any collateral the Company holds as protection against counterparty risk declines in value, it may not fully protect the Company against losses from counterparty risk, including lost fees and income.

Currency risk

Changes in currency exchange rates could reduce investment gains or increase investment losses, in some cases significantly.

Exchange rates can change rapidly and unpredictably, and it may be difficult for the Company to unwind its *exposure* to a given currency in time to avoid losses. Changes in exchange rates can be influenced by such factors as export-import balances, economic and political trends, governmental intervention, and investor speculation.

Intervention by a central bank, such as aggressive buying or selling of currencies, changes in *interest rates*, restrictions on capital movements or a "de-pegging" of one currency to another, could cause abrupt or *long-term* changes in relative currency values.

Inflation risk

Over time, inflation can erode the real value of investment gains. With investments that produce low returns, inflation can negate any gains in buying power or even cause investors net buying power to decline over time.

Liquidity risk

Any security could become hard to value or to sell at a desired time and price.

Liquidity risk could affect the Company's ability to repay repurchase agreement proceeds by the agreed deadline.

Certain securities may, by their nature, be hard to value or sell quickly, especially in any quantity. This may include securities that are labelled as *illiquid* as well as a security of any type that represents a small issue, trades infrequently, or is traded on markets that are comparatively small or that have long settlement times.

Management risk

The Company's management team may be wrong in its analysis, assumptions, or projections. This includes projections concerning industry, market, economic, demographic, or other trends.

During unusual market conditions, investment management practices that have worked well in the past, or are accepted ways of addressing certain conditions, could prove ineffective.

Market risk

Prices and *yields* of many securities can change frequently, and can fall based on a wide variety of factors. Examples of these factors include:

- Political and economic news
- Government policy
- Changes in technology and business practice
- Changes in demographics, cultures and populations
- Natural or human-caused disasters
- Weather and climate patterns
- Scientific or investigative discoveries
- Costs and availability of energy, *commodities*, and natural resources

- The effects of market risk can be immediate or gradual, *short term* or *long-term*, narrow or broad.

This risk can apply to both the design and operation of computer models, and can apply whether a model is used to support human decision-making or to directly generate trading recommendations. Flaws in software programs can go undetected for long periods of time.

Operational risk

The operations of the Company could be subject to human error, faulty processes or governance, or technological failures.

Operational risks may subject the *fund* to errors affecting valuation, pricing, accounting, tax reporting, financial reporting,

Custody and trading, among other things. Operational risks may go undetected for long periods of time, and even if they are detected it may prove impractical to recover prompt or adequate compensation from those responsible.

Regulatory and Government policy

The laws that govern the Company may change in future. Any such changes may not be in the best interest of the Company, and may have a negative impact on the value of your investment.

Single Swinging Price – Impact on *fund* value and performance

The Company has a single swinging price. The single price can be swung up or down in response to inflows or outflows from the Company, in order to protect investors from the effect of dilution. Dilution occurs where the Company is forced to incur costs as a result of the investment manager buying or selling assets following inflows or outflows. A change to the pricing basis will result in a movement to the Company's published price and reported investment performance.

Suspension and Termination

Investors should note that in exceptional circumstances, the *ACD* may, after consultation with the *depositary*, suspend the issue, cancellation, sale and redemption (including switching) of *shares* in any and all *funds* and *classes*.

Taxation risks

A country could change its tax laws or treaties in ways that affect investors.

Tax changes potentially could be retroactive and could affect investors with no direct investment in the country.

Turnover

When securities are bought and sold they incur transaction costs, which are paid for by the Company. This is known as turnover. High levels of turnover may have a negative impact on a *fund's* performance.

Specific Risks

Asset Backed / Mortgage Backed Securities risk

Mortgage-backed and asset-backed securities (MBSs and *ABSs*) typically carry prepayment and extension risk and can carry above-*average liquidity risk*.

MBSs (a category that includes collateralised mortgage obligations, or CMOs) and *ABSs* represent an interest in a pool of *debt*, such as credit card receivables, auto loans, student loans, equipment leases, home mortgages and home equity loans.

MBSs and *ABSs* also tend to be of lower credit quality than many other types of *debt securities*. To the extent that the *debts* underlying an MBS or *ABS* go into default or become non-collectable, the securities based on those *debts* will lose some or all of their value.

To-be-announced (TBA) securities, which are MBSs or *ABSs* that are purchased sight unseen 48 hours before they are issued, can fall in value between the time the *fund* commits to the purchase and the time of delivery.

China A / Stock Connect Risk

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 People's Republic of China ("*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 *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*. 51

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*.

Concentration risk

To the extent that the *fund* invests a large portion of its assets in a limited number of industries, *sectors*, or issuers, or within a limited geographical area, it can be more risky than a *fund* that invests more broadly.

Focusing on any company, industry, *sector*, country, region, type of stock, type of economy, etc. makes the *fund* more sensitive to the factors that determine market value for the area of focus. These factors may include economic, financial or market conditions as well as social, political, economic, environmental or other conditions. The result can be both higher *volatility* and a greater risk of loss.

Convertible Securities and CoCos Risk

Because convertible securities are structured as *bonds* that typically can, or must, be repaid with a predetermined quantity of equity *shares*, rather than *cash*, they carry both equity risk and the credit and default risks typical of *bonds*.

Contingent convertible securities (coco *bonds*) are comparatively untested, their income payments may be cancelled or suspended, they are more vulnerable to losses than equities, they carry extension risk, and they can be highly *volatile*. A coco *bond* can lose some or all of its value instantaneously if a trigger event occurs (such as the issuer experiencing certain capital ratios). Because coco *bonds* are in effect perpetual loans, the principal amount may be paid off on the call date, anytime afterward, or never.

How coco *bonds* will behave in various market situations is unknown, but there is a risk that *volatility* or price collapses could spread across issuers and that the *bonds* could become *illiquid*.

Country risk — China

The legal rights of investors in China are uncertain, government intervention is common and unpredictable, and some of the major trading and custody systems are unproven.

In China, it is uncertain whether a court would protect the *fund's* right to securities it may purchase via the Shanghai-Hong Kong Stock Connect or other programs, whose regulations are untested and subject to change. The structure of these schemes does not require full accountability of some of its component entities and leaves investors such as the *fund* with relatively little standing to take legal action in China. In addition, the security exchanges in China may tax or limit short-swing profits, recall eligible stocks, set maximum trading volumes (at the investor level or at the market level) or otherwise block, limit or delay trading.

In China, the government maintains two separate currencies: internal renminbi (which must remain within China and generally cannot be owned by foreigners) and external renminbi (which can be owned by anyone). The exchange rate, and the extent to which the currencies can be exchanged, is determined by a combination of market and government actions. This effectively creates currency risk within a single nation's currency, as well as *liquidity* risk.

Credit / High Yield Credit Risk

A *bond* or money market security could lose value if the issuer's financial health deteriorates, or in extreme cases could go into default (cease to make timely payments of principal or interest).

This risk is greater the lower the credit quality of the *debt*, and the greater the *fund's exposure* to below *investment grade bonds* (also known as "*high yield bonds*"). A decline in *creditworthiness* may also cause a *bond* or money market security to become more *volatile* and less *liquid*.

Bonds that are in default may become *illiquid* or worthless. Below *investment grade bonds* are considered speculative. Compared to *investment grade bonds*, the prices and *yields* of below *investment grade bonds* are more sensitive to economic events and more *volatile*, and the *bonds* are less *liquid*. In general, lower quality *bonds* are be more likely to default on obligations, and to be unable to repay principal if they do, particularly if they are unsecured or subordinate to other obligations.

Debt issued by governments and government-owned or -controlled entities can be subject to many risks, especially in cases where the government is reliant on payments or extensions of credit from external sources, is unable to institute the necessary systemic reforms or control domestic sentiment, or is unusually vulnerable to changes in geopolitical or economic sentiment. Even if a government issuer is financially able to pay off its *debt*, investors may have little recourse should it decide to delay, discount or cancel its obligations

Derivatives risk

Certain *derivatives* could behave unexpectedly or could expose the *fund* to losses that are significantly greater than the cost of the *derivative. Derivatives* in general are highly *volatile* and do not carry any voting rights. The pricing and *volatility* of many *derivatives* (especially credit default *swaps*) may diverge from strictly reflecting the pricing or *volatility* of their underlying reference(s).

In difficult market conditions, it may be impossible or unfeasible to place orders that would limit or offset the market *exposure* or financial losses created by certain *derivatives.* Using *derivatives* also involves costs that the *fund* would not otherwise incur.

Regulations may limit the *fund* from using *derivatives* in ways that might have been beneficial to the *fund*. Changes in tax, accounting, or securities laws could cause the value of a *derivative* to fall or could force the *fund* to terminate a *derivative* position under disadvantageous circumstances.

Certain *derivatives*, in particular *futures*, *options*, contracts for difference and some contingent liability contracts, could involve margin borrowing, meaning that the *fund* could be forced to choose between liquidating securities to meet a margin call or taking a loss on a position that might, if held longer, have *yielded* a smaller loss or a gain.

To the extent that the *fund* uses *derivatives* to increase its net *exposure* to any market, rate, basket of securities or other financial reference source, fluctuations in the price of the reference source will be amplified at the *fund* level.

- **Over the counter (OTC) *derivatives* risk**

Because OTC *derivatives* are in essence private agreements between a *fund* and one or more counterparties, they are regulated differently than market-traded securities. They also carry greater counterparty and *liquidity* risks; in particular, it may be more difficult to force a counterparty to honour its obligations to a *fund*. A downgrade in the *creditworthiness* of counterparty can lead to a decline in the value of OTC contracts with that counterparty. If counterparty ceases to offer a *derivative* that a *fund* had been planning on using, the *fund* may not be able to find a comparable *derivative* elsewhere and may miss an opportunity for gain or find itself unexpectedly exposed to risks or losses, including losses from a *derivative* position for which it was unable to buy an offsetting *derivative.*

Because it is generally impractical for the Company to divide its OTC *derivative* transactions among a wide variety of counterparties, a decline in the financial health of any one counterparty could cause significant losses. Conversely, if any *fund* experiences any financial weakness or fails to meet an obligation, counterparties could become unwilling to do business with the Company, which could leave the Company unable to operate efficiently and competitively.

- **Exchange Traded *Derivatives* (ETD) risk**

While exchange-traded *derivatives* are generally considered lower-risk than OTC *derivatives*, there is still the risk that a suspension of trading in *derivatives* or in their underlying assets could make it impossible for a *fund* to realise gains or avoid losses, which in turn could cause a delay in handling redemptions of *shares*. There is also a risk that settlement of exchange-traded *derivatives* through a transfer system may not happen when or as expected.

- ***Short* positions *risk***

Some *funds* can take *short positions* by using *derivatives*. A *short position* will reduce in value if the security it is linked to increases in value. The opposite also applies, in that the *short position* will rise in value if the underlying security reduces in value.

There is no limit to the loss on a *short position*, and so they carry higher risk than direct investment in a security. The risk of holding *short positions* is mitigated by the *ACD's* Risk Management Policy.

Emerging markets risk

Emerging markets are less established, and more *volatile*, than developed markets. They involve higher risks, particularly market, credit, *illiquid* security, and currency risks, and are more likely to experience risks that in developed markets are associated with unusual market conditions.

Reasons for this higher level of risk include:

- Political, economic, or social instability
- Economies that are heavily reliant on particular industries, *commodities*, or trading partners
- High or capricious tariffs or other forms of protectionism
- Quotas, regulations, laws, or practices that place outside investors (such as the *fund*) at a disadvantage
- Failure to enforce laws or regulations, to provide fair or functioning mechanisms for resolving disputes or pursuing recourse, or to otherwise recognise the rights of investors as understood in developed markets
- Significant government control of businesses or intervention in markets • excessive fees, trading costs, taxation, or outright seizure of assets
- Inadequate reserves to cover issuer or counterparty defaults
- Incomplete, misleading, or inaccurate information about securities and their issuers
- Lack of uniform accounting, auditing and financial reporting standards
- Manipulation of market prices by large investors
- Arbitrary delays and market closures
- Market *infrastructure* that is unable to handle peak trading volumes
- Fraud, corruption and error

In certain countries, securities markets may also suffer from impaired efficiency and *liquidity*, which may worsen price *volatility* and market disruptions.

To the extent that *emerging markets* are in different time zones from the UK the *fund* might not be able to react in a timely fashion to price movements that occur during hours when the *fund* is not open for business.

