

ABERDEEN EMERGING MARKETS SMALLER Co OPPORTUNITIES FUND, INC.  
Form 40-17G  
July 14, 2016

Aberdeen Asset Management Inc.

1735 Market Street, 32nd Floor

Philadelphia, PA 19103

July 7, 2016

FILED VIA EDGAR

U.S. Securities and Exchange Commission

100 F Street, NE

Washington, D.C. 20549

Re: Joint Fidelity Bond Concerning Aberdeen Emerging Markets Smaller Company Opportunities Fund, Inc.

1940 Act Registration No. 811-08076

Dear Sir/Madam:

Enclosed please find a copy of the joint fidelity bond concerning Aberdeen Emerging Markets Smaller Company Opportunities Fund, Inc. (the Fund ), submitted pursuant to Rule 17g-1 under the Investment Company Act of 1940, as amended (the 1940 Act ), which covers the period from July 1, 2016 to June 30, 2017, as well as a copy of the resolutions adopted by the Board of Directors of the Fund, including a majority of the members of the Board who are not interested persons as defined in the 1940 Act, approving such fidelity bond. Also enclosed is a copy of the agreement required under Rule 17g-1(f) between the Fund and the other named insured parties under the fidelity bond. Had the Fund been the only named insured party under the fidelity bond, the Fund would have maintained a bond in the amount of \$525,000, the minimum amount required under Rule 17g-1(d)(1) based on the Fund's net assets as of June 30, 2016 of \$135,767,025. The premium has been paid for the period from July 1, 2016 to June 30, 2017.

Feel free to contact me should you have any questions at (215) 405-2438.

Best regards,

*/s/ Megan Kennedy*

Megan Kennedy

Secretary and Vice President of the Fund

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**SECTION B - CRIME POLICY**

**DECLARATIONS**

- Policy Number: B080120870P16
- Item 1. **Named Insured:** **THE FUNDS** (as more fully set forth under Endorsement No. 1)
- Principal Address: 1735 Market Street,  
32nd Floor,  
Philadelphia,  
PA 19103,  
USA
- Item 2. **Policy Period:** From: 1st July, 2016 To: 1st July, 2017
- both days at 12:01 a.m. local time at the Principal Address stated in Item 1 above.
- Item 3. **Limit of Liability:** USD 2,550,000 in the aggregate.
- Item 4. **Single Loss Limit:** USD 2,550,000 each **Single Loss** reducing to:
- (i) USD 100,000 each **Single Loss** under Insuring Agreement (H) (Stop Payment Order Liability);
  - (ii) USD 100,000 each **Single Loss** under Insuring Agreement (I) (Uncollectable Items of Deposit); and
  - (iii) USD 100,000 each **Single Loss** under Insuring Agreement (J) (Audit Expense); and
  - (iv) USD 100,000 each **Single Loss** under Insuring Agreement (K) (Unauthorized Signatures); and
  - (v) USD 100,000 each **Single Loss** in respect of the cover provided by sub-clause (e) of the definition of **Computer or Telephonic Fraud** .

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- Item 5. **Sub-Limits:** The following sub-limit applies to the stated cover.
- Insuring Agreement (M) (Fraudulent Retention of Funds or Property):
- USD 1,000,000 in the aggregate
- The amount shown above shall be a part of, and not in addition to, the **Limit of Liability**.
- Item 6. **Single Loss Deductible:** USD 0, increasing to:
- (i) USD 5,000 each **Single Loss** under Insuring Agreement (H) (Stop Payment Order Liability);
  - (ii) USD 5,000 each **Single Loss** under Insuring Agreement (I) (Uncollectable Items of Deposit); and
  - (iii) USD 5,000 each **Single Loss** under Insuring Agreement (J) (Audit Expense); and
  - (iv) USD 5,000 each **Single Loss** under Insuring Agreement (K) (Unauthorized Signatures).
- Item 7. **Premium:** Included in the premium set forth in the Declarations for Section A.
- Item 8. **Amount of Fund Assets:** USD \$552,548,938.61.
- Item 9. **Responsible Officer:** The **Named Insured** s Chief Compliance Officer (or designated alternate).
- Item 10. **Prior Policy:** Investment Company Blanket Bond - Policy Number B080120870P15.

## SECTION B - CRIME POLICY

The **Insurer** hereby undertake and agree, in consideration of the payment, or promise to pay, to the premium specified in the Declarations to indemnify the **Insured** for **Loss Discovered** during the **Policy Period** or the **Extended Reporting Period** (if applicable), up to an amount not exceeding the **Limit of Liability**, to the extent and in the manner provided in this policy.

