

Aberdeen Tax-Free Income Fund



Total Returns (%)

	Cumulative as of June 30, 2010			Annualized as of June 30, 2010				
	1 Mo	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception 05/08/98
Class A w/o sales charges	-0.12	1.76	2.42	8.14	4.51	3.37	4.72	4.28
Class A with sales charges	-4.36	-2.57	-1.93	3.54	3.01	2.48	4.26	3.91
Barclays Capital Municipal Bond Index*	0.06	2.03	3.31	9.61	5.50	4.40	5.63	5.26
Lipper General Municipal Debt Funds Average**	-0.12	1.72	3.09	10.56	3.44	3.06	4.57	4.07

Annual Calendar Year Returns (%)

	2009	2008	2007	2006	2005	2004	2003	2002
Class A w/o sales charges	11.10	-2.40	2.30	3.41	2.77	4.18	4.74	8.33
Barclays Capital Municipal Bond Index*	12.91	-2.47	3.36	4.84	3.51	4.48	5.31	9.60
Lipper General Municipal Debt Funds Average**	16.73	-9.19	1.14	4.61	3.26	3.93	4.95	8.30

PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS. The performance data quoted represents past performance and current returns may be lower or higher. Recent short-term performance is not typical and may not be achieved in the future. Investors should be aware that these returns were primarily achieved during favorable market conditions. Class A shares have up to a 4.25% front-end sales charge and a 0.25% 12b-1 fee. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month-end, which may be higher or lower than the performance shown above, please call 866-667-9231 or go to www.aberdeen-asset.us.

Returns prior to 6/23/08 reflect the performance of a predecessor fund. Please consult the Fund's prospectus for more detail. Total returns assume the reinvestment of all distributions. Total returns may reflect a waiver of part of the Fund's fees for certain periods since inception, without which returns would have been lower.

* Indexes are unmanaged and have been provided for comparison purposes only. No fees or expenses are reflected. You cannot invest directly in an index. The since inception return is as of 5/8/98.

** Lipper is a leading global provider of mutual fund information and analysis to fund companies, financial intermediaries and media organizations.

Fund Facts

	Class A	Class C
Net Asset Value (NAV) as of 06/30/10	\$10.20	\$10.18
Ticker	NTFAX	GTICX
Cusip	003020161	003020146
Minimum Initial Investment	\$1,000	\$1,000
IRA Minimum Initial Investment	\$1,000	\$1,000
Gross/Net Expense Ratio as of 03/01/10	1.13%/0.93%	1.88%/1.68%
Distributions	Monthly Distributions/Annual Capital Gains	

The difference between gross and net expense ratios reflects contractual expense waivers in effect through February 28, 2011.

A 2% fee may be assessed to shares that are redeemed or exchanged within 7 calendar days after purchase.

Please refer to the Fund's prospectus for more information on the other share classes within the Fund and which one is more appropriate given your investment resources.

Investors should carefully consider a fund's investment objectives, risks, fees, charges and expenses before investing any money. To obtain this and other fund information, please call 866-667-9231 to request a prospectus, or download a prospectus at www.aberdeen-asset.us. Please read the prospectus carefully before investing any money. Investing in mutual funds involves risk, including possible loss of principal. There is no assurance that the investment objective of any fund will be achieved.

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NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE

Objective

The Fund seeks as high a level of current income that is exempt from federal income taxes as is consistent with preserving capital by investing in investment grade municipal obligations.

Strategy

The Fund invests in investment grade fixed-income securities that qualify as tax-exempt municipal obligations. These obligations are issued by states, U.S. territories and their political subdivisions, such as counties, cities and towns.

Total Net Assets (all share classes)

\$122.27 million

Portfolio Management

Lori Cohane
Managing Director

Risk Considerations

Fixed income securities are subject to certain risks including, but not limited to interest rate risk, credit risk, prepayment and call risk.

The Fund may invest in derivatives which can be volatile and may affect fund performance.