- For purposes of risk, the category of *emerging markets* includes markets that are less developed, such as most countries in Asia, Africa, South America and Eastern Europe, as well as countries such as China, Russia and India that have successful economies but may not offer the highest levels of investor protection.

Equity risk

Equities can lose value rapidly, and typically involve higher (often significantly higher) market risks than *bonds* or *money market instruments*. If a company goes through bankruptcy or a similar financial restructuring, its equities may lose most or all of their value.

Interest rate risk

When interest *rates* rise, *bond* values generally fall. This risk is generally greater the longer the *duration* of a *bond* investment is.

Money Market risk

The *fund* price is not guaranteed. An event such as default by a bank with which the *fund* has deposited money would cause the *fund* price to fall. A fall may also occur if *interest rates* fall so low as to be less than the charges applied to the *fund*.

Real Estate Investment Trust risk

Real estate and related investments can be hurt by any factor that makes an area or individual property less valuable.

Specifically, investments in real estate holdings or related businesses or securities (including interests in mortgages) can be hurt by natural disasters, economic declines, overbuilding, zoning changes, tax increases, population or lifestyle trends, environmental contamination, defaults on mortgages, failures of management, and other factors that may affect the market value or *cash* flow of the investment.

Many issuers of real estate related securities are highly *leveraged*, which can make their securities more *volatile*. The value of real estate-related securities does not necessarily track the value of the underlying assets.

Small and Mid-Cap Stock Risk

Stocks of small and mid-size companies can be more *volatile* than stocks of larger companies.

Small and mid-size companies often have fewer financial resources, shorter operating histories, and less diverse business lines, and as a result can be at greater risk of *long term* or permanent business setbacks. Initial public offerings (IPOs) can be highly *volatile*, giving them disproportionate impact on the *fund's share* price, and can be hard to evaluate because of a lack of trading history and relative lack of public information.

***Variable Interest Entity* Risk**

Variable interest entity (*VIE*) structures may be adversely affected by changes in the legal and regulatory framework. This may result in losses, or force the *fund* to sell the *VIE* which could have a negative impact on the *fund's* performance.

MANAGEMENT AND ADMINISTRATION

THE AUTHORISED CORPORATE DIRECTOR ("ACD")

The *authorised corporate director* of the Company is Aberdeen Standard 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 wholly owned subsidiary of Standard Life Aberdeen plc ("SLA plc"), a company incorporated in Scotland. Aberdeen Asset Management plc ("AAM plc") and Standard Life Investments (Holdings) Limited and their respective subsidiaries have come together under the Aberdeen Standard Investments ("ASI") "brand" as the asset management division of SLA plc. 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 Standard OEIC II*; Aberdeen Standard OEIC III**; Aberdeen Standard OEIC IV***; Aberdeen Standard OEIC V****; Aberdeen Standard OEIC VI*****; Aberdeen Standard OEIC VII******; Aberdeen Property ICVC; Standard Life Investments UK Real Estate ICVC and Aberdeen Standard Capital Acer Fund*******. Copies of contracts of service between these authorised investment companies with variable capital and their respective directors, including their *authorised corporate director*, will be provided upon request.

The *ACD* also acts as the manager of the following authorised unit trust schemes: Aberdeen Standard Unit Trust I********; Aberdeen Capital Trust; and Aberdeen Property Unit Trust; Standard Life Investments UK Real Estate Trust; ASI Global Real Estate Fund; The Norfolk Trust; The Notts Trust; ASI Global Absolute Returns Strategies Fund;; ASI Dynamic Distribution Fund;; ASI (SLI) Strategic Bond Fund*********;; Aberdeen Standard Capital Balanced Bridge Fund**********; Aberdeen Standard Capital Merlin Fund***********; Aberdeen Standard Capital Bridge Fund************; Aberdeen Standard Capital Falcon Fund and Aberdeen Standard Capital Phoenix Fund**************.

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*.

* This *fund* was formerly known as Standard Life Investment Company

** This *fund* was formerly known as Standard Life Investment Company III

*** This *fund* was formerly known as Aberdeen Investment Funds UK ICVC II

**** This *fund* was formerly known as Standard Life Investment Company II

***** This *fund* was formerly known as Aberdeen Investment Funds UK ICVC III

****** This *fund* was formerly known as Aberdeen Multi Manager (Fund of Funds) ICVC

******* This *fund* was formerly known as Standard Life Wealth Acer Fund

******** This *fund* was formerly known as Aberdeen Funds

********* This *fund* was formerly known as Standard Life Investments Strategic Bond Fund

********** This *fund* was formerly known as Standard Life Wealth Balanced Bridge Fund

*********** This *fund* was formerly known as Standard Life Wealth Merlin Fund

************ This *fund* was formerly known as Standard Life Wealth Bridge Fund

************* This *fund* was formerly known as Standard Life Wealth Falcon Fund

************** This *fund* was formerly known as Standard Life Wealth Phoenix Fund

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 ("ASIAL"). ASIAL is authorised and regulated by the Monetary Authority of Singapore.

Aberdeen Standard Investments 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"). ASIJL is regulated by the Financial Services Agency in Japan.

Aberdeen Standard Investments (Hong Kong) Limited, a company incorporated in and under the laws of Hong Kong whose principal place of business is at 28th and 30th Floors, LHT Tower, 31 Queen's Road Central, Hong Kong ("ASIHKL" and together with ASIAL, AAMI and ASIJL, the "Sub-Advisers"). ASIHKL is licensed and regulated by the Securities and Futures Commission in Hong Kong.

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.

Fees

The fee to which the *depositary* is entitled is part of the Operating, Administrative and Servicing Expenses set out on pages 55 - 58.

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.

Voting Rights

Voting rights attached to each *class* of *shares* are described under "Voting" on page 81.

Compulsory Redemption

Shares may be compulsorily redeemed in the circumstances described on page 52.

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 55 - 58.

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.

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 publically on a *dealing day* during a temporary suspension of dealing in the relevant *fund*. See the "*Suspension of Dealings*" section on page 52 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.

A. All *funds* (excluding ASI Sterling Money Market Fund)

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).

B. ASI Sterling Money Market Fund

1. The property of ASI Sterling Money Market Fund is valued as follows:

    (a) *Securitisations*, *ABCP(s)* and *money-market instruments* will be valued at *mark-to-market*, in accordance with the *MMF Regulation*. Where the value of the assets of ASI Sterling Money

Market Fund cannot be calculated following the *mark-to-market*, their value shall be determined by using Mark-to-Model, in accordance with the *MMF Regulation*;

(i) *Shares* or units in *MMFs* shall be valued at their last available *net asset value* as reported by such *MMFs*;

(ii) The value of any *cash* on hand or on deposit, bills, demand notes and accounts receivable, prepaid expenses, *cash* dividends and interest declared or accrued as aforesaid, and not yet received shall be deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the *ACD* may consider appropriate in such case to reflect the true value thereof.

The *net asset value* per *share* of ASI Sterling Money Market Fund shall be rounded to the nearest basis point or its equivalent when the *net asset value* is published in a currency unit.

C. In respect of all *funds*:

1. 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.
2. 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.
3. *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.
4. All agreements are to be included under paragraph 5 which are, or ought reasonably to have been, known to the person valuing the property.
5. 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.
6. 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.
7. The principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings will be deducted.
8. An estimated amount for accrued claims for tax of whatever nature which may be recoverable will be added.
9. Any other credits or amounts due to be paid into the scheme property will be added.
10. A sum representing any interest or any income accrued due or deemed to have accrued but not received will be added.
11. 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.

With respect to ASI Sterling Money Market Fund, *shares* will be issued at a price that is equal to the *net asset value* per *share*, notwithstanding any permitted fees or charges as set out in this Prospectus.

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 buying and selling prices of the investment concerned.

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.

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 on any given day, exceeding a 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 may (but will not always) 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 may (but will not always) be decreased to allow for the amount of the Dilution Adjustment.

Dilution is 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. The rate of any dilution adjustment made from time to time will differ for the fund and be dependent on dealing spreads, commissions and taxes and duties arising on the purchase or sale of the scheme property of the fund. These estimated rates may differ in practice.

For illustrative purposes, the table below shows historic information on dilution adjustments to the share price over the period 1 January 2018 to 31 December 2018.

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

Fund	**Rate applied on net investment**	**Rate applied on net divestment**	**Frequency of occasions on which dilution adjustment was applied**

ASI Asia Pacific and Japan Equity Fund	0.30%	0.29%	0
ASI Asia Pacific Equity Fund	0.28%	0.30%	0
ASI Corporate Bond Fund	0.45%	0.45%	0
ASI Diversified Income Fund	0.43%	0.36%	0
ASI Eastern European Equity Fund	0.32%	0.28%	0
ASI Emerging Markets Bond Fund	0.24%	0.24%	0
ASI Emerging Markets Equity Fund	0.27%	0.30%	0
ASI Global Ethical Equity Fund	0.29%	0.27%	0
ASI Europe ex UK Equity Fund	0.18%	0.11%	0
ASI European High Yield Bond Fund	0.64%	0.64%	0
ASI European Real Estate Share Fund	0.33%	0.21%	0
ASI European Smaller Companies Fund	0.33%	0.21%	0
ASI Financial Equity Fund	0.26%	0.23%	0
ASI Global High Yield Bond Fund	0.35%	0.35%	0
ASI Japanese Equity Fund	0.17%	0.17%	0
ASI Latin American Equity Fund	0.28%	0.23%	3
ASI Multi-Asset Fund	0.27%	0.9%	0
ASI American Equity Fund	0.05%	0.05%	1
ASI UK Real Estate Share Fund	0.48%	0.19%	5
ASI UK Responsible Equity Fund	0.47%	0.10%	0
ASI Sterling Bond Fund	0.16%	0.16%	0
ASI (AAM) Sterling Government Bond Fund	0.06%	0.06%	1
ASI Sterling Inflation-Linked Bond Fund	0.12%	0.12%	0
Aberdeen Sterling Long Dated Corporate Bond Fund*	0.51%	0.51%	0
ASI Sterling Long Dated Government Bond Fund	0.10%	0.10%	5
ASI Sterling Money Market Fund	0.01%	0.01%	0
ASI Sterling Opportunistic Corporate Bond Fund	0.34%	0.34%	0
ASI (AAM) Sterling Short Dated Corporate Bond Fund	0.17%	0.17%	0
ASI Sterling Short Term Government Bond Fund	0.02%	0.02%	0
ASI Strategic Bond Fund	0.39%	0.39%	1
ASI Target Return Bond Fund	0.19%	0.19%	1
ASI UK Equity Fund	0.46%	0.10%	0
ASI UK Income Equity Fund	0.43%	0.11%	0
ASI UK Mid-Cap Equity Fund	0.47%	0.14%	0
ASI (AAM) UK Smaller Companies Fund	0.79%	0.55%	0
ASI Global Equity Fund	0.21%	0.15%	0
ASI World Income Equity Fund	0.32%	0.26%	0
ASI Global Opportunistic Bond Fund	0.22%	0.22%	0

* This fund is in the process of termination and is not available for investment.

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

The fund listed below was launched recently, so there is no historical information on dilution for it. The estimated rates for this fund based on future projections are as follows:

Fund	Rate applied on net investment	Rate applied on net divestment
ASI China A Share Equity Fund	0.13%	0.22%

SALE, REDEMPTION, CONVERSION 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 or redemptions on any given day exceed a level where the estimated potential cost to the relevant *fund* justifies its application, as described more fully on pages 46 – 47, 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 52 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 Standard Fund Managers Limited PO Box 12233, Chelmsford, CM99 2EE, by telephoning the *ACD* between 09.00 and 17.00 on 0345 113 6966 (special dealing line) or by fax on 0330 123 3580.

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 third business day after the relevant *dealing day*, or in the case of applications for *shares* in ASI Sterling Money Market Fund, not later than the first business day after the relevant *dealing day*. The *ACD* may at its discretion delay arranging for the issue of *shares* until payment has been received.

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 subscription for the purchase of those *shares* may lapse and be cancelled at the cost of the applicant or its financial intermediary. The Company is also entitled to make any necessary amendment to the register in which case 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).

Failure to make good settlement by the settlement date may result in the *ACD* bringing an action against the applicant or its financial intermediary or deducting any costs or losses incurred by the *ACD* against any existing holding of the applicant in the *fund*. In all cases any money returnable to the applicant will be held by the *ACD* without payment of interest pending receipt of the monies due.

The *ACD* may refuse to accept an application for a subscription in *shares* in the ASI Sterling Money Market Fund, including for switching purposes, if it believes in its sole discretion that such holding of *shares* could impact the *liquidity* profile of the ASI Sterling Money Market Fund.

