



1 March 2024
Investor Name:
Investor Reference:
Designation:

IMPORTANT INFORMATION ACTION REQUIRED

Dear Investor,
ABRDN AMERICAN INCOME EQUITY FUND CLOSURE NOTIFICATION

What is happening?

We are writing to notify you of our decision to close the **abrdn American Income Equity Fund** (the “Fund”) on **14 May 2024** (the “Closure Date”).

The largest investor has confirmed their intention to redeem their shareholding in the Fund, which constitutes a substantial proportion of the assets of the Fund. 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 and proportionally higher costs, to the detriment of shareholder value. In addition, at its future value, the fund is no longer considered to be commercially viable. Having marketed the Fund since its launch we judge that there are no realistic prospects of replacing the investment of the largest investor with new investment.

Following consideration of the available options, we believe it is in the best interest of all shareholders to close the Fund, rather than manage the fund at a size where it does not benefit from the economies of scale, liquidate all of the underlying assets and return the proceeds to investors.

A timeline of events leading to the Fund’s closure and a list of share classes are shown in Appendix One.

Impact on investors – action required

As an investor you have the options listed below, prior to the Closure Date.

Option A

You may redeem your holdings in the Fund (free of redemption charges) and you will receive your redemption proceeds within the usual timescales outlined in the Fund’s prospectus, or switch into another fund (free from conversion charges) within our UK fund range prior to noon on **2 May 2024**. More information regarding our UK range of funds can be found on our website www.abrdn.com or alternatively contact your advisor or usual abrdn relationship manager. Please ensure you carefully read the Key Investor Information Document (“KIID”) which includes the investment objectives and policies and fees applicable.

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abrdn Fund Managers Limited, registered in England (00740118) at 280 Bishopsgate, London, EC2M 4AG.
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Option B

If you wish to remain invested in the Fund until the Closure Date no action is required from you. Redemption proceeds will be issued to you three business days after the Closure Date (or two days after the Closure Date if you are invested in the ZA Inc or ZC Acc share classes). If we hold validated bank details on file, we will pay you electronically. Otherwise, we will issue a cheque.

Please note that as the Fund is in the process of preparing to close, we will no longer accept any instructions to purchase additional shares in the Fund or any redemption instructions for the Fund from noon on **2 May 2024**.

Liquidation of portfolio

The manager of the Fund will maintain the portfolio in line with its existing investment objective until six business days prior to the Closure Date when the process of liquidating the Fund's assets will begin. This will mean that all or part of the portfolio will be invested in Sterling money market instruments, and cash, during these six business days.

Expenses

We have agreed to meet the expenses of the closure of the Fund, including expenses of the auditors and other professional advisers. The only exception will be any transaction costs involved in liquidating the assets of the Fund. Therefore, from the date of this letter, the redemption or switch price will reflect anticipated transaction costs. The transaction costs are estimated to be around 0.32% (i.e. a cost of £32 for every £10,000 held) of the net asset value which includes dealing spreads, commissions and taxes and duties arising on the sale of the assets. In practice, these costs will be dependent on market conditions and the portfolio at the time of the liquidation and may be higher or lower.

Fund Termination

Once the Fund is closed, if there is any cash remaining within the Fund prior to completing the termination of the Fund, we will use this to meet any termination expenses (including custody fees). Should there be cash remaining after meeting the termination expenses then further payment(s) will be made on a pro rata basis to all the shareholders who were invested in the Fund on the date of this letter. As such, please let us know if your address details change on or after the Closure Date at the contact details provided in this letter, If the contact details we hold for you are not up to date at the time such payments (if any) are paid out, we may not be able to pay your proceeds (if any) to you.

Regular Savings

If you regularly contribute to the Fund by direct debit, your last payment will be taken on **1 May 2024**. Unless you provide an instruction to the contrary, if you regularly save into any other funds then your direct debit will be reduced by the monthly amount you currently subscribe into this Fund. The reduced direct debit payment will be effective on **1 June 2024**. Should you switch into another fund within our UK Fund range you will need to submit a new direct debit instruction.

Customer Services

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

Telephone: 0345 113 6966 (Call charges may vary. Telephone calls may be recorded.)
Email: customer.services@abrdn.com
Website: www.abrdn.com

A redemption or switch of your investment on or before the Closure Date could result in future 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,



Adam Shanks, Director
abrdn Fund Managers Limited

Appendix One

List of share classes

Share Class	ISIN	SEDOL
Institutional Acc	GB00BYV20796	BYV2079
Institutional Inc	GB00BYV20804	BYV2080
Institutional S Acc	GB00BZCMYQ21	BZCMYQ2
Institutional S Inc	GB00BZCMYR38	BZCMYR3
Platform 1 Acc	GB00BYV20911	BYV2091
Platform 1 Inc	GB00BYV20B36	BYV20B3
Retail Acc	GB00BYV20572	BYV2057
Retail Inc	GB00BYV20689	BYV2068
ZA Inc	GB00BDFLFB41	BDFLFB4
ZC Acc	GB00BYV20C43	BYV20C4

Timetable of key dates

Timetable of key dates	Date
Last direct debit date for regular savers	1 May 2024
Last date for subscriptions and redemptions (12 noon)	2 May 2024
Process of liquidating the Fund portfolio begins (estimated)	3 May 2024
Fund closure	14 May 2024
Payment of redemption proceeds to shareholders of the ZC Acc and ZA Inc share class who remain invested at the Closure Date*	16 May 2024
Payment of redemption proceeds to shareholders, other than ZC Acc and ZA Inc share class, who remain invested at the Closure Date*	17 May 2024

* Any income received from 1 March 2024 to the Closure Date will be paid as part of the closing redemption.