

*22 May 2014**Dear Investor***Changes to your investment in the Threadneedle American Smaller Companies Fund (US)**

We are writing to you as a shareholder in the Threadneedle American Smaller Companies Fund (US) (the “Fund”) to inform you of some changes that we will be making effective from 1 August 2014.

What is being changed?

Following a review of the investment objective and policy of the Fund, we will be expanding the definition of smaller companies within the investment policy of the Fund, whilst still maintaining the Fund’s overall policy of investing in smaller companies in the United States.

Why is Threadneedle making this change?

The Fund Prospectus currently states that the Fund invests primarily in US companies with a market capitalisation (a standard method of calculating a company’s value, by multiplying the current share price with the total shares in issue) of less than US \$5 billion. The average market capitalisation of American smaller companies has increased over time as the overall size of the US market continues to grow. As a result we believe this Fund’s definition of “smaller companies” no longer reflects the true definition of a US smaller company. To avoid the fund manager having to sell stock solely due to this growth in value, the definition of ‘smaller companies’ for the Fund, as defined in the Prospectus, will be amended from “companies with a market capitalisation of less than USD \$5 billion” to “companies with a market capitalisation typically ranging from USD \$500 million to USD \$10 billion at the time of purchase”.

Do you need to take any action?

You do not need to take any action regarding this change to the Fund's investment policy. Threadneedle is unable to offer investment or taxation advice, but should you have any questions concerning your investments, please contact your financial advisor. If you have any queries on the contents of this letter or the changes, please contact your local Threadneedle representative.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Campbell Fleming', with a long horizontal stroke extending to the right.

Campbell Fleming
CEO
For and on behalf of
Threadneedle Investment Services Limited

(as Authorised Corporate Director of Threadneedle Investment Funds ICVC)

*Calls may be recorded.