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 52 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 51 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 0345 113 6966 (special dealing line), or by delivering to the *ACD* written instructions for redemption. Written instructions can be given by letter or by fax to 0330 123 3580.

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 on the third business day (with the exception of ASI 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).

With respect to ASI Sterling Money Market Fund, *shares* will be redeemed at a price that is equal to the *net asset value* per *share*, notwithstanding any permitted fees or charges as set out in this Prospectus.

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 defer redemptions in times of high redemptions. For this purpose "high redemptions" are redemptions that at a valuation point on any given *dealing day* exceed 10% of the *fund's net asset value*. The ability to defer redemptions is intended to protect the interests of *shareholders* remaining in the *fund* and will give the *ACD*, in times of high redemptions, the ability to defer redemptions at a particular valuation point on a *dealing day* to the valuation point on the next *dealing day*. This is intended to allow the *ACD* to match the sale of scheme property to the level of redemptions. Subject to the *FCA* Handbook and to sufficient *liquidity* being raised at the next valuation point, all deals relating to the earlier valuation point will be completed before those relating to the later valuation point are considered. With respect to ASI Sterling Money Market Fund, the *ACD's* ability to defer redemptions in accordance with this paragraph shall be subject to, and in addition to, the circumstances set out in paragraph 51 titled "*Liquidity* Risk and Portfolio Risk Limitation Rules".

SWITCHING BETWEEN FUNDS

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:

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

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.

A *shareholder* wishing to exchange *shares* in one *fund* for *shares* in any other *fund* should apply in the same way as for a redemption (see pages 49 and 50). 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*.

SHARE CONVERSIONS

Shareholders are entitled to *convert* their *shares* of one *class* for *shares* of another *class* within the same *fund* subject to any limitations on the issue of *shares*.

Conversions will be effected by the *ACD* recording the change of *class* on the Register.

Conversions will generally be effected at the next Valuation Point following receipt of instructions. For UK *shareholders*, *conversions* of *shares* from one *class* to another *class* in the same *fund* are not treated as a Redemption and will not be a realisation for the purposes of Capital Gains Tax.

There is currently no fee for *conversions*.

The number of *shares* issued in a new *class* will be calculated relative to the price of the *shares* being converted from.

A *shareholder* who *converts shares* in one *class* for *shares* in another in the same *fund* will not be given a right by law to withdraw or cancel from the transaction.

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 www.aberdeenstandard.com or by calling customer services on 0345 113 6966.

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.

Mandatory *Conversion* of *Shares*

The *ACD* may, upon appropriate notice to affected *shareholders*, effect a compulsory *conversion* of *shares* in one *class* of a *fund* for another *class* of the same *fund*. Such compulsory *conversion* shall be conducted as described above in this section. A compulsory *conversion* will only be undertaken where the *ACD* reasonably considers it is fair and in the best interests of affected *shareholders*. By way of example, the *ACD* may effect a compulsory *conversion* where the *ACD* reasonably believes it is in the best interests of *shareholders* to reduce the number of available *classes*. Examples of when this compulsory *conversion* power will be used, include (but are not limited to): to facilitate switching investors to better value *share classes* or for the consolidation of *classes* of *shares*.

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 - 43. 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.

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

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*. It is calculated on a daily basis by reference to that proportion of the *net asset value* of that *fund* at the valuation point on the previous business day, taking into account any sales and/or redemptions on that day. 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[22] AMC	K Shares AMC	L Shares AMC	M Shares AMC	P Shares AMC	Q Shares AMC
ASI Asia Pacific and Japan Equity Fund	1.45%		1.00%			1.00%		
ASI Asia Pacific Equity Fund	1.45%		1.00%	0.50%^		1.00%		
ASI China A Share Equity Fund ^			1.00%	0.50%		1.00%		
ASI Corporate Bond Fund	0.95%		0.50%			0.50%	0.25%	0.25%
ASI Eastern European Equity Fund	1.20%		0.75%			0.75%		
ASI Emerging Markets Bond Fund	1.20%		0.75%			0.75%		
ASI Emerging Markets Equity Fund	1.45%	1.00%	1.00%	0.60%^^		1.00%		

[22]Note: *class* I *shares* are only available to institutional investors approved by the *ACD*. This restriction applies to new investments from (and including) 10 December 2018.

	A Shares AMC	G Shares AMC	I Shares[22] AMC	K Shares AMC	L Shares AMC	M Shares AMC	P Shares AMC	Q Shares AMC
ASI Global Ethical Equity Fund	1.45%		1.00%			1.00%		
ASI Euro Corporate Bond Fund	0.90%		0.50%			0.50%		
ASI Europe ex UK Equity Fund	1.20%		0.75%			0.75%		
ASI European Real Estate Share Fund	1.20%		0.75%			0.75%		
ASI European Smaller Companies Fund	1.20%		0.75%	0.68%		0.75%		
ASI Financial Equity Fund	1.20%		0.75%			0.75%		
ASI Global High Yield Bond Fund	1.10%		0.65%			0.65%	0.46%	0.46%
ASI European High Yield Bond Fund	1.15%		0.70%			0.70%		
ASI Japanese Equity Fund	1.20%		0.75%			0.75%		
ASI Latin American Equity Fund	1.45%		1.00%			1.00%		
ASI Diversified Income Fund	1.05%		0.60%			0.60%		
ASI Multi-Asset Fund	1.20%		0.75%			0.75%		
ASI American Equity Fund	1.20%		0.75%			0.75%		
ASI UK Real Estate Share Fund	1.20%		0.75%	0.68%		0.75%		
ASI UK Responsible Equity Fund	1.20%		0.75%			0.75%		
ASI Sterling Bond Fund	0.95%		0.50%	0.35%	0.40%	0.50%		
ASI (AAM) Sterling	0.90%		0.40%			0.40%	0.23%	0.23%

	A Shares AMC	G Shares AMC	I Shares[22] AMC	K Shares AMC	L Shares AMC	M Shares AMC	P Shares AMC	Q Shares AMC
Government Bond Fund								
ASI Sterling Inflation-Linked Bond Fund	0.90%		0.40%	0.35%		0.40%		
Aberdeen Sterling Long Dated Corporate Bond Fund*				0.35%				
ASI Sterling Long Dated Government Bond Fund	0.90%		0.40%	0.35%		0.40%		
ASI Sterling Money Market Fund	0.20%		0.10%			0.10%		
ASI Sterling Opportunistic Corporate Bond Fund	1.00%		0.50%			0.50%	0.27%	0.27%
ASI (AAM) Sterling Short Dated Corporate Bond Fund	0.60%		0.30%	0.20%		0.30%		
ASI Sterling Short Term Government Bond Funaberdee	0.80%		0.30%			0.30%	0.20%	
ASI Strategic Bond Fund	0.95%		0.50%			0.50%		
ASI Target Return Bond Fund	0.95%		0.50%	0.45%		0.50%		
ASI UK Equity Fund	1.20%		0.75%	0.68%	0.50%	0.75%		
ASI UK Income Equity Fund	1.20%		0.75%	0.68%		0.75%		
ASI UK Mid-Cap Equity Fund	1.20%		0.75%	0.68%		0.75%		
ASI (AAM) UK Smaller Companies Fund	1.20%		0.75%	0.68%		0.75%		
ASI Global Equity Fund	1.45%		1.00%		0.75%	1.00%		

	A Shares AMC	G Shares AMC	I Shares[22] AMC	K Shares AMC	L Shares AMC	M Shares AMC	P Shares AMC	Q Shares AMC
ASI World Income Equity Fund	1.45%		1.00%			1.00%		
ASI Global Opportunistic Bond Fund	0.95%		0.50%			0.50%		

* This *fund* is in the process of termination and is not available for investment.

^ This *fund* will be launched on 20 August 2019.

^ This share class will launch on or around 14 August 2019.

^^ This share class will launch on or around 14 August 2019.

Initial Charge

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

The current initial charges in respect of the *share classes* of ASI Emerging Markets Equity Fund are calculated as a percentage of the amount subscribed as set out below:

A Shares	G Shares	I Shares	K Shares+	M Shares	Z Shares
2.00%	0.00%	2.00%	0.00%	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 ASI 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 www.aberdeenstandard.com for up-to-date information on the actual initial charge applicable at any time.

+ This share class will launch on or around 14 August 2019.

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 ASI Emerging Markets Equity Fund, the ASI Eastern European Equity Fund and the ASI Latin American Equity Fund) is 0.30% of the *net asset value* of each *share class*. The corresponding maximum for each of the ASI Emerging Markets Equity Fund and the ASI Latin American Equity Fund is 0.40%, and the corresponding maximum for the ASI 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 ASI 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 www.aberdeenstandard.com. 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 (£12,000 for 2019/20) 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

A switch 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 *conversion* 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 and, in respect of ASI Sterling Money Market Fund, subject to the limits on investment set out in the *MMF Regulation*s and in Chapter 5 of the *COLL Sourcebook* that are applicable to *MMFs*. 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.

A. All *funds* (except ASI Sterling Money Market Fund)

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 ASI 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;

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 **1.1**), 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 *exposure*s 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 transferable securities or approved money-market instruments issued or guaranteed by a single State, local authority of an *EEA State* or public international body to which one or more *EEA States* belong ("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 - 43 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, issued and issuer 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, such securities issued by that body shall be taken into account.

17. INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

17.1 In the case of ASI Asia Pacific and Japan Equity Fund, ASI Asia Pacific Equity Fund, ASI China A Share Equity Fund ^, ASI Corporate Bond Fund, ASI Diversified Income Fund, ASI Eastern European Equity Fund, ASI Emerging Markets Bond Fund, ASI Emerging Markets Equity Fund, ASI Global Ethical Equity Fund, ASI Euro Corporate Bond Fund, ASI Europe ex UK Equity Fund, ASI European Real Estate Share Fund, ASI European Smaller Companies Fund, ASI Financial Equity Fund, ASI Global High Yield Bond Fund, ASI Japanese Equity Fund, ASI European High Yield Bond Fund, ASI Latin American Equity Fund, ASI American Equity Fund, ASI UK Real Estate Share Fund, ASI UK Responsible Equity Fund, ASI Sterling Bond Fund, ASI (AAM) Sterling Government Bond Fund, ASI Sterling Inflation-Linked Bond Fund, Aberdeen Sterling Long Dated Corporate Bond Fund*, ASI Sterling Long Dated Government Bond Fund, ASI Sterling Opportunistic Corporate Bond Fund, ASI (AAM) Sterling Short Dated Corporate Bond Fund, ASI Short Term Government Bond Fund, ASI Strategic Bond Fund, ASI Target Return Bond Fund, ASI UK Equity Fund, ASI UK Income Equity Fund, ASI UK Mid-Cap Equity Fund, ASI (AAM) UK Smaller Companies Fund, ASI Global Equity Fund, ASI World Income Equity Fund and ASI Global Opportunistic Bond Fund, not more than 10% of the scheme property of any *fund* is to consist of units in collective investment schemes.

* This *fund* is in the process of termination and is not available for investment.

^ This *fund* will be launched on 20 August 2019.

17.2 In the case of ASI 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 17.5 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 ASI 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 17.6 and 17.7 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 paragraphs 17.7:

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 17.10 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 17.7 above; and

17.9.3 subject to paragraphs 17.1 and 17.2, 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.

B. ASI Sterling Money Market Fund

20. ASI Sterling Money Market Fund has the following investment powers and restrictions:

20.1 *Eligible Assets*

Subject to the requirements set out in this Part B, ASI Sterling Money Market Fund may invest exclusively in the following *eligible assets*:

20.1.1 *Money-market instruments*;

20.1.2 eligible securitisation and *ABCPs*;

20.1.3 deposits with credit institutions;

20.1.4 *reverse repurchase agreements*;

20.1.5 financial *derivative* instruments; and

20.1.6 units or *shares* of *MMFs*.

In addition to the above, an *MMF* may hold ancillary *liquid* assets in various currencies.

20.2 Prohibited activities

ASI Sterling Money Market Fund will not:

20.2.1 invest in assets other than those referred to under paragraph 20.1 above;

20.2.2 short sell *money-market instruments*, securitisations, *ABCPs* and units or *shares* of other *MMFs*;

20.2.3 take direct or indirect *exposure* to equity or *commodities*, including via *derivatives*, certificates representing them, indices based on them, or any other means or instruments that would give an *exposure* to them;

20.2.4 enter into securities lending agreements or securities borrowing agreements, or any other agreement that would encumber any assets of ASI Sterling Money Market Fund; or

20.2.5 borrow and lend *cash*.

