

Please address any replies to:
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30 December 2016

columbiathreadneedle.com

Client Reference Number: 000000

Dear Investor,

Important Information: closure of the Threadneedle Target Return Fund – action required

As an investor in the Threadneedle Target Return Fund (the Fund), we would like to notify you of our decision to close the Fund on 28 February 2017.

Why is the Fund being closed?

The Fund has fallen to a size, £13.3 million[^], which makes it economically unviable to manage and following a review we identified that it is unlikely to attract new investors in the future. We therefore believe the closure of the Fund is in the best interests of investors.

When will the Fund be closed?

Dealing in the Fund will be suspended from 12 noon on 27 February 2017, and the termination process will begin on 28 February 2017 (the “Effective Date”).

What are my options?

You have the following options:

1. You can switch your investment free of charge into another Threadneedle fund(s) up until 12 noon on 27 February 2017. Details of our funds can be found on our website www.columbiathreadneedle.com. Before you switch funds, it is important that you read the Key Investor Information Document (KIID) for the fund(s) you wish to switch to. To switch to another Threadneedle fund(s), please complete and return the Form of Direction in the enclosed pre-paid envelope by 12 noon on 27 February 2017.
2. You can sell your investment before the Fund is suspended. To sell your shares, please complete and return the Form of Direction in the enclosed pre-paid envelope by 12 noon on 27 February 2017.
3. You can take no action and your shares will be redeemed and the proceeds sent to you.

Please note, we must receive your Form of Direction to switch before 12 noon on 27 February 2017 in order to switch your shares before the Fund is suspended. Instructions to switch on completion of the Fund termination process will not be accepted after 12 noon on 27 February 2017 and we will redeem your holdings and send you the proceeds instead.

If you are unclear about which option to choose, please speak to a financial adviser. If we do not receive your Form of Direction by 12 noon on 27 February 2017, we will cash in your investment on

the Effective Date and send the proceeds to you as soon as possible after the end of the termination process (we expect this to take approximately one month).

I hold the Fund in my ISA. What options do I have?

If you want to keep your investment in an ISA, you have the following options:

1. Switch your investment free of charge into another Threadneedle fund(s) before 12 noon on 27 February 2017.
2. Transfer your ISA investment to another ISA manager. To do so, you will need to complete an ISA transfer form and send it to your new ISA manager, who will then contact us to complete the transfer.

If you choose to sell your investment or do not take any action your investment will be cashed in when the Fund is closed, and your investment will lose its ISA status.

Are there any tax implications?

There may be tax implications depending on your individual circumstances and which option you choose. We are unable to provide tax advice and we therefore suggest that you seek advice from your tax adviser about any potential tax implications before you take any action.

What happens once the Fund has closed?

On the Effective Date we will begin the termination process which we expect to take approximately one month. Once completed, if you have left your investment to be cashed in, the proceeds of your investment will be sent to the registered shareholder at the address we have on our records.

What do I need to do?

Please complete and return your Form of Direction by 12 noon on 27 February 2017 to let us know what action you would like to take.

Further information

If you have any other questions regarding the closure of the Fund, please call us on 0800 953 0134*, visit www.columbiathreadneedle.com/targetreturn or speak to your financial adviser. Please note that we are unable to provide financial or tax advice. If you do not have a financial adviser you can find one in your area at www.unbiased.co.uk – please note that we do not endorse this site or the advisers found on it.



Gary Collins
Co-Head of Distribution EMEA
Columbia Threadneedle Investments

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*Monday to Friday, 8am to 6pm. Calls may be recorded.

^As at 30/11/2016