

4 June 2020

### IMPORTANT INFORMATION – FUND UPDATE

Investor Name:  
Investor Reference:  
Designation:

Dear Investor,

#### **ABERDEEN STANDARD OEIC IV CHANGES TO ASI UK EQUITY INDEX MANAGED FUND INVESTMENT OBJECTIVES AND POLICY**

**Please read this letter carefully as it contains important information regarding upcoming changes to the above fund.**

**Full details of the changes can be found at**

[www.aberdeenstandard.com/en/uk/investor/fund-centre/investor-communications](http://www.aberdeenstandard.com/en/uk/investor/fund-centre/investor-communications).

In this letter, when we say 'we' or 'us', we mean Aberdeen Standard Fund Managers Limited – the company that is currently responsible for managing and operating your investment in the ASI UK Equity Index Managed Fund (the "Fund").

The purpose of this letter is to explain these changes. **You don't need to take any action in response to this letter**, but we would encourage you to familiarise yourself with the changes.

#### **Changes to the Fund**

*Investment objective*

We have made a minor clarification in the investment objective to explain the Fund's target is to exceed the return of the FTSE 100 Index by 1% per annum (before charges). *No change has been made to the target of the Fund and there will be no impact on the returns that you can expect from the Fund as a result of this minor update.*

*Investment policy*

We have decided that it is in the best interests of our investors to amend the investment policy of the Fund to permit the use of derivatives to a broader extent than is currently the case within the Fund. The amendment of powers is to improve the efficiency of managing larger flows into and out of the Fund. For example, holding a small amount of the Fund's market exposure in derivatives can be a more efficient method of meeting fund outflows as it involves lower trading costs for investors in the Fund and for inflows derivatives can be used to ensure new money into the Fund gains immediate exposure to the target market and this supports the Fund's investment objective.

Additional wording has been included in the 'Derivatives and Techniques' section of the Prospectus clarifying that covered call options can be used as part of the investment strategy. This is to provide further information on current process and there is no change to the Fund powers as a result.

Additional wording had also been added in the 'Portfolio Securities' section of the Prospectus to confirm the Fund can hold securities which are not constituents of the named index.

The above changes will not materially change the risk profile of the Fund.

A comparison of the current and proposed investment objective and policy of the Fund is set out in the Appendix and can also be found at [www.aberdeenstandard.com/en/uk/investor/fund-centre/investor-communications](http://www.aberdeenstandard.com/en/uk/investor/fund-centre/investor-communications).

With effect from **5th August 2020** we will also update the Prospectus and the Key Investor Information documents to reflect these changes. Please note that you may see changes to the Factsheet document produced for the Fund.

### **Timing of Changes**

All the changes described in this letter will take effect on **5th August 2020**.

### **Contact Us**

If you have any questions on this letter and the changes that will be made to the Fund you can contact us by calling 0345 113 6966 or +44 (0) 1268 44 5488 if outside the UK. Lines are open Monday to Friday 9am to 5.30 pm. Calls may be monitored and/or recorded to protect both you and us and help with our training.

Please note that while we will be able to answer general questions on this letter and the Fund changes, we cannot provide financial advice.

If you do not understand this letter you should seek advice from a person authorised to give investment advice.

Thank you for your continued support of Aberdeen Standard Investments.

Yours faithfully

A handwritten signature in black ink that reads "Gary Marshall". The signature is written in a cursive style with a large, looped 'G' and 'M'.

Gary Marshall, Director  
**Aberdeen Standard Fund Managers Limited**

**APPENDIX – Relevant Excerpt from the Investment Objectives and Policy**

<b>Current Investment Objectives</b>	<b>Proposed Investment Objectives</b>
<p>To generate growth over the long term (5 years or more) by investing in UK equities (company shares).</p> <p>Performance Target: To exceed the return of the FTSE 100 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.</p> <p>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.</p>	<p>To generate growth over the long term (5 years or more) by investing in UK equities (company shares).</p> <p>Performance Target: To exceed the return of the FTSE 100 Index by 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.</p> <p>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.</p>
<b>Current Investment Policy</b>	<b>Proposed Investment Policy</b>
<p><b>Portfolio Securities</b> The fund will invest at least 80% in equities and equity related securities that are constituents of the FTSE 100 Index.</p> <p>The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.</p> <p><b>Derivatives and Techniques</b> The fund will make routine use of <i>derivatives</i> 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"). Where <i>derivatives</i> are used, this would typically be to maintain allocations to company shares while meeting cash inflows or outflows.</p> <p>The impact of the covered call strategy is such that the Fund may be expected to underperform the relevant index during periods of sharply rising equity prices; conversely, the Fund seeks to outperform the index during periods of declining, flat or steadily rising equity prices. This strategy is intended to enhance the return for the Fund over the longer term.</p>	<p><b>Portfolio Securities</b> The fund will invest at least 80% in equities and equity related securities that are constituents of the FTSE 100 Index.</p> <p>The fund will typically invest directly but may also invest indirectly when deemed appropriate in order to meet its objective.</p> <p>Indirect investment may be achieved via <i>derivatives</i>. The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash and to a small extent equities which are not constituents of the above index.</p> <p><b>Derivatives and Techniques</b> The fund will make routine use of <i>derivatives</i> 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") through writing covered call options.</p> <p><i>Derivatives</i> may also be used to maintain allocations to company shares while meeting cash inflows or outflows. Where these are large relative to the size of the fund, <i>derivative</i> usage may be significant for limited periods of time.</p> <p>The impact of the covered call strategy is such that the fund may be expected to underperform the relevant index during periods of sharply rising equity prices; conversely, the fund seeks to outperform the index during periods of declining, flat or steadily rising equity prices. This strategy is intended to enhance the return for the fund over the longer term.</p>