20.3 Specific requirements in respect of each type of *eligible assets*

ASI Sterling Money Market Fund must exclusively invest in *eligible assets* that meet the following conditions:

20.3.1 *Money-market instruments* that fulfil all of the following requirements:

20.3.1.1 They fall within the following categories:

20.3.1.1.1 *Money-market instruments* admitted to official listing on an official stock exchange; and/or

20.3.1.1.2 *Money-market instruments* dealt in on another market in a EU or in a non-EU Member States which is regulated, operated regularly and is recognised and open to the public, and/or

20.3.1.1.3 *Money-market instruments* other than those referred to under paragraphs 20.3.1.1(a) and 20.3.1.1(b) above, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:

(i) issued or guaranteed by a central, regional or local authority or by a central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a non-EU Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more EU Member States belong; or

(ii) issued by an undertaking, any securities of which are dealt in on *regulated markets* referred to in (a) (i) and ii) above; or

(iii) issued or guaranteed by a credit institution which has its registered office in a country subject to prudential supervision, in accordance with criteria defined by European law, or by a credit institution which is subject to and complies with prudential rules considered by the *FCA* to be at least as stringent as those laid down by European law; or

(iv) issued by other bodies belonging to the categories approved by the *FCA* provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or third indent above and provided that the issuer is a company whose capital and reserves amount to at least ten million Euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking *liquidity* line.

20.3.1.2 it displays one of the following alternative characteristics:

20.3.1.2.1 it has a legal maturity at issuance of three hundred ninety-seven (397) days or less; or

20.3.1.2.2 it has a residual maturity of three hundred ninety-seven (397) days or less; or

20.3.1.2.3 by derogation to the above, it has a residual maturity until the legal redemption date of less than or equal to 2 years provided that the time remaining to the next *interest rate* reset date is 397 days or less. For that purpose, floating-rate *money-market instrument* and fixed-rate *money-market instruments hedged* by a *swap* arrangement shall be reset to a money market rate or index; and

20.3.1.3 the issuer of the *money-market instrument* and the quality of the *money-market instrument* have received a favourable assessment pursuant to the *ICAP*. This requirement shall not apply to *money-market instruments* issued or guaranteed by the EU, a central authority or central bank of an EU Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility; and

20.3.1.4 where ASI Sterling Money Market Fund invests in a securitisation or *ABCP*, it is subject to the requirements laid down in paragraph 20.4 below.

20.4 Eligible securitisation and *ABCPs* shall meet the following requirements:

20.4.1 The securitisation or *ABCP* is sufficiently *liquid*, has received a favourable assessment pursuant to the *ICAP*, and is any of the following:

20.4.1.1 a securitisation referred to in Article 13 of Commission Delegated Regulation (EU) 2015/61[23]; or

20.4.1.2 an *ABCP* issued by an *ABCP* programme which:

20.4.1.2.1 is fully supported by a regulated credit institution that covers all *liquidity*, credit and material dilution risks, as well as ongoing transaction costs and ongoing programme-wide costs related to the *ABCP*, if necessary to guarantee the investor the full payment of any amount under the *ABCP*;

20.4.1.2.2 is not a re-securitisation and the *exposures* underlying the securitisation at the level of each *ABCP* transaction do not include any securitisation position; and

20.4.1.2.3 does not include a synthetic securitisation as defined in point (11) of Article 242 of Regulation (EU) No 575/2013[24]; or

[23]Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to *liquidity* coverage requirement for Credit Institutions Text with EEA relevance

20.4.1.3 a simple, transparent and standardised (STS) securitisation or *ABCP* provided that the criteria identifying these STS as laid down by Article 11 of the *MMF Regulation*, as amended, are complied with.

20.4.2 ASI Sterling Money Market Fund may invest in the securitisations or *ABCP*s referred to in paragraph 20.4.1 above provided any of the following conditions is fulfilled, as applicable:

20.4.2.1 The legal maturity at issuance or residual maturity of the securitisations and *ABCPs* referred to in paragraphs 20.4.1.1 to 20.4.1.3 above is 2 years or less and the time remaining until the next *interest rate* reset date is 397 days or less; and

20.4.2.2 The securitisations referred to in paragraphs 20.4.1.1 and 20.4.1.3 above are amortising instruments and have a *WAL* of 2 years or less.

20.5 Deposits with credit institutions provided that all of the following conditions are fulfilled:

20.5.1 the deposit is repayable on demand or is able to be withdrawn at any time;

20.5.2 the deposit matures in no more than 12 months; and

20.5.3 the credit institution has its registered office in an EU Member State or, where the credit institution has its registered office in a non-EU Member State, it is subject to prudential rules considered equivalent to those laid down in European law in accordance with the procedure laid down in Article 107(4) of Regulation (EU) No 575/2013.

20.6 Units or *shares* of any other money market *fund* ("Targeted *MMF*"), provided that all of the following conditions are fulfilled:

20.6.1 no more than 10% of the assets of the Targeted *MMF* are able, according to its *fund* rules or instruments of incorporation, to be invested in aggregate in units or *shares* of other *MMFs*;

20.6.2 the Targeted *MMF* does not hold *shares* of ASI Sterling Money Market *fund*; and

20.6.3 The Targeted *MMF* is authorised under the *MMF Regulation*.

20.7 ASI Sterling Money Market Fund shall not invest in any *MMF* that acquires its *shares* during the period in which the acquiring *MMF* holds units or *shares* in it.

20.8 The following rules apply when ASI Sterling Money Market Fund invests in units or *shares* of other money market *funds*:

20.8.1 ASI Sterling Money Market Fund may acquire units or *shares* of Targeted *MMFs* as defined under paragraph 20.6 above provided that, in principle, no more than 10% in total of ASI Sterling Money Market Fund's assets be invested in units or *shares* of Targeted *MMFs*;

20.8.2 ASI Sterling Money Market Fund may be allowed to invest more than 10% of its assets in units of other Targeted *MMFs* in which case it will be explicitly mentioned in its investment policy;

[24] Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 Text with EEA relevance

20.8.3 ASI Sterling Money Market Fund may acquire units or *shares* of another Targeted *MMF* provided that it represents no more than 5% of ASI Sterling Money Market Fund's assets;

20.8.4 ASI Sterling Money Market Fund, if allowed to derogate from paragraph 20.8.1 above, may not invest in aggregate more than 17.5% of its assets in units or *shares* of other Targeted *MMFs*. Currently, ASI Sterling Money Market Fund is restricted to a limit of 10%; and

20.8.5 Where the Targeted *MMF* is managed, whether directly or under a delegation, by the *ACD* or by any other company to which the *ACD* is linked by common management or control, or by a substantial direct or indirect holding, the *ACD* or that other company, is prohibited from charging subscription or redemption fees.

In respect of ASI Sterling Money Market Fund's investments in the Targeted *MMF* linked to the *ACD* as described in the preceding paragraph, there shall be no management fee charged to that portion of the assets of ASI Sterling Money Market Fund. The *ACD* will indicate in the annual report the total management fees charged both to ASI Sterling Money Market Fund and to the Targeted *MMF* in which ASI Sterling Money Market Fund has invested during the relevant period.

20.9 The underlying investments held by the Targeted *MMF* in which ASI Sterling Money Market Fund invests do not have to be considered for the purpose of the investment restrictions set forth under paragraph 20.12 below.

20.9.1 ASI Sterling Money Market Fund may act as a master *fund* for other *funds*.

20.9.2 Notwithstanding the foregoing, the *ACD*, on behalf of ASI Sterling Money Market Fund, may subscribe, acquire and/or hold securities to be issued or issued by one or more *fund*(s) qualifying as money market *funds*, under the condition however that:

20.9.2.1 the Targeted *MMF* does not, in turn, invest in ASI Sterling Money Market Fund whilst it is invested in this Targeted *MMF*; and

20.9.2.2 no more than 10% of the assets that the target money market *funds* whose acquisition is contemplated may be invested in units of other money market *funds*.

20.9.2.3 in any event, for as long as these securities are held by ASI Sterling Money Market Fund, their value will not be taken into consideration for the calculation of the assets of ASI Sterling Money Market Fund for the purposes of verifying the minimum threshold of the assets imposed by applicable law.

20.10 Financial *derivative* instruments, including equivalent *cash*-settled instruments, dealt in on a *regulated market* and/or financial *derivative* instruments dealt in over-the-counter ("OTC *derivatives*"), provided that all the following conditions are fulfilled:

20.10.1 the underlying of the *derivative* instrument consists of instruments covered *interest rates*, currencies or indices representing one of those categories;

20.10.2 the *derivative* instrument serves only the purpose of *hedging* the *interest rate* or exchange rate risks inherent in other investments of ASI Sterling Money Market Fund;

20.10.3 the counterparties to OTC *derivative* transactions are institutions subject to prudential regulation and supervision, and belonging to the categories approved by the *FCA*;

20.10.4 the OTC *derivatives* are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the *ACD's* initiative;

20.11 *Reverse repurchase agreements* provided that all of the following conditions are fulfilled:

20.11.1 ASI Sterling Money Market Fund has the right to terminate the agreement at any time upon giving prior notice of no more than two (2) working days; and

20.11.2 the assets received by ASI Sterling Money Market Fund as part of a *reverse repurchase agreement* shall:

20.11.2.1 be *money-market instruments* that fulfil the requirements set out under paragraphs 20.3.1 to 20.3.3 above;

20.11.2.2 have a market value which is at all times at least equal to the *cash* paid out;

20.11.2.3 not be sold, reinvested, pledged or otherwise transferred;

20.11.2.4 not include securitisations and *ABCPs*;

20.11.2.5 be sufficiently *diversified* with a maximum *exposure* to a given issuer of 15% of its *net asset value* except where those assets take the form of *money-market instruments* that fulfil the requirements of paragraph 20.12.10 below;

20.11.2.6 be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

By way of derogation paragraph 20.11.2.1 above, ASI Sterling Money Market Fund may receive as part of a *reverse repurchase agreement liquid* transferable securities or *money-market instruments* other than those referred to in paragraphs 20.3.1 to 20.3.3 above provided that those assets comply with one of the following conditions:

20.11.2.7 they are issued or guaranteed by the EU, a central authority or central bank of an EU Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility provided that a favourable assessment has been received pursuant to the *ICAP*; or

20.11.2.8 they are issued or guaranteed by a central authority or central bank of a non-EU Member State, provided that a favourable assessment has been received pursuant to the *ICAP*.

The assets received as part of a *reverse repurchase agreement* in accordance with the above shall fulfil the *diversification* requirements described under paragraph 20.12.10.

20.11.3 The *ACD*, for ASI Sterling Money Market Fund, shall ensure that it is able to recall the full amount of *cash* at any time on either an accrued basis or a *mark-to-market* basis. When the *cash* is recallable at any time on a *mark-to-market* basis, the *mark-to-market* value of the *reverse repurchase agreement* shall be used for the calculation of the *net asset value* per *share* of ASI Sterling Money Market Fund.

20.12 *Diversification* rules

20.12.1 ASI Sterling Money Market Fund will not invest more than 5% of its assets in *money-market instruments*, securitisations and *ABCPs* issued by the same issuing body.

20.12.2 ASI Sterling Money Market Fund may not invest more than 10% of its assets in deposits made with the same credit institution, unless the structure of the U.K. banking *sector* is such that are insufficient viable credit institutions to meet that *diversification* requirement and it is not economically feasible for ASI Sterling Money Market Fund to make deposits in another Member State, in which case up to 15% of its assets may be deposited with the same credit institution.

20.12.3 By way of derogation from paragraph 20.12.1, ASI Sterling Money Market Fund may invest up to 10% of its assets in *money-market instruments*, securitisations and *ABCPs* issued by the same body provided that the total value of such *money-market instruments*, securitisations and *ABCPs* held by ASI Sterling Money Market Fund in each issuing body in which it invests more than 5% of its assets does not exceed 40% of the value of ASI Sterling Money Market Fund's assets.

20.12.4 The aggregate of all of ASI Sterling Money Market Fund's *exposures* to securitisations and *ABCPs* shall not exceed 15% of its assets.

20.12.5 As from the date of application of the delegated act referred to in Article 11(4) of the *MMF Regulation*, the aggregate of all of ASI Sterling Money Market Fund's *exposures* to securitisations and *ABCPs* shall not exceed 20% of its assets, whereby up to 15% of ASI Sterling Money Market Fund's assets may be invested in securitisations and *ABCPs* that do not comply with the criteria for the identification of STS securitisations and *ABCPs*.

