

Schroders

Schroder Short-Term Municipal Bond Fund

Liquidation Update December 9, 2009

The following is a brief update on the progress of the liquidation since last month's distribution of liquidation proceeds, prepared by the fund portfolio managers:

- We are pleased to announce that all of the investment securities in the Short-Term Municipal Bond Fund have been sold.
- The Fund will make its final dividend payment on Tuesday, December 15th and the final liquidating distribution on Thursday, December 17th.
- Following the final distributions, approximately 97% of the net asset value of the Short-Term Municipal Bond Fund as of October 14, 2008 will have been returned to shareholders. The aggregate distribution including dividend payments made through the liquidation process is approximately 99% of the net asset value of the Short-Term Municipal Bond Fund as of October 14, 2008.
- Direct Shareholders of the Fund will be receiving information on a Form 1099-DIV with respect to the income dividends, along with additional, supplementary tax information that will explain the appropriate tax treatment for the income dividends. Information required for preparation of your tax returns with respect to the liquidating distributions paid by the Fund during 2009 will also be provided to shareholders on a Form 1099-DIV. Individual dealers who provide 1099's to their clients may report dividends and liquidating distributions differently. All shareholders should consult their tax or financial advisors regarding the tax implications of the liquidation proceeds.

We thank you for your patience through the past year as fund portfolio managers worked to realize fair market prices and return capital to shareholders as quickly as possible.

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