



Aberdeen Asset Managers Limited

Bow Bells House
One Bread Street,
London

For the attention of Nioki Doggett

Dear Sirs,

London Borough of Hounslow Superannuation Fund

We refer to the investment management agreement between the Mayor and Burgesses of the London Borough of Hounslow (the "Client") and Aberdeen Asset Managers Limited (the "Investment Manager") dated 30 January 1998, as amended from time to time (the "Agreement").

Words and expressions used in this Letter will bear the same respective meanings as those used in the Agreement, unless the context otherwise requires.

The Parties have agreed to amend the Benchmark. Therefore, as from 1 November 2016, the Agreement shall be amended to the effect that Part 1: Investment Parameters of the Schedule to the Agreement shall be deleted in its entirety and replaced with the new Part 1: Investment Parameters as set out in the Appendix to this Letter.

Save as amended above, the Agreement will remain in full force and effect.


This letter shall be governed by the laws of Scotland.

Please signify your agreement to the above amendments by counter-signing this letter.

Yours sincerely



and



for and on behalf of

THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF HOUNSLOW

WE CONFIRM OUR CONSENT TO THE ABOVE



For and on behalf of

ABERDEEN ASSET MANAGERS LIMITED

Appendix

Schedule

This is the Schedule referred to in the foregoing Investment Management Agreement between Aberdeen Asset Managers Limited and The Mayor and Burgesses of the London Borough of Hounslow.

Part 1: Investment Parameters

1. Investment Objectives:

- i. The Manager will endeavour to outperform the composite benchmark by 1% per annum over rolling three year periods.

Asset Class	Benchmark %	Range %	Indices
Equities		+/- 10	
UK Equities	39	+/- 10	FTSE All Share
Global Equities	43	+/- 10	MSCI All Country World ex UK*
Fixed Interest			
UK Bonds	11	+/- 10	iBoxx Sterling Non-Gilt Index
UK Index Linked Bonds	7	+/- 10	FTSE Index Linked Gilts Over 5 Years Index
Overseas Bonds	-	0 - 5	
Cash	-	0 - 5	-

- * The Manager is permitted to invest in equities issued by companies in non-benchmark countries as set out in paragraph 2 ii below.

2. Investment Restrictions:

- i. Any instrument not explicitly permitted under paragraph 2 ii below may only be purchased for the Fund with the express written consent of the Chairman of the Pension Fund Panel and the Director of Finance;
- ii. The Manager is required to determine a suitable asset mix (equities, fixed interest and cash) to meet its performance benchmark. Acceptable asset classes are:-

- * UK Equities;
- * UK fixed interest (gilts and corporate bonds);
- * UK index linked gilts;
- * Overseas equities, including regional and country groups:
 - North America
 - Europe
 - Japan
 - Pacific Rim
 - Emerging markets
 - Africa and Middle East
- * Global fixed interest;
- * Unquoted securities via pooled funds
- * Cash
- * Collective investment schemes with the character of any of the above categories provided that they are listed in Section 3 below.

- iii. Limitations on the discretion of the Manager are in the following table. Such limits only apply at the time the investment is made:

	Max Permitted under Regs
1. Any single sub-underwriting contract	5%
2. All sub-underwriting contracts	15%
3. Contributions to any single partnership	5%
4. All contributions to partnerships	15%
5. All deposits with any local authority, or similar	10%
6. All investments in unlisted securities of companies	15%
7. Any single holding in unlisted securities	10%
8. All deposits with any single bank, institution or person (other than NSB)	10%
9. All investment in units subject to the trusts of unit trust schemes and all investments in open-ended investment companies, where the unit trust schemes and the collective investment schemes constituted by those companies are managed by any one body	35%
10. Any single insurance contract	35%
11. All securities transferred by the authority under stock lending arrangements	35%

3. General

Subject to any other provision in the foregoing Agreement and this Schedule and except as the Client and the Manager may agree otherwise from time to time:

- i. Save as set out herein, there are no restrictions on the amount of any one Investment, nor are there any restrictions on the proportion of the Portfolio which any Investment or particular kind of Investment may constitute;
- ii. The current intention of the Manager is to invest in some or all of the following Group Company Schemes (as these may be renamed, amended, merged, restructured, amalgamated or converted from time to time). The individual Group Company Schemes (each being a sub-fund of a collective investment scheme managed by the Manager, or an affiliate of the Manager) are set out below.