20.12.6 The aggregate risk *exposure* to the same counterparty of ASI Sterling Money Market Fund stemming from OTC *derivative* transactions which fulfil the conditions set out under paragraph 20.10 above shall not exceed 5% of ASI Sterling Money Market Fund's assets.

20.12.7 The aggregate amount of *cash* provided to the same counterparty of ASI Sterling Money Market Fund in *reverse repurchase agreements* shall not exceed 15% of ASI Sterling Money Market Fund's assets.

20.12.8 Notwithstanding the individual limits laid down in paragraphs 20.12.1 and 20.12.4, the *ACD* shall not combine, where to do so would result in an investment of more than 15% of ASI Sterling Money Market Fund's assets in a single body in any of the following:

20.12.8.1 investments in *money-market instruments*, securitisations and *ABCPs* issued by that body, and/or

20.12.8.2 deposits made with that body, and/or

20.12.8.3 OTC *derivatives* instruments giving counterparty risk *exposure* to that body.

20.12.9 The limit of 15% laid down under paragraph 20.12.8 above would be increased to a maximum of 20% in *money-market instruments*, deposits and OTC financial *derivative* instruments of that single body to the extent the structure of the U.K. financial market would be such that there are insufficient viable financial institutions to meet that *diversification* requirement and it is not economically feasible for ASI Sterling Money Market Fund to use financial institutions in other EU Member States.

20.12.10 Notwithstanding the provisions outlined under paragraph 20.12.1, ASI Sterling Money Market Fund is authorised to invest up to 100% of its assets, in accordance with the principle of risk spreading, in *money-market instruments* issued or guaranteed separately or jointly by the EU, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a member state of the OECD, of the Group of Twenty or Singapore, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong, provided that ASI Sterling Money Market Fund must hold *money-market instruments* from at least six different issues and securities from one issue do not account for more than 30% of the total assets of ASI Sterling Money Market Fund.

20.12.11 The limit laid down under paragraph 20.12.1 above may be of a maximum of 10% for certain *bonds* when they are issued by a credit institution which has its registered office in a Member State of the EU and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these *bonds* must be invested in accordance with the law, in assets which, during the whole period of validity of the *bonds*, are capable of covering claims attached to the *bonds* and which, in case of failure of the issuer, would be used on a priority basis for the repayment of the principal and payment of accrued interest.

20.12.12 If ASI Sterling Money Market Fund invests more than 5% of its assets in *bonds* referred to in the above paragraph 20.12.11 and issued by a single issuer, the total value of such investments may not exceed 40% of the value of ASI Sterling Money Market Fund's assets.

20.12.13 Notwithstanding the individual limits laid down in under paragraph 20.12.1, ASI Sterling Money Market Fund may invest no more than 20% of its assets in *bonds* issued by a single credit institution where the requirements set out in point (f) of Article 10(1) or point (c) of Article 11(1) of Delegated Regulation (EU) 2015/61 are met, including any possible investment in assets referred to in paragraph 20.12.11 above.

20.12.14 Where ASI Sterling Money Market Fund invests more than 5% of its assets in *bonds* referred to in the first subparagraph issued by a single issuer, the total value of those investments shall not exceed 60% of the value of the assets of ASI Sterling Money Market Fund, including any possible investment in assets referred to under paragraph 20.12.13 above, respecting the limits set out therein.

20.12.15 Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with directive 2013/34/EU or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in paragraphs 20.12.1 to 20.12.7 above.

20.13 Concentration rules

20.13.1 ASI Sterling Money Market Fund may not acquire more than 10% of *money-market instruments*, securitisations and *ABCPs* issued by a single body.

20.13.2 Paragraph 20.13.1 above is waived as regards *money-market instruments* issued or guaranteed by the EU, national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong.

The *ACD* will in addition comply with such further restrictions as may be required by the regulatory authorities in any country in which the *shares* are marketed.

21. USE OF DERIVATIVES: GENERAL

21.1 The investment objective and policy for each *fund* will provide details on the extent of *derivative* usage.

21.2 *Derivatives* may be exchange traded or Over the Counter (OTC) *derivatives*.

21.3 It is not intended that using *derivatives* for efficient portfolio management ("EPM") will increase the volatility of the *funds* or alter the risk profile of the *funds*, although this outcome is not guaranteed. A *fund's* ability to use EPM strategies may be limited by market conditions, regulatory limits and tax considerations.

21.4 However, the use of *derivatives* has the potential to increase a *fund's* risk profile and could result in increased price *volatility*.

21.5 The *ACD* employs a detailed risk management process to oversee and manage these *derivative* risks within a *fund*. Investors should be prepared to accept the risks that *derivative*-related investment can create.

21.6 *Funds* whose global *exposure* is calculated according to the VaR method (see paragraph 37) may be more highly *leveraged* than *funds* whose global *exposure* is calculated according to the commitment approach.

21.7 The eligible *derivatives* markets for each *fund* are set out in Appendix II.

22. EFFICIENT PORTFOLIO MANAGEMENT ("EPM") TECHNIQUES

22.1 The *ACD* may employ techniques and instruments relating to transferable securities and *money-market instruments* to reduce risk, cost or generate additional capital or income which is consistent with the risk profile of a *fund*. These EPM techniques can include *derivatives*, sale and repurchase agreements (repo), purchase and resale agreements (*reverse repo*) and stock lending.

22.2 These techniques and instruments can result in counterparty risk (see below) and potential conflicts of interest. There is no guarantee that the performance of the efficient portfolio management technique will result in a positive effect for a *fund*.

22.3 Where *funds* enter into *derivative* transactions with a counterparty, 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.

22.4 Any income or capital generated by EPM (net of direct or indirect operational costs) will be paid to the *funds*.

22.5 There is no limit on the amount of the scheme property which may be used for EPM.

22.6 For the purposes of this paragraph 22., efficient portfolio management techniques must not include speculative transactions.

23. DERIVATIVES: GENERAL

23.1 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 24 below; and the transaction is covered, as required by paragraph 27. This paragraph 23 shall not apply to ASI Sterling Money Market Fund.

23.2 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 23.6 applies.

23.3 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.

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

23.5 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*;

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

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

23.8 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.

23.9 Where a scheme invests in an index based *derivative*, provided the relevant index falls within paragraph 25, 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.

24. **PERMITTED TRANSACTIONS (DERIVATIVES AND FORWARDS)**

24.1 A transaction in a *derivative* must be in an approved *derivative*; or be one which complies with paragraph27. This paragraph 24 shall not apply to ASI Sterling Money Market Fund.

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

24.2.1 transferable securities permitted under 9.1;

24.2.2 approved money-market instruments;

24.2.3 permitted deposits;

24.2.4 *derivatives* permitted under this paragraph;

24.2.5 collective investment scheme units permitted under paragraph 17;

24.2.6 financial indices which satisfy the criteria set out in paragraph 25;

24.2.7 *interest rates*;

24.2.8 foreign exchange rates; and

24.2.9 currencies.

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

24.4 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.

24.5 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 27 are satisfied.

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

24.7 A *derivative* includes an instrument which fulfils the following criteria:

24.7.1 it allows the transfer of the credit risk of the underlying independently from the other risks associated with that underlying;

24.7.2 it does not result in the delivery or the transfer of assets other than those referred to in paragraph 3 including *cash*;

24.7.3 in the case of an OTC *derivative*, it complies with the requirements in paragraph27.

24.7.4 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*.

24.8 The scheme may not undertake transactions in *derivatives* on *commodities*.

25. **FINANCIAL INDICES UNDERLYING DERIVATIVES**

25.1 The financial indices referred to in paragraph 24.2.6 are those which satisfy the following criteria:

25.1.1 the index is sufficiently *diversified*;

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

25.1.3 the index is published in an appropriate manner.

25.2 A financial index is sufficiently *diversified* if:

25.2.1 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;

25.2.2 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

25.2.3 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.

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

25.3.1 it measures the performance of a representative group of underlyings in a relevant and appropriate way;

25.3.2 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

25.3.3 the underlyings are sufficiently *liquid*, allowing users to replicate it if necessary.

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

25.4.1 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

25.4.2 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.

25.5 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 24 be regarded as a combination of those underlyings.

26. **TRANSACTIONS FOR THE PURCHASE OF PROPERTY**

26.1 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*.

27. **REQUIREMENT TO COVER SALES**

27.1 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.

28. **OTC TRANSACTIONS IN DERIVATIVES**

28.1 Any transaction in an OTC *derivative* under paragraph 24.1 must be:

28.1.1 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;

28.1.2 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 28.1.3; and

28.1.3 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

28.1.4 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.

28.1.5 For the purposes of paragraph 28.1.2 “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.

29. **VALUATION OF OTC *DERIVATIVES***

29.1 For the purposes of paragraph 28.1.2 the *ACD* must:

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

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

29.2 Where the arrangements and procedures referred to in paragraph 29.1 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).

29.3 The arrangements and procedures referred to in paragraph 29.1 must be:

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

29.3.2 adequately documented.

30. **RISK MANAGEMENT PROCESS**

30.1 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:

30.1.1 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.

30.1.2 the methods for estimating risks in *derivative* and forward transactions.

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

31. **SIGNIFICANT INFLUENCE**

31.1 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:

31.1.1 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

31.1.2 the acquisition gives the Company that power.

31.2 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).

32. **CONCENTRATION**

The Company:

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

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

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

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

32.3 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;

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

32.5 need not comply with the limits in paragraphs 32.1 to 32.3 if, at the time of acquisition, the net amount in issue of the relevant investment cannot be calculated.

33. **RELEVANT INDICES**

33.1.1 The indices referred to in paragraph 39 are those which satisfy the following criteria:

33.1.1.1 The composition is sufficiently *diversified*;

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

33.1.1.3 The index is published in an appropriate manner.

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

33.1.3 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.

33.1.4 An index is published in an appropriate manner if:

33.1.4.1 it is accessible to the public;

33.1.4.2 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.

34. ***DERIVATIVE EXPOSURE***

34.1 Subject to a *fund's* particular investment and borrowing powers, 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.

34.2 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 35 (Cover for investment in *derivatives*) below sets out detailed requirements for cover of that *fund*.

34.3 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.

35. **COVER FOR INVESTMENT IN *DERIVATIVES***

35.1 Subject to a *fund's* particular investment and borrowing powers, a *fund* may invest in *derivatives* and forward transactions as part of its investment policy provided:

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

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

36. **COVER AND BORROWING**

36.1 *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 34 as long as the normal limits on borrowing (see below) are observed.

36.2 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.

36.3 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.

36.4 *Derivatives* and rights under forward transactions may be retained in the scheme property only so long as they remain covered globally under paragraph 35.

37. **CALCULATION OF GLOBAL *EXPOSURE* AND LEVERAGE**

37.1 The *ACD* must calculate the global *exposure* of a *fund* on at least a daily basis.

37.2 The *ACD* must calculate the global *exposure* of any *fund* it manages either as:

37.2.1 the incremental *exposure* and *leverage* generated through the use of *derivatives* and forward transactions (including embedded *derivatives* as referred to in paragraph **1** (*Derivatives*: General), which may not exceed 100% of the net value of the scheme property; or

37.2.2 the market risk of the scheme property by way of the value at risk (VaR) approach.

37.3 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.

37.4 The *ACD* must calculate the global *exposure* of a *fund* by using:

37.4.1 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 38 below, as a measure of *leverage*; or

37.4.2 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 38 below.

37.5 The *ACD* must ensure that the method selected above is appropriate, taking into account:

37.5.1 the investment strategy pursued by the *fund*;

37.5.2 types and complexities of the *derivatives* and forward transactions used; and

37.5.3 the proportion of the scheme property comprising *derivatives* and forward transactions; and

37.5.4 any law or regulation applicable to a particular *fund*.

37.6 Where a *fund* employs techniques and instruments including *repo* contracts or stock lending transactions in accordance with paragraph 48 (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*.

37.7 The *funds* whose global *exposure* is calculated using the value at risk (VAR) approach are set out in the table below.

37.8 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.

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

37.10 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.

37.11 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.

37.12 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.

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

37.14 This may be varied within applicable limits if considered to be in the best interests of the *fund*.

38. **COMMITMENT AND VAR APPROACH**

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

38.1.1 ensure that it applies this approach to all *derivative* and forward transactions (including embedded *derivatives* as referred to in paragraph **1** (*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 48 (Stock lending); and

38.1.2 *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).

38.2 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.

