

Questions relating to the suspension of LF Woodford Income Focus Fund (the “Fund”) – Investor Communication 20 December 2019

1. What are the criteria for the fund to be reopened?

The Fund will remain suspended until Aberdeen Standard Investments (“ASI”) have re-positioned the Fund’s investments into a portfolio that is constructed in a way they consider is best positioned to meet the best interests of investors. As stated in our letter to investors of 20 December 2019, we expect the Fund to re-open not later than February 2020.

2. What preparations have been made for redemptions?

ASI will take the possibility of redemptions into consideration when they re-position the Fund’s investments, to ensure that the Fund has sufficient liquidity to meet redemptions when the Fund is re-opened.

3. Are we correct in understanding that the periodic charge will be used to cover the transaction costs, with the remainder put back in the fund?

No, transaction costs do not come out of the periodic charge. The periodic charge is paid out of the Fund to the ACD. Out of the periodic charge we will pay ASI’s fees for acting as investment manager, as well as the fees of the Fund’s Depositary, administrator, custodian, auditor and other necessary expenses in relation to the operation of the Fund.

4. Will you continue to apply the periodic charge whilst ASI re-position the Fund

We have agreed to waive our fee for acting as ACD until 31 May 2020. ASI has agreed to waive its investment management fee from the date of its appointment until 31 May 2020. Northern Trust Global Services SE has also agreed to waive its fees for acting as Depositary, administrator and custodian from the date of the appointment of ASI until 31 May 2020. These fees will be rebated to the Fund. Based upon the current Net Asset Value of the Fund we estimate that the combined total of these rebates will result in the equivalent of a c.0.50% per annum reduction in the periodic charge of each share class for the period from today’s date until 31 May 2020

5. What will the fees be for both Link and ASI post 31st May?

Post 31 May 2020 the periodic charge will not change as per the amounts disclosed in the prospectus of the Fund. Our fees and the fees of ASI will be paid out of the periodic charge. The fees paid to us and ASI are confidential.

6. Will the ASI fee be the same as the Woodford one?

Post 31 May 2020 there will be no change to the amount of the periodic charge paid to us as ACD, as disclosed within the Fund’s Prospectus. Out of the periodic charge we will pay ASI’s fees for acting as investment manager, as well as the fees of the Fund’s Depositary, administrator, custodian, auditor and other necessary expenses in relation to the operation of the Fund.

7. Why was the option to merge the fund rejected?

We looked at a number of options to re-open the Fund including possible mergers. Our primary aim was to find a solution that was in the best interest of investors. The appointment of ASI as investment manager to the fund means we will be able re-open the Fund as soon as practicable.

8. How long will the fund remain suspended?

The Fund will re-open no later than February 2020. We will write to you again on or around 13 January 2020 to update you on progress and to notify you of the exact date on which it is intended to resume dealings in the Fund.

9. When are you planning to reposition the fund? Will all the changes be made before you reopen the fund or is this more of a slow evolution?

The Fund will be a high conviction portfolio of around 30 liquid UK equity holdings, drawing on the best income ideas from ASI's 16-strong UK equity research team. ASI's priority is to reposition the portfolio as efficiently and effectively as possible for the existing shareholders and will work with us to agree timing for reopening the Fund when we believe the portfolio is sufficiently.

10. Which sectors/stocks does ASI prefer at the moment?

ASI have a highly experienced and extensive team that maintains full coverage of the FTSE350 and will reposition the Fund to include liquid, UK equity income names to generate sustainable long term growth for investors. The investment team believes that company fundamentals ultimately drive share prices but are often valued inefficiently in the shorter term. The investment team conducts over 750 company meetings and conducts fundamental research to find those opportunities.

11. Will ASI have unlisted investments in the fund in due course?

No. ASI will focus on liquid UK equity income names as outlined in our announcement.

12. There are a number of AIM investments within the portfolio, is it fair to assume ASI will divest of these immediately?

ASI will reposition the portfolio, including divesting from positions that do not form part of the Fund's investment strategy for the Fund, as efficiently and effectively for the existing shareholders.

13. Are there any investments that ASI are likely to keep?

We cannot comment on specifics but yes, some of the investments within the fund meet ASI's criteria for inclusion in this high conviction income portfolio.

14. What will the exit fees be for clients looking to take out money?

There is no exit charge

15. Will new investors to the fund also be exempt from the investment management fees?

Yes. The fees being waived to 31 May apply to both existing and new investors