

Our ref: Sample

(Date)

Sample copy

Dear (Salutation)

Fund merger for abrdrn UK Income Unconstrained Equity

Account number: XXXXXX

Your financial adviser: XXXXXX

The abrdrn UK Income Unconstrained Equity fund that you invest in as part of a model portfolio set up by your financial adviser is due to merge into the abrdrn UK Income Equity fund. The merger will take place on **27 September 2024**. You'll see the new fund on your valuations and statements after that date.

The merger is subject to shareholder approval. If it isn't approved, we will write to let you know.

Your financial adviser will take any action that needs to be taken and, if necessary, help to address any questions you may have.

How the merger will affect your account

- **The value of your fund holding** – The merger may affect the value of your fund holding. Approximately 20% of the merging fund will need to be realigned in preparation for the merger. abrdrn estimates the realignment cost will be 0.16% which will be borne by shareholders that haven't chosen to switch their holding by **11:00 am on 12 September 2024**.
- **Phasing and Rebalancing** – Any **phased investment** or **rebalancing** instructions using the fund will automatically continue. These will either buy units in your other assets proportionally, or go into cash, depending on how your adviser set up the model portfolio. Alternatively, we will update the instruction if your financial adviser provides a revised asset choice.
- **Direct Debits** – If you are paying into the fund by Direct Debit future payments will either buy units in your other assets proportionally, or go into cash, depending on how your adviser set up the model portfolio. Alternatively, we will update the instruction if your financial adviser provides a revised asset choice.

Cash may not be suitable for your long-term investment needs. If you're happy for the amount to stay in cash, you don't need to do anything. Your financial adviser will take any action that needs to be taken and help to answer any questions you may have.

- The merger **won't change the fund's risk profile**. You can see more information about the new fund in its Key Investor Information document, available online at XXXXXX.

Please note, it may not reflect the charges applicable when accessing the fund through us.

Why the funds are merging

After a review, abrdn identified the merging and continuing funds were similar given both share the same investment universe and use the same index as a reference point for portfolio construction, although the continuing fund does have greater flexibility in its investment universe with the ability to invest in high yield bonds. The continuing fund also aims to deliver a similar outcome for investors compared to the merging fund and therefore it is proposed to merge the two funds.

You can find more information about the old and new funds below.

If you have any questions about this letter, please speak to your financial adviser who will be able to help you. Alternatively, you can call or email us using the details shown and we will be happy to help. Our Customer Service Centre is open 8:30am – 5:30pm, Monday to Friday.

Yours sincerely,



Callum Earl

Head of Customer Operations

Fund objectives

Current fund abrdn UK Income Unconstrained Equity	New fund abrdn UK Income Equity
<p>Fund objective: To generate income and some growth over the long term (5 years or more) by investing in UK equities.</p> <p>Performance Target: To deliver a yield greater than that of the FTSE All Share Index over a rolling five year period (before charges) and achieve a return in excess of the FTSE All Share Index over a rolling five year period (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>Performance Comparator: IA UK Equity Income sector average. The ACD believes this is an appropriate target/comparator for the fund based on the investment policy of the fund and the constituents of the index/sector.</p> <p>The fund will invest at least 70% in equities and equity related securities of companies incorporated or domiciled in the UK or having significant operations and/or exposure to the UK.</p>	<p>Fund objective: To generate income and some capital over the long term (5 years or more) by investing in UK equities.</p> <p>Performance Target: To deliver a yield greater than that of the FTSE All Share Index over a rolling five year period (before charges) and achieve a return in excess of the FTSE All Share Index over a rolling five year period (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>Performance Comparator: IA UK Equity Income sector average. The ACD believes this is an appropriate target/comparator for the fund based on the investment policy of the fund and the constituents of the index.</p> <p>The fund will invest at least 70% in equities and equity related securities of companies incorporated or domiciled in the UK or having significant operations and/or exposure to the UK.</p> <p>The fund may invest up to 20% in non-UK listed Companies.</p>