38.4 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

38.5 Where the commitment approach is used, temporary borrowing arrangements entered into on behalf of the relevant *fund* in accordance with paragraph 41 (General Power to Borrow) need not form part of the global *exposure* calculation.

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

39. **SCHEMES REPLICATING AN INDEX**

39.1 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 33.

39.2 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.

39.3 The limit in paragraph 39.1 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.

40. **CASH AND NEAR CASH**

40.1 *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:

40.1.1 redemption of *shares*; or

40.1.2 efficient management of the relevant *fund* in accordance with its investment objectives; or

40.1.3 other purposes which may reasonably be regarded as ancillary to the investment objectives of the relevant *fund*.

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

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

* This *fund* is in the process of termination and is not available for investment.

40.4 In the case of all *funds* except ASI Corporate Bond Fund, ASI Eastern European Equity Fund, ASI Emerging Markets Bond Fund, ASI Euro Corporate Bond Fund, ASI Global High Yield Bond Fund, ASI European High Yield Bond Fund, ASI Diversified Income Fund, ASI Sterling Bond Fund, ASI (AAM) Sterling Government Bond Fund, ASI Sterling Inflation-Linked Bond Fund, ASI Sterling Money Market Fund, ASI Sterling Opportunistic Corporate Bond Fund, ASI (AAM) Sterling Short Dated Corporate Bond Fund, ASI Sterling

Short Term Government Bond Fund, ASI Strategic Bond Fund, ASI Target Return Bond Fund, ASI World Income Equity Fund and ASI Global 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.

41. **GENERAL POWER TO BORROW**

41.1 The *funds* may, in accordance with this paragraph and paragraph 42, 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* or any law or regulation applicable to that particular *fund*.

41.2 The *funds* may borrow under paragraph 42.1 only from an Eligible Institution or an Approved Bank.

41.3 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:

41.3.1 the duration of any period of borrowing; and

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

41.4 The *ACD* must ensure that no period of borrowing exceeds three months, without the consent of the *depositary*.

41.5 These borrowing restrictions do not apply to “back to back” borrowing for currency *hedging* purposes.

41.6 The *funds* must not issue any debenture unless it acknowledges or creates a borrowing that complies with paragraph 41.1 to 41.5.

42. **BORROWING LIMITS**

42.1 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* or any limit imposed by applicable law or regulation.

42.2 In this paragraph 42, “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.

42.3 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.

43. **RESTRICTIONS ON LENDING OF MONEY**

43.1 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.

43.2 Acquiring a debenture is not lending for the purposes of paragraph 43.1; nor is the placing of money on deposit or in a current account.

43.3 Paragraph 43.1 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.

44. RESTRICTIONS ON LENDING OF PROPERTY OTHER THAN MONEY

44.1 The scheme property of the *funds* other than money must not be lent by way of deposit or otherwise.

44.2 Transactions permitted by paragraph 48 are not lending for the purposes of paragraph 44.1.

44.3 The scheme property of the *funds* must not be mortgaged.

44.4 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 44 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*.

45. GENERAL POWER TO ACCEPT OR UNDERWRITE PLACINGS

45.1 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* or any law or regulation applicable to a particular *fund*.

45.2 This section applies, subject to paragraph 45.3, to any agreement or understanding:

45.2.1 which is an underwriting or sub-underwriting agreement; or

45.2.2 which contemplates that securities will or may be issued or subscribed for or acquired for the account of a *fund*.

45.3 Paragraph 45.2 does not apply to:

45.3.1 an *option*; or

45.3.2 a purchase of a transferable security which confers a right:

45.3.2.1 to subscribe for or acquire a transferable security; or

45.3.2.2 to *convert* one transferable security into another.

45.3.3 The *exposure* of a *fund* to agreements and understandings within paragraph 45.2 must, on any business day:

45.3.3.1 be covered in accordance with the requirements of rule 5.3.3R of the *COLL Sourcebook*; and

45.3.3.2 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*.

46. **GUARANTEES AND INDEMNITIES**

46.1 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.

46.2 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.

46.3 Paragraphs 46.1 and 46.2 do not apply in respect of a *fund* to:

46.3.1 any indemnity or guarantee given for margin requirements where the *derivatives* or forward transactions are being used in accordance with the *FCA* rules;

46.3.2 an indemnity falling within the provisions of regulation 62(3) (Exemptions from liability to be void) of the *OEIC Regulations*;

46.3.3 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

46.3.4 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*.

47. **SCHEMES REPLICATING AND INDEX**

47.1 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.

48. **STOCK LENDING**

48.1 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, subject to any law or regulation that is applicable in respect of a particular *fund*.

48.2 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:

48.2.1 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;

48.2.2 the counterparty is:

48.2.2.1 an authorised person; or

48.2.2.2 a person authorised by a Home State regulator; or

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

48.2.2.4 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

48.2.3 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:

48.2.3.1 acceptable to the *depositary*;

48.2.3.2 adequate;

48.2.3.3 sufficiently immediate; and

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

48.3 The counterparty for the purpose of paragraph 48.2 is the person who is obliged under the agreement referred to in paragraph 48.2.1 to transfer to the *depositary* the securities transferred by the *depositary* under the stock lending arrangement or securities of the same kind.

48.4 Paragraph 48.2.3 does not apply to a stock lending transaction made through Euroclear Bank SA/NV's Securities Lending and Borrowing Programme.

48.5 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*.

48.6 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*.

48.7 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.

49. **TREATMENT OF COLLATERAL**

49.1 Collateral is adequate for the purposes of paragraph 48 only if it is:

49.1.1 transferred to the *depositary* or its agent;

49.1.2 received under a title transfer arrangement; and

49.1.3 at all times equal in value to the market value of the securities transferred by the depositary plus a premium.

49.2 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.

49.3 Collateral is sufficiently immediate for the purposes of paragraph 48 if:

49.3.1 it is transferred before or at the time of the transfer of the securities by the *depositary*; or

49.3.2 the *depositary* takes reasonable care to determine at the time referred to in paragraph 49.3.1 that it will be transferred at the latest by the close of business on the day of the transfer.

49.4 The *depositary* must ensure that the value of the collateral at all times meet the requirements of paragraph 48.1.3.

49.5 The duty in paragraph 49.4 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.

49.6 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*.

49.7 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:

49.7.1 it does not fall to be included in any calculation of *NAV* or this Appendix, because it is offset under paragraph 49.6 by an obligation to transfer; and

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

49.8 Paragraphs 49.6 and 49.7.1 not apply to any valuation of collateral itself for the purposes of this paragraph.

49.9 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.

50. STOCK LENDING AND COLLATERAL RISKS

50.1 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.

50.2 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.

50.3 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.

50.4 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.

50.5 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.

50.6 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.

50.7 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.

50.8 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.

50.9 With respect to ASI Sterling Money Market Fund, this paragraph 50 is subject to such *fund's* compliance with the *MMF Regulation*.

51. **LIQUIDITY RISK AND PORTFOLIO RISK LIMITATION RISKS APPLICABLE TO *MMFS*.**

51.1 ASI Sterling Money Market Fund shall comply on an ongoing basis with all of the following requirements:

51.1.1 the portfolio of assets is to have at all times a *WAM* of no more than six months;

51.1.2 the portfolio of assets is to have at all times a *WAL* of no more than 12 months;

51.1.3 at least 7.5% of ASI Sterling Money Market Fund's assets are to be comprised of daily maturing assets, *reverse repurchase agreements* which can be terminated by giving prior notice of one working day or *cash* which can be withdrawn by giving prior notice of one working day; and

51.1.4 at least 15% of ASI Sterling Money Market Fund's assets are to be comprised of weekly maturing assets, *reverse repurchase agreements* which can be terminated by giving prior notice of five working days or *cash* which can be withdrawn by giving prior notice of five working days.

For the purpose of the calculation in paragraph 51.1.4, *money-market instruments* or units or *shares* of other *MMFs* may be included within the weekly maturing assets up to 7.5% of its assets provided they are able to be redeemed and settled within five working days.

For the purposes of paragraph 51.1.2 above, when calculating the *WAL* for securities, including structured financial instruments, ASI Sterling Money Market Fund shall base the maturity calculation on the residual maturity until the legal redemption of the instruments. However, in the event that a financial instrument embeds a put *option*, ASI Sterling Money Market Fund may base the maturity calculation on the exercise date of the put *option* instead of the residual maturity, but only if all of the following conditions are fulfilled at all times:

51.1.4.1 the put *option* is able to be freely exercised by ASI Sterling Money Market Fund at its exercise date;

51.1.4.2 the strike price of the put *option* remains close to the expected value of the instrument at the exercise date; and

51.1.4.3 the investment strategy of ASI Sterling Money Market Fund implies that there is a high probability that the *option* will be exercised at the exercise date.

By way of derogation from paragraph 51.1.2 above, when calculating the *WAL* for securitisations and *ABCPs*, ASI Sterling Money Market Fund may instead, in the case of amortising instruments, base the maturity calculation on one of the following:

51.1.4.4 the contractual amortisation profile of such instruments; or

51.1.4.5 the amortisation profile of the underlying assets from which the *cash*-flows for the redemption of such instruments result.

TABLE 1

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

Fund	Reference Numbers
ASI Target Return Bond Fund	1-7
Aberdeen Short Term Government Bond Fund	1
ASI (AAM) Sterling Government Bond Fund	1

ASI Sterling Bond Fund	1
ASI Sterling Inflation-Linked Bond Fund	1-7
ASI Sterling Long Dated Government Bond Fund	1-21
ASI Euro Corporate Bond Fund	1,3, 4, 5 and 8-21
ASI 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 www.aberdeenstandard.com.

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

The *ACD* has decided to dispense with the requirement to hold annual general meetings (AGMs) for the Company. This means that there will be no AGMs for the Company. Copies of contracts of service between the Company and its directors, including the *ACD*, will be provided to a *shareholder* on request.

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

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*.

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.

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 www.aberdeenstandard.com. A paper copy is made available free of charge upon request at the *ACD's* registered office.

Benchmark Regulation

The EU *Benchmark Regulation* requires the ACD to produce and maintain a robust contingency plan setting out the actions that it would take in the event that a benchmark (as defined by the EU *Benchmark Regulation*) which is used materially changes or ceases to be provided. The ACD shall comply with this obligation. Further information on the plan is available on request.

The ACD is required under the EU *Benchmark Regulation* to use only benchmarks which are provided by authorised benchmark administrators that are present in the register of administrators maintained by the European Securities and Markets Authority, pursuant to Article 36 of the Benchmarks Regulation. The ACD shall comply with this obligation.

Complaints

Any complaint should be referred to the *ACD* at Bow Bells House, 1 Bread Street, London, EC4M 9HH. 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* 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 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.

In addition, the following information relating to ASI Sterling Money Market Fund is also made available to the *shareholders* of ASI Sterling Money Market Fund on the *ACD's* public website, or at the *ACD's* registered office on a weekly basis:

(1) the maturity breakdown of the portfolio;

(2) the credit profile;

(3) the *WAM* and *WAL*;

(4) details of the ten (10) largest holdings in the *fund*, including the name, country, maturity and asset type and the counterparty in the case of *reverse repurchase agreements*;

(5) the total value of the assets; and

(6) the net *yield*.

The *net asset value* per *share* of ASI Sterling Money Market Fund will also be published daily on the *ACD's* public website.

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
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 (SGX)
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*.

China Interbank Bond Market

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 – Weiner 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 *ACD* may make the following *share classes* available:

- 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
- M *shares* – net accumulation
- M *shares* - net income

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 www.aberdeenstandard.com. 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.

