



5 July 2023  
Investor Name:  
Investor Reference:  
Designation:

## IMPORTANT INFORMATION ACTION REQUIRED

Dear Investor,  
**ABRDN STRATEGIC INVESTMENT ALLOCATION FUND CLOSURE NOTIFICATION**

### What is happening?

We are writing to notify you of our decision to close the **abrdn Strategic Investment Allocation Fund** (the "Fund") on **24 August 2023** (the "Closure Date").

The Fund has declined significantly in size in recent years (with a gradual decline in its net asset value from over £1bn to the current level of approximately £62.18m as at 20 June 2023, and has not delivered the intended target performance for investors. We expect outflows and reduction in net asset value to continue.

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 unitholder value.

Following consideration of the available options, we believe it is in the best interest of all unitholders to close the Fund, liquidate all the underlying assets and return the proceeds to investors.

A timeline of events leading to the Fund's closure and a list of unit 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 (i.e. no later than close of business on the fourth business day following the transaction date (the length of time to settlement will depend on the asset or unit classes concerned and could potentially range from one to four days from the transaction date)), or switch into another fund (free from conversion charges) within our UK fund range prior to noon on **9 August 2023**. More information regarding our UK range of funds can be found on our website [www.abrdn.com](http://www.abrdn.com) or alternatively contact your advisor or usual abrdn relationship manager. Please ensure you carefully read the Key Investor Information Document ("KIID") of any relevant fund (also found at [www.abrdn.com](http://www.abrdn.com)) which includes the investment objectives and policies and fees applicable.

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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. 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 units in the Fund or any redemption instructions for the Fund from noon on **9 August 2023**.

### **Liquidation of portfolio and Fund wind up**

The Manager of the Fund will maintain the portfolio in line with its existing investment objective until ten business days prior to the Closure Date when the process of liquidating the Fund's assets will begin. During the liquidation, and as a result of selling the Fund's assets, all or part of the portfolio will be held in cash and Sterling money market instruments during these ten business days. During this period the Fund will be subject to the risk of global market movements as it will not be managed in line with its investment policy and objective.

Once the Fund is closed, if there is any cash remaining within the Fund prior to completing the wind up of the Fund, further payment(s) will be made on a pro rata basis to all the investors 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 units (if any) to you.

### **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 0.64% of the net asset value (i.e. a cost of £64 for every £10,000 held) 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.

### **Regular Savings**

If you regularly contribute to the Fund by direct debit, your last payment will be taken on **1 August 2023**. 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 September 2023**. 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
Email:	<a href="mailto:customer.services@abrdn.com">customer.services@abrdn.com</a>
Website:	<a href="http://www.abrdn.com">www.abrdn.com</a>

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

**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  
**On behalf of abrdn Fund Managers Limited**

### List of unit classes

Unit Class	ISIN	SEDOL
Institutional Acc	GB00B8N32Q15	B8N32Q1
Retail Acc	GB00B1YXMW71	B1YXMW7
ZC Acc	GB0090646877	S118745

### Timetable of key dates

Timetable of key dates	Date
Last direct debit date for regular savers	1 August 2023
Last date for subscriptions and redemptions (12 noon)	09 August 2023
Process of liquidating the Fund portfolio begins (earliest)	10 August 2023
Fund closure	24 August 2023
Payment of redemption proceeds to unitholders of the ZC Acc unit class who remain invested at the Closure Date*	29 August 2023
Payment of redemption proceeds to unitholders, other than the ZC Acc unit class, who remain invested at the Closure Date*	30 August 2023

\* Any income received from 1 August 2023 to the Closure Date will be paid as part of the closing redemption.

