

18 January 2019

Client Name:

Account number:

Designation:

### IMPORTANT INFORMATION

Dear Investor,

#### **ABERDEEN CAPITAL TRUST FUND CLOSURE NOTIFICATION**

##### **What is happening?**

We are writing to notify you of our decision to close the Aberdeen Capital Trust (the "Trust") on Wednesday 27 March 2019 (the "Closure Date") and thereafter terminate the Trust. We have been informed that an investor wishes to redeem its unitholding in the Trust, which constitutes a substantial proportion of the assets of the Trust. Small funds face a number of operating difficulties as they are unable to benefit from economies of scale. This may lead to problems in buying and selling assets at a reasonable price, which in turn may lead to compromised investment performance.

Following consideration of the available options together with the Trustee of the Trust, State Street Trustees Limited (the "Trustee"), we believe it is in the best interest of all unitholders to close the Trust, liquidate all of the underlying assets and return the proceeds to investors.

A timeline of events leading to the Trust's closure and a list of affected unit classes are shown in Appendix One.

##### **Impact on unitholders**

If you wish to remain invested in the Trust until the Closure Date no action is required from you. Redemption proceeds will be issued to you three business days after the Closure Date. If we hold validated bank details on file, we will pay you electronically. Otherwise, we will issue a cheque.

You may redeem your units or switch into another fund within the Aberdeen Standard Investments UK fund range prior to the Closure Date. No charges will be applied for redeeming or switching in these circumstances. More information regarding our UK range of funds can be found on our website [aberdeenstandard.com](http://aberdeenstandard.com).

The Manager of the Trust will liquidate appropriate portfolio holdings in order to facilitate outflows prior to the Closure Date. Whilst the Manager of the Trust will seek to retain the existing portfolio structure for remaining clients, this will no longer be possible as the Closure Date approaches. The process of liquidating the Trust's assets will begin approximately one week before the Closure Date and it will be necessary for the portfolio to be wholly or largely in cash, as permitted by the Prospectus of the Trust.

#### **Aberdeen Standard Fund Managers Limited**

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Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments.  
Aberdeen Standard Fund Managers Limited is registered in England and Wales (740118) at Bow Bells House, 1 Bread Street, London EC4M 9HH.  
Aberdeen Standard Fund Managers Limited is authorised and regulated by the Financial Conduct Authority.

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Please note that as the Trust is in the process of preparing to close, we will no longer accept any instructions to purchase additional units in the Trust from 11.59 am on 13 March 2019. However, redemption instructions for the Trust will be processed as normal until 11.59 am on 26 March 2019.

As at the date of this letter, a number of tax reclaims are outstanding in respect of the Trust. These tax reclaims are the subject of on-going litigation. If that litigation is successful then there may be payments due to the Trust after the Closure Date. In accordance with existing accounting practice, the potential reclaim payments are not accrued into the prices of the units in the Trust. Accordingly, if the litigation is successful then there may be a windfall payment due. Your share of the proceeds (if any) will be paid to you using the same payment that we will use to send you the redemption proceeds resulting from the Trust's closure. Following discussions with the Trustee, a de-minimis threshold of £20 per investor has been set. This means that you will only receive a payment if your share of any proceeds, together with your share of any other payments or windfalls received into the Trust after the Closure Date, is at least £20. If your share of such proceeds, payments or windfalls is below this level, we will on termination of the Trust pay these away to a charity of our choice.

All unitholders in the Trust at the date of this letter will be eligible to share in such proceeds, payments or windfalls (if any), As such, please let us know if your address details change on or after the Closure Date. If the contact details we hold for you are not up-to-date at the time such proceeds, payments or windfalls (if any) are paid out, we may not be able to pay your share (if any) to you.

### **Expenses**

We have agreed to meet the expenses of the closure of the Trust, including expenses of the auditors and other professional advisers. The only exception will be any dealing costs involved in liquidating the assets of the Trust.

### **Suspension of dealing**

Dealing units in the Trust will be suspended from after the 12.00 noon valuation point on Tuesday 26 March 2019.

### **Customer Services**

If you have any questions about the contents of this letter you can contact us as follows:

Telephone: 0345 113 6966  
Email: [customer.services@aberdeenstandard.com](mailto:customer.services@aberdeenstandard.com)  
Website: [aberdeenstandard.com](http://aberdeenstandard.com)

**A redemption or switch of your investment on or before the Closure Date will be treated as a disposal for UK tax purposes which could result in tax filing obligations and you may have to pay tax on any gain you may make. We do not provide investment advice and we strongly recommend that you seek advice from a person who is authorised under the Financial Services and Markets Act 2000 to provide investment advice so that you understand how these changes affect you and your investment and your tax position.**

Yours faithfully,

A handwritten signature in black ink, appearing to be a stylized name or initials, enclosed in a circular scribble.

**On behalf of Aberdeen Standard Fund Managers Limited**

We may record telephone calls for training purposes and to improve our service to you.

## Appendix One

### List of unit classes

Unit Class	ISIN	SEDOL
Aberdeen Capital Trust Inc	GB0004268008	0426800

### Timetable of key dates

	Date
Last date for subscriptions (11.59 am)	13 March 2019
Process of liquidating the Trust portfolio begins	20 March 2019
Payment of six-monthly income distribution from 25 July 2018 to 25 January 2019 (income shares only)*	25 March 2019
Last date for redemptions (11.59 am)	26 March 2019
Suspension of dealing (after 12 noon)	26 March 2019
Trust closure	27 March 2019
Payment of redemption proceeds to unitholders who remain invested at the Closure Date**	1 April 2019

\* The six-monthly income distribution will be paid on the usual date as set out in the Trust's Prospectus.

\*\* Including any income received from 26 January 2019 and the Closure Date.