	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 %
ASI Asia Pacific and Japan Equity Fund	0.12	-	0.12	-	-	0.17	-	-	-
ASI Asia Pacific Equity Fund	0.21	-	0.21	0.21%^	-	0.26	0.21	-	-
ASI China A Share Equity Fund^	-	-	0.19	0.19	-	0.24	0.19	-	-
ASI Corporate Bond Fund	0.11	-	0.11	-	-	0.16	0.11	0.11	0.04
ASI Eastern European Equity Fund	0.19	-	0.19	-	-	0.24	-	-	-
ASI Emerging Markets Bond Fund	0.15	-	0.15	-	-	0.20	0.15	-	-
ASI Emerging Markets Equity Fund	0.21	0.21	0.21	0.21%^^	-	0.26	0.21	-	-
ASI Global Ethical Equity Fund	0.12	-	0.12	-	-	0.17	-	-	-
ASI Euro Corporate Bond Fund	0.11	-	0.11	-	-	0.16	-	-	-
ASI Europe ex UK Equity Fund	0.12	-	0.12	-	-	0.17	0.12	-	-
ASI European High Yield Bond Fund	0.11	-	0.11	-	-	0.16	0.11	-	-
ASI European Real Estate Share Fund	0.10	-	0.10	-	-	0.15	0.10	-	-
ASI European Smaller Companies Fund	0.12	-	0.12	0.12	-	0.17	-	-	-
ASI Financial Equity Fund	0.12	-	0.12	-	-	0.17	-	-	-
ASI Global High Yield Bond Fund	0.11	-	0.11	-	-	0.16	0.11	0.11	0.03
ASI Japanese Equity Fund	0.12	-	0.12	-	-	0.17		-	-
ASI Latin American Equity Fund	0.19	-	0.19	-	-	0.24	-	-	-

	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 %
ASI Diversified Income Fund	0.10	-	0.10	-	-	0.15	0.10	-	-
ASI Multi-Asset Fund	0.10	-	0.10		-	0.15	-	-	-
ASI American Equity Fund	0.12	-	0.12	-	-	0.17	0.12	-	-
ASI UK Real Estate Share Fund	0.10	-	0.10	0.10	-	0.15	-	-	-
ASI UK Responsible Equity Fund	0.12	-	0.12	-	-	0.17	-	-	-
ASI Sterling Bond Fund	0.11	-	0.11	0.11	0.11	0.16	0.11	-	-
ASI (AAM) Sterling Government Bond Fund	0.10	-	0.10		-	0.15	0.10	0.10	0.04
ASI Sterling Inflation-Linked Bond Fund	0.10	-	0.10	0.10	-	0.15	0.10	-	-
Aberdeen Sterling Long Dated Corporate Bond Fund*	-	-	-	0.11	-	-	0.11	-	-
ASI Sterling Long Dated Government Bond Fund	0.10	-	0.10	0.10	-	0.15	0.10	-	-
ASI Money Market Fund	0.05	-	0.05	-	-	0.10	0.05	-	-
ASI Sterling Opportunistic Corporate Bond Fund	0.11	-	0.11	-	-	0.16	0.11	0.11	0.03
ASI (AAM) Sterling Short Dated Corporate Bond Fund	0.05	-	0.05	0.05	-	0.10	0.05	-	-
ASI Short Term Government Bond Fund	0.05	-	0.05	-	-	0.10	0.05	0.05	-
ASI Strategic Bond Fund	0.11	-	0.11	-	-	0.16	0.11	-	-
ASI Target Return Bond Fund	0.11	-	0.11	0.11	-	0.16	0.11	-	-
ASI UK Equity Fund	0.10	-	0.10	0.10	0.10	0.15		-	-

	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 %
ASI UK Income Equity Fund	0.10	-	0.10	0.10	-	0.15		-	-
ASI UK Mid-Cap Equity Fund	0.10	-	0.10	0.10	-	0.15	0.10	-	-
ASI (AAM) UK Smaller Companies Fund	0.10	-	0.10	0.10	-	0.15	0.10	-	-
ASI Global Equity Fund	0.12	-	0.12	-	0.12	0.17		-	-
ASI World Income Equity Fund	0.12	-	0.12	-	-	0.17	-	-	-
ASI Global Opportunistic Bond Fund	0.11	-	0.11	-	-	0.16	0.11	-	-

^ This share class will launch on or around 14 August 2019.

^^ This share class will launch on or around 14 August 2019.

* This fund is in the process of termination and is not available for investment.

^ This Fund will be launched on 20 August 2019.

APPENDIX IV

DIRECTORS OF THE *ACD*

Mr Gary Marshall
Mr Aron Mitchell
Mrs Allison Donaldson
Mr Jamie Mathieson*
Ms Carolan Dobson*

* Independent Non-Executive Director of Aberdeen Standard Fund Managers Limited
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

The following table shows the percentage growth of the funds and the historical performance data of the funds over the periods stated below.

Year to	31/12/2018	31/12/2017	31/12/2016	31/12/2015	31/12/2014
	(%)	(%)	(%)	(%)	(%)
ASI (AAM) Sterling Government Bond Fund	0.00	1.30	8.80	-0.60	11.30
Performance Target - FTSE Actuaries UK Conventional Gilts All Stocks Index +0.5%	1.07	2.33	10.60	1.07	14.36
ASI (AAM) Sterling Short Dated Corporate Bond Fund	-0.50	1.60	NA	NA	NA
Performance Target - iBoxx Sterling Corporates (1-5 year) Index +0.25%	-0.02	2.85	NA	NA	NA
ASI (AAM) UK Smaller Companies Fund	-16.10	27.80	7.20	12.30	-6.60
Performance Target - FTSE Small Cap (ex Investment Trusts) Index +3%	-10.80	18.61	15.54	15.99	0.32
ASI American Equity Fund	-0.90	10.80	30.80	-0.50	14.90
Performance Target - S&P 500 Index +3%	4.56	14.29	36.55	10.25	23.76
ASI Asia Pacific and Japan Equity Fund	-7.50	20.00	25.30	-5.10	8.50
Performance Target - MSCI AC Asia Pacific Index +3%	-4.86	23.61	28.50	7.01	9.53
ASI Asia Pacific Equity Fund	-5.00	22.10	25.60	-9.80	9.20
Performance Target - MSCI AC Asia Pacific ex Japan Index +3%	-5.32	28.43	30.70	-0.85	12.51
ASI China A Share Equity Fund*	-	-	-	-	-
Performance Target – MSCI China A Onshore Index +3%	-	-	-	-	-
ASI Corporate Bond Fund	-3.20	5.60	10.00	NA	NA
Performance Target - iBoxx Sterling Collateralized & Corporates Index +1%	-1.01	5.92	12.74	NA	NA
ASI Diversified Income Fund	-5.30	7.20	13.70	-1.20	4.60
Performance Target - 1 Month GBP LIBOR +5%	5.60	5.30	5.41	5.51	5.49
ASI Eastern European Equity Fund	-14.90	5.80	41.40	0.80	-20.70
Performance Target - MSCI Emerging Market Europe 10/40 Index +3%	-1.81	13.66	53.88	-6.17	-21.67
ASI Emerging Markets Bond Fund	-8.10	9.80	13.20	-4.40	3.10
Performance Target - JP Morgan	-3.51	11.61	12.36	3.75	10.10

EMBI Global Diversified Index (Hedged to GBP) +2.5%					
ASI Emerging Markets Equity Fund	-9.90	16.10	34.70	-9.50	4.60
Performance Target - MSCI Emerging Markets Index +3%	-5.91	28.83	36.12	-6.65	7.29
ASI Euro Corporate Bond Fund	-0.90	6.20	21.00	NA	NA
Performance Target - iBoxx Euro Corporates Index (in Euro terms) +0.65%	0.45	7.12	21.94	NA	NA
ASI Europe ex UK Equity Fund	-3.90	17.40	19.30	4.40	-1.10
Performance Target - FTSE World Europe ex UK Index +3%	-6.45	20.53	22.69	8.35	3.16
ASI European High Yield Bond Fund	-4.20	6.10	7.50	5.10	2.60
Performance Target - ICE BofAML European Currency High Yield Constrained Index (Hedged to GBP)+ 1.25%	-1.13	8.89	11.45	3.15	6.97
ASI European Real Estate Share Fund	-7.80	19.80	5.80	14.90	16.80
Performance Target - FTSE EPRA Nareit Europe (UK Restricted) 10% Capped Net Return Index, + 3%	-3.53	20.94	16.02	15.28	20.06
ASI European Smaller Companies Fund	-5.10	21.60	18.00	8.20	-4.80
Performance Target - EMIX Smaller European Companies Index +3% from 30/10/2009. Prior Euromoney Smaller Europe ex UK Index from 29/12/1989 +3%	-10.09	25.34	22.14	18.61	1.07
ASI Financial Equity Fund	-3.20	18.00	30.70	-2.60	4.20
Performance Target - MSCI AC World Financials Index +3% from 7/8/19. Prior FTSE World Financials +3%	-4.66	16.10	34.37	4.71	13.50
ASI Global Equity Fund	-6.90	12.70	28.70	-7.80	6.00
Performance Target - MSCI AC World Index from 31/05/2019. Prior MSCI World Index +3%	-0.27	16.84	32.40	6.84	14.22
ASI Global Ethical Equity Fund	-5.20	13.50	31.10	-10.10	6.20
Performance Target - MSCI AC World Index from 31/05/2019. Prior FTSE World Index +3%	-0.10	16.34	32.59	7.34	14.29
ASI Global High Yield Bond Fund	-4.60	7.00	10.40	-5.30	0.00
Performance Target - Bloomberg Barclays Global High Yield Corporate Index (Hedged to GBP) from 31/08/2011. Prior 50% Credit Suisse High Yield	-2.37	7.96	16.11	-1.65	4.36

Developed Countries (Hedged to GBP) Index, 50% ICE BofAML European Currency Original Issue High Yield Index 5% Capped (Hedged to GBP) Index from 31/12/2008. Prior 45% Credit Suisse High Yield Developed Countries (Hedged to GBP) Index, 50% ICE BofAML European Currency Original Issue High Yield 5% Capped (Hedged to GBP) Index, 5% JP Morgan EMBI Emerging Markets (Hedged to GBP) Index from 29/10/2004 +1.25%					
ASI Global Opportunistic Bond Fund	-3.10	5.30	5.30	-1.50	4.50
Performance Target - Bloomberg Barclays Global Aggregate Credit Index (Hedged to GBP) +2%	-0.13	6.22	7.33	2.21	9.80
ASI Japanese Equity Fund	-15.60	12.70	23.60	16.30	8.10
Performance Target - MSCI Japan Index from 31/05/2017. Prior TOPIX Index from 11/08/1992 +3%	-4.16	18.60	26.41	21.16	5.68
ASI Latin American Equity Fund	-4.70	18.10	64.10	-25.80	-10.80
Performance Target - MSCI EM Latin America 10/40 Net Total Return Index +3%	2.33	16.03	59.31	-24.04	-3.84
ASI Multi-Asset Fund	-4.10	9.70	17.00	-2.70	4.90
Performance Target - (40% FTSE All-Share Index, 25% MSCI World ex UK Index, 15% FTSE Actuaries UK Conventional Gilts All Stocks Index, 5% FTSE Small Cap UK Index, 7.5% 7 DAY GBP LIBOR, 5% HFRI FOF Conservative Index, 2.5% FTSE All-Share Index-Equity Investment Instruments) from 18/05/2017. Prior (40% FTSE All-Share Index, 25% MSCI World ex UK Index, 15% FTSE Actuaries UK Conventional Gilts All Stocks Index, 5% FTSE Small Cap UK Index, 7.5% 7 DAY GBP LIBOR, 5% HFRI FOF Conservative Index, 2.5% FTSE Macquarie Global Infrastructure) from 31/12/2008. Prior (45% FTSE All-Share Index, 29.5% MSCI World ex UK Index, 15.5% FTSE Actuaries UK Conventional Gilts All Stocks Index, 2.5% FTSE Small Cap UK Index,	-4.32	9.62	18.27	2.77	6.89

3.75% 7 DAY GBP LIBOR, 2.5% HFRI FOF Conservative Index, 1.5% FTSE Macquarie Global Infrastructure) from 30/06/2008. Prior (50% FTSE All-Share Index, 16% FTSE Actuaries UK Conventional Gilts All Stocks Index, 10% MSCI Europe ex UK Index, 10% MCI AC Asia Pacific ex Japan Index, 8% MSCI North America Index, 6% MSCI Japan Index) from 30/06/2008.					
ASI Sterling Bond Fund	-0.90	2.20	9.30	-1.20	12.40
Performance Target - iBoxx Sterling Overall Index +1%	0.95	3.66	11.58	1.45	14.88
ASI Sterling Inflation-Linked Bond Fund	-0.10	2.40	26.00	-2.00	18.10
Performance Target - FTSE Actuaries UK Index Linked Gilts Over 5 years Index from 31/01/2006. Prior Bloomberg Barclays UK Government Inflation-Linked Index from 30/06/2004 +0.5%	0.10	3.04	27.29	-0.58	19.27
ASI Sterling Long Dated Government Bond Fund	-0.20	3.00	18.80	-0.60	26.40
Performance Target - FTSE Actuaries UK Conventional Gilts All Stocks Over 15 Years Index +0.5%	0.78	3.82	18.99	0.59	26.63
ASI Sterling Money Market Fund	0.50	0.30	0.40	0.30	0.20
Performance Target - 1 Week GBP LIBID from 31/07/2007, prior 3 Month GBP LIBOR from 29/02/1988	0.46	0.15	0.26	0.36	0.35
ASI Sterling Opportunistic Corporate Bond Fund	-2.20	5.20	6.50	NA	NA
Performance Target - iBoxx Sterling Collateralized & Corporates (1-10 year) Index from 10/07/2015, Prior Bank of England Base Rate from 31/08/2008 +1.25%	0.50	5.27	8.81	NA	NA
ASI Sterling Short Term Government Bond Fund	0.10	-0.80	1.50	0.40	1.60
Performance Target - FTSE Actuaries UK Conventional Gilts All Stocks up to 5 Years Index +0.5%	0.84	0.25	3.08	1.47	3.40
ASI Strategic Bond Fund	-2.80	6.90	5.90	0.60	4.70
Performance Target - IA £ Strategic Bond Sector Average	-2.34	4.94	7.06	-0.24	6.03
ASI Target Return Bond Fund	-0.90	1.30	1.00	-1.30	-3.50