Please read the prospectus for more detailed information regarding these risks.

Aberdeen Tax-Free Income Fund



Sector Breakdown (%)

	Fund
General Obligation	29.8
Prerefunded/ETM	19.8
Education	19.3
Transportation	7.9
Water/Sewer	7.1
Tobacco	5.9
Miscellaneous	4.6
Utility Services	3.1
Public Improvements	2.2
Cash	0.2

Cash includes cash on call, cash used as margin, fixed deposits, unrealised profit/losses on derivative positions and forward currency contracts.

Top Ten Holdings

	% of Portfolio
HARRIS HLTH-B-SCH HLT 5.750% 07/01/27 SR:SCH HE	5.5
IN TOLL RD COMMN TOLL 9.000% 01/01/15	5.4
PA TPK COMMN REF-A 5.250% 07/15/29 SR:REF-SE	3.8
AL 21ST CENTY TOB 5.500% 12/01/21	3.2
UNIV CA REVS-GEN-Q 5.250% 05/15/29 SR:GEN-SE	2.9
MI ENVIRONMNTL PROTN 6.250% 11/01/12 SR:ENVIRO	2.4
TEXAS-TRN-MOBILITY 5.000% 04/01/20 SR:TRANSN	2.3
FORT BEND INDPT SD 5.000% 02/15/18	2.3
GA ELEC UNREF-SER V 6.600% 01/01/18 SR:UNREFU	2.2
NY ST DORM-RZEDB 5.000% 07/01/39 SR:ST UNI	2.2
Percent Of Portfolio In Top Ten	32.1

Holdings are subject to change and are provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities shown.

Quality Distribution

	Fund
AAA	45.9
AA	41.5
A	9.7
BBB	2.6
Cash	0.3
TOTAL	100.0

Generally the credit ratings range from AAA (highest) to D (lowest). Where bonds held in the fund are split-rated between Moody's, S&P and Fitch, the lower of the ratings is used. This may not be consistent with data from the benchmark provider.

Portfolio Characteristics

	Fund
Total Number of Holdings	75
Modified Duration	6.1
Average Maturity	8.1

Commentary

- The municipal bond market, as measured by the Barclays Capital Municipal Bond Index, registered a modest gain in June. Continued apprehension about Europe's sovereign-debt issues, compounded by concerns over the pace of a U.S. and global economic recovery, drove Treasury prices higher (and yields lower).
- Municipal bonds underperformed Treasuries, demonstrating a less aggressive rally in short-maturity bonds and a sell-off in longer maturities. This was primarily attributable to growing credit concerns in the state and local government sector, absolute low rates that were unattractive to buyers, and heavy dealer inventory leading up to quarter-end.
- The portfolio managers believe that rigorous credit analysis, coupled with the Fund's high credit quality standards, will enable them to find investment opportunities while maintaining the Fund's defensive stance and focus on capital preservation and current income.
- During the month, Fund management purchased several blocks of high-grade bonds (with a focus on higher education issuers) that exhibited relatively attractive yields in an otherwise anemic yield environment. The management team intends to continue to purchase bonds opportunistically with the Fund's remaining cash on hand.

This commentary is for informational purposes only, and is not intended as an offer or recommendation with respect to the purchase or sale of any security, option, future or other derivatives in such securities.

Unless otherwise noted, all information as of June 30, 2010.

Definitions

The Barclays Capital Municipal Bond Index is a broad market performance benchmark for the tax-exempt bond market, the bonds included in this index must have a minimum credit rating of at least Baa. They must have an outstanding par value of at least \$3 million and be issued as part of a transaction of at least \$50 million. The index includes both zero coupon bonds and bonds subject to the Alternative Minimum tax.

Duration is an estimate of bond price sensitivity to changes in interest rates. The higher the duration, the greater the change (i.e., high risk) in relation to interest-rate movements. The SEC 30-Day Yield is based on a 30-day period and is computed by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the period.

Contact Us

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