With the exception of existing holdings of Aberdeen Global II – Sterling Bond Fund, Aberdeen Global II – Sterling Credit Bond Fund, Aberdeen Global II – Sterling Long Dated Credit Bond Fund and the Aberdeen Global II – Sterling Index Linked Bond Fund, the Portfolio shall not be permitted to hold any more than 10% of the units in issue in an individual Group Company Scheme. This specific restriction is applied at the time an investment into the relevant Group Company Scheme is made and then monitored and reviewed by the manager on a monthly basis.

Collective Investment Schemes:

a. Fixed Income Funds

Aberdeen Global – Asian Local Currency Short Duration Bond Fund
Aberdeen Global – Emerging Markets Local Currency Bond Fund
Aberdeen Global – Select Emerging Markets Bond Fund
Aberdeen Global – Select Euro High Yield Bond Fund
Aberdeen Global – World Government Bond Fund

Aberdeen Global II – Global Bond Fund
Aberdeen Global II – Global Government Bond Fund
Aberdeen Global II – Sterling Bond Fund
Aberdeen Global II – Sterling Credit Bond Fund
Aberdeen Global II – Sterling Government Bond Fund
Aberdeen Global II – Sterling Index Linked Bond Fund
Aberdeen Global II – Sterling Long Dated Credit Bond Fund
Aberdeen Global II – Sterling Long Dated Government Bond Fund
Aberdeen Global II – US Dollar High Yield Bond Fund

Aberdeen Investment Funds UK ICVC II – Aberdeen Defensive Gilt Fund
Aberdeen Investment Funds UK ICVC II – Aberdeen Corporate Bond Plus Fund
Aberdeen Investment Funds UK ICVC II – Aberdeen Sterling Credit Advantage Fund
Aberdeen Investment Funds UK ICVC II – Aberdeen Global High Yield Bond Fund

Aberdeen Investment Funds ICVC III – Aberdeen Strategic Bond Fund

Aberdeen Diversified Growth Fund*

Save in respect of the Aberdeen Global II – Sterling Credit Bond Fund or successor funds (to which this restriction shall not apply) – no single fixed income fund (as set out above) may represent 50% or more of the overall UK Bonds allocation to collective investment schemes. This specific restriction is applied at the time an investment into the relevant Group Company Scheme is made and then monitored and reviewed by the manager on a monthly basis.

b. Equity Funds

Aberdeen Investment Funds ICVC – Aberdeen UK Smaller Companies Equity Fund
Aberdeen Investment Funds ICVC – Aberdeen UK Mid Cap Equity Fund

Units in the above schemes may be of a class to be chosen by the Manager.

The Manager may invest the Portfolio in Group Company Schemes (additional to the above) which may from time to time be established provided that:

- (a) any market restrictions detailed below are complied with; and
- (b) the Client is given advanced notice of the new Group Company Schemes and of their relevant fees.

* The Aberdeen Diversified Growth Fund shall be a permitted Group Company Scheme but will otherwise not be included in the Portfolio for the purposes of measuring investment performance or performance reporting. The Client will be provided with a separate Investment Review on a quarterly basis in respect of the Aberdeen Diversified Growth Fund in addition to any other scheduled reporting in accordance with this Agreement. The performance of the Aberdeen Diversified Growth Fund will be measured against a separate benchmark being the 1 Month GPB LIBOR + 4.5% (as such may be amended from time to time).

- iii. The Portfolio may contain Securities of which an issue or offer of sale was underwritten, managed or arranged by the Manager or any of its Associates during the period of 13 months;

- iv. The Manager may not, without the prior written approval of the Client, make arrangements to:-
 - a) Lend to a third party Investments, Client Title Documents or other certificates evidencing title to Investments comprising the Portfolio or part of it;
 - b) Borrow on the Client's behalf against the security of any such Investments or other property;
- v. The Manager may not, without the prior written approval of the Client: commit the Client to supplement the assets of the Portfolio, either by borrowing on the Client's behalf or by committing the Client to a contract the performance of which may require the Client to supplement such assets; and
- vi. Subject to any Statement of Investment Principles and to the Investment Objective and the other provisions of these Investment Parameters (to the extent that such objective and provisions are not inconsistent with such statement), the Manager may commit the Client to an obligation to underwrite any issue or offer for sale of Securities, provided that the Manager shall only commit the Client to underwriting such Securities as the Manager would be willing to purchase on their merits and at the underwriting price using the Manager's normal investment criteria.

4. Exercise of Rights (Including voting rights) Attaching to Investments

- i. The Client reserves its right to exercise its voting rights at the Annual/ Extraordinary General Meetings of all UK companies within the FTSE 350, European companies within the Eurotop 300, and US companies in the S&P 500, in which the Scheme has shareholdings. With regard to other rights such as the taking up of rights issues this is left for the Manager to decide in the light of their assessment of market conditions at the time.
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