Performance Target - 3 Month GBP LIBOR +3%	3.72	3.36	3.50	3.57	3.54
ASI UK Equity Fund	-8.90	12.10	15.50	-3.40	-2.40
Performance Target - FTSE All-Share Index +3%	-6.47	16.10	19.75	3.98	4.18
ASI UK Income Equity Fund	-8.50	8.30	14.40	-2.80	-0.80
Performance Target - FTSE All-Share Index +3%	-6.47	16.10	19.75	3.98	4.18
ASI UK Mid-Cap Equity Fund	-8.40	16.20	11.00	6.50	-1.50
Performance Target - FTSE 250 (ex Investment Trusts) Index from 31/10/2011. Prior FTSE 250 Index from 31/03/2009 +3%	-12.15	21.24	8.08	15.04	5.79
ASI UK Real Estate Share Fund	-9.20	19.90	-3.10	15.10	13.60
Performance Target - FTSE 350 Real Estate Index +3%	-11.38	17.26	-6.48	14.07	22.12
ASI UK Responsible Equity Fund	-5.60	13.10	22.10	-2.70	-2.20
Performance Target - FTSE All-Share Index +3%	-6.47	16.10	19.75	3.98	4.18
ASI World Income Equity Fund	-7.30	12.20	31.30	-11.00	1.50
Performance Target - MSCI AC World High Yield Index +3% from 7/8/19. Prior MSCI World +3%	1.50	16.42	33.01	9.45	16.07

* This *fund* will be launched on 20 August 2019 and past performance data is not yet available.

Source: Factset, Lipper

Basis: *NAV* to *NAV*, The above figures are based on I Acc shares except for ASI (AAM) Sterling Short Dated Corporate Bond Fund and ASI Financial Equity Fund, which are based on I Inc. All are 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 www.aberdeenstandard.com. 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
Argentina	The branch of Citibank NA in the Republic of Argentina
Australia	Citigroup Pty. Limited
Austria	Citibank Europe plc
Bahrain	Citibank, N.A., Bahrain Branch
Bangladesh	Citibank, N.A., Bangaldesh Branch
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
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
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria
Costa Rica	banco Nacioanal de costa rica
Croatia	Privedna banka Zagreb d.d.
Cyprus	Citibank Europe plc,Greece branch
Czech Republic	Citibank Europe plc, organizacni slozka

Denmark	Citibank Europe plc
Egypt	Citibank, N.A., Egypt
Estonia	Swedbank AS
Euroclear	Euroclear Bank
Finland	Nordea Bank AB (publ), Finnish Branch
France	Citibank Europe plc
Georgia	JSC Bank of Georgia
Germany	Citibank Europe plc
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 Kasaksthan 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
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	Banco Nacional de Mexico, SA
Morocco	Citibank Maghreb S.A

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	Citibank Europe Plc
Oman	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Oman S.A.O.G
Pakistan	Citibank, N.A.Pakistan Branch
Panama	Citibank NA Panama Branch
Peru	Citibank del Peru S.A
Philippines	Citibank, N.A., Philippine Branch
Poland	Bank Handlowy w Warszawie SA
Portugal	Citibank Europe plc
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.
Sengal	standard chartered bank cote d'ivoire
Serbia	UniCredit Bank Srbija a.d.
Singapore	Citibank, N.A., Singapore Branch
Slovak Republic	Citibank Europe plc pobocka zahranicnej banky
Slovenia	UniCredit Banka Slovenia d.d. Ljubljana
South Africa	Citibank NA South Africa branch
Spain	Citibank Europe plc, Sucursal en Espana
Sri Lanka	Citibank NA Colombo Branch
Sweden	Citibank Europe plc, Sweden Branch
Switzerland	Citibank NA london branch
Taiwan	Citibank Taiwan Limited
Tanzania	Standard Bank of South Africa acting through its affiiliate Stanbic Bank Tanzania Ltd
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	JSC Citibank
United Arab Emirates 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.
Vietnam	Citibank NA Hanoi Branch
Zambia	Standard Chartered Bank Zambia Plc
Zimbabwe	Standard Bank of South Africa Ltd. acting through its affiliate Stanbic Bank Zimbabwe Ltd.

APPENDIX VII

INTERNAL CREDIT QUALITY ASSESSMENT PROCEDURE (‘*ICAP*’)

The *ACD*, with the support of the Investment Adviser, has established various methods and procedures for assessing the credit quality of *money-market instruments*, securitisations and *ABCPs*, taking account the issuer of the instrument and the characteristics of the instrument itself (the “**Credit Quality Assessment**”). The *ACD* is in charge of the overall supervision and ongoing monitoring of the Credit Quality Assessment. The Credit Quality Assessment complies with articles 19 to 23 of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on *money-market funds* (the “**Regulation**”) as amended and supplemented by the Commission Delegated Regulation (EU) 2018/990 of 10 April 2018 *inter alia* with regards to credit quality assessment methodologies (the “**Delegated Regulation**”).

An overview of the Credit Quality Assessment is set out below. The Credit Quality Assessment is used to determine whether both the credit worthiness of the issuer and the credit quality of a *money-market instrument*, securitisation or *ABCP* receives a favourable assessment.

Overview of Credit Quality Assessment

The Credit Quality Assessment is independently performed by the Investment Adviser’s credit research analyst team and overseen by the Head of Research (Financials) and the Head of Research (Non-Financials) of the Investment Adviser (please note that such individuals are not performing or responsible for portfolio management).

For *money-market instruments* (CPs and CDs), the Credit Quality Assessment comprises the following:

- An in-depth credit quality assessment of both the issuer and the instrument at least once year (and if there is material change) which, as a minimum, involves the following steps:
  1. Detailed analysis of the type of instrument proposed for investment. This includes looking at:
     - the instrument within the creditor hierarchy;
     - consideration of secure/unsecure obligation;
     - the structuring of the instrument; and
     - the *liquidity* of the instrument (for example, daily trading volumes, amount of instrument outstanding, attitude to provision of *liquidity* within instruments (e.g. buybacks) and tenor of instrument).
  2. A fundamental review of the issuer (which is a two-step research process being quantitative and qualitative) is undertaken. The quantitative approach has four sections: the financial profile; qualitative adjustments; analyst manual adjustments and imposition of sovereign/support cap. Qualitative analysis is then undertaken which can be used to lower (but not increase) ratings. Qualitative analysis looks at a wide range of considerations in relation to the business position of the issuer taking into account various factors such as markets, type of issuer, geography etc and key credit metrics using the “CAMEL” framework (Capital; Asset Quality; Management; Earning and *Liquidity*);
     - the issuing entity and its relationship to the issuer under review;
     - the *short term* nature of *money-market instruments*;
     - the asset *classes* of the instrument;
     - the structure of the instrument (unsecured/secured) and to include analysis of the relative risk of default of the issuer and the instrument;
     - the *liquidity* profile of the instrument (such as size of the market, daily volumes and variations in pricing); and
     - any other relevant factors such as macroeconomic and financial market considerations and analysis of external ratings.
  3. Following the in-depth credit quality assessment set out above, the third stage of the process will be the approval or rejection of the issuer/instrument where the following additional points are considered:

- o does the issuer/instrument meet minimum credit standards based on the in-depth credit quality assessment (the core principle behind this is preservation of capital);
- o consideration of level of lending at both an instrument and issuer level (various internal limits are in place); and
- o what maturity we are willing to consider (both at instrument and issuer level).

4. In the case of a favourable assessment, the issuer/instrument will be added to an approval list and an internal rating will be given to instruments/issuers based on the results of the Credit Quality Assessment.

For *securitisation*s and *ABCPs*, a very similar process as stated above is followed but in addition the following processes are in place:

- A "Research Note" is prepared specific to the instrument;
- The following factors are also considered:
  - o Sponsorship at parent bank level (and any other associated counterparty risks);
  - o Quality and type of underlying assets;
  - o The *liquidity* structure of the instrument;
  - o Is the parent entity approved; and
  - o any *exposure* from an *ABCP* or securitised instrument (roll-up to parent entity in terms of overall *fund exposure*)

The Investment Adviser will report the results of the Credit Quality Assessment to the *ACD*.

When performing the Credit Quality Assessment, the *ACD* shall ensure that there is no mechanistic over-reliance on external ratings.

An effective process has been established by the *ACD* to ensure that relevant information on the issuer and instrument's characteristics are obtained and kept up-to-date.

<u>Methodologies</u>

The Credit Quality Assessment will be based on methodologies that are prudent, ongoing and that will be systematically applied. The methodologies will be reviewed at least annually (both by the Head of Financial/Non-Financial Research and then by the Credit Committee (as defined below)) and thereafter by the *ACD* to determine whether they remain appropriate for the *funds* (taking into account any external factors that may influence such methodologies and any other relevant factors) and the details of such review will be sent to the *FCA*. In case of (i) material change within the meaning of article 8 of the Delegated Regulation that may have an impact on the existing Credit Quality Assessment or (ii) in case of change of the methodologies used in the context of the performance of the Credit Quality Assessment, the Credit Quality Assessment will be reassessed.

The data used for the purpose of the Credit Quality Assessment shall be of sufficient quality, up-to-date and from reliable sources.

<u>Ongoing Review</u>

The in-depth credit quality assessment of both the issuer and instrument is performed at least once year but the outcome of the Credit Quality Assessment is continually reviewed to make sure decisions remain supported and that there is no change to recommendations. The Investment Adviser's independent internal credit team:

i monitors adherence to *exposure* limits/tenors daily and actions accordingly;

ii analyses whether to reduce the limit/tenor and/or remove a counterparty from the approval list if a counterparty breaches the relevant (or is considered to be close to breaching) guidelines;

iii performs continual due diligence on counterparties;

iv has regular meetings to discuss any external influences and other relevant factors; and

v meets with senior management of counterparties via one-on-one meetings.

The Investment Adviser will report any significant findings to the *ACD*.

<u>Governance and oversight by the *ACD*</u>

The *ACD* (and specifically the *MMF* Manager and Risk Conducting Officer) is a member of the "Credit Committee" which sits at least monthly and reviews all credit assessments produced by the Investment Adviser's research teams and on that basis approves the counterparties; the type of instruments allowed; the maximum *exposure*s to a single counterparty (at group level) and the maximum duration of instruments for rated and unrated *MMFs*. The papers provided to the Credit Committee to approve the internal credit rating of a counterparty and the limits proposed to that counterparty contain the contribution of each of the factors considered in the fundamental Credit Quality Assessment. The Credit Committee is also able to see the impact of the credit analyst qualitative assessment on the internal rating. Finally, any changes to the methodology would be subject to the review and approval of the Credit Committee (and therefore also by the *ACD*).

In addition to the day-to-day governance of Credit Quality Assessment, the *ACD* has a program of activities to test the adequacy of the assessment and provide an element of control over the procedure, this program has three main components:

1. Assessing whether the risk factors considered are relevant, complete and in line with regulatory requirements.
2. An annual review of the internal credit quality assessment which includes verifying whether the methodology is consistently applied to all counterparties and instruments. Such review of the internal credit quality assessment will also occur in the event of a material change (being a change that could have an impact on the existing assessment of an instrument/counterparty);.
3. Identify outliers in the Credit Quality Assessment

   The *ACD* compares the evolution of the Credit Quality Assessment with the "*average*" evolution of the credit ratings provided by Moody's, S&P and Fitch over a 3 year period. Any concerns resulting from this program of activities would be reported to the Credit Committee and the Board of the *ACD*.

The determination of the review of the credit quality assessment will be transmitted to the *FCA* by the *ACD* (specifically by the Risk Conducting Officer) at least annually.

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.