### 1. INSURING AGREEMENTS

#### (A) Fidelity

**Loss** resulting from dishonest or fraudulent acts or **Theft** committed by an **Employee** acting alone or in collusion with others.

However, with regards to **Loans** and **Trading**, such dishonest or fraudulent acts or **Theft** must be committed by the **Employee** with the intent to obtain financial benefit for:

- (1) the **Employee**; or
- (2) any person or organization in collusion with such **Employee**; or
- (3) any other person or organization (who were not a counterparty) intended by such **Employee** to make an improper financial benefit.

As used in this Insuring Agreement, financial benefit does not include any employee benefits earned in the normal course of employment including: salaries, commissions, fees, bonuses, promotions, awards, profit sharing or pensions other than bonuses, commissions or profit sharing paid to an **Employee** for a specific transaction with which such **Employee** was involved and in respect of which that **Employee** had committed a dishonest or fraudulent act covered under this policy.

#### (B) On Premises

(1) **Loss** resulting from the physical loss of, destruction of, damage to, or mysterious unexplainable disappearance of **Property** while such **Property** is lodged or deposited within offices or premises located anywhere.

(2) **Loss** resulting from the loss of or damage to:

(i) furnishings, fixtures, supplies or equipment within an office of the **Insured** covered under this policy resulting directly from larceny or theft in or by burglary or robbery of such office, or attempt thereat, or by vandalism or malicious mischief; or

(ii) such office resulting from larceny or theft in, or by burglary or robbery of such office or attempt thereat, or to the interior of such office by vandalism or malicious mischief,

provided that:

(a) the **Insured** is the owner of such furnishings fixtures, supplies, equipment, or office or is liable for such loss or damage; and

(b) the loss is not caused by fire.

(C) **In Transit**

**Loss** resulting from the physical loss of, destruction of, damage to, or mysterious unexplainable disappearance of **Property** while such **Property** is in transit anywhere in the custody of:

(1) a natural person acting as a messenger of the **Insured** (or another natural person acting as messenger or custodian during an emergency arising from the incapacity of the original messenger); or

(2) a **Transportation Company** and being transported in an armoured motor vehicle; or

(3) a **Transportation Company** and being transported in a conveyance other than an armoured motor vehicle, provided that covered **Property** transported in such manner is limited to the following:

(i) records, whether recorded in writing or electronically; and

(ii) **Certificated Securities** issued in registered form and not endorsed, or with restrictive endorsements; and

(iii) **Negotiable Instruments** not payable to bearer or not endorsed or with restrictive endorsements.

**Special Condition**

Coverage under this Insuring Agreement begins immediately upon the receipt of such **Property** by the natural person or **Transportation Company** and ends immediately upon delivery to the designated recipient or its agent.

(D) **Forgery or Alteration**

Loss resulting from:

(1) **Forgery** or alteration of, on or in any **Negotiable Instrument** (except an **Evidence of Debt**), **Acceptance, Withdrawal Order**, receipt for the withdrawal of funds or **Property, Certificate of Deposit** or **Letter of Credit**;

(2) transferring, paying, redeeming or delivering funds or **Property** or establishing any credit or giving any value on the faith of any written or printed instructions, advices, requests or applications directed to the **Insured** or any **Financial Organization** acting on behalf of the **Insured**, which instructions, advices, requests or applications purport to have been signed or endorsed by:

(i) any customer or client of the **Insured**;



(ii) any shareholder of or subscriber to shares issued by any **Fund**; or

(iii) any financial institution,

but which instructions, advices, requests or applications either bear a signature which is a **Forgery** or have been altered without the knowledge and consent of such customer, client, shareholder, subscriber or financial institution;

(3) any **Financial Organization** transferring, paying, redeeming or delivering funds or **Property** or establishing any credit or giving any value on the faith of any written or printed instructions, advices requests or applications which instructions, advices, requests or applications purport to have been signed by or on behalf of the **Insured** but which instructions, advices, requests or applications either bear a signature which is a **Forgery** or have been fraudulently altered.

**Special Condition**

A mechanically reproduced facsimile signature is treated the same as a handwritten signature.

(E) **Securities**

**Loss** resulting from the **Insured**, or any **Financial Organization** acting on behalf of the **Insured**, having in good faith for its own account or for the account of others:

(1) acquired, sold or delivered, or given value, extended credit or assumed liability on the faith of any original:

(i) **Certificated Security**;

(ii) deed, mortgage or other instrument conveying title to or creating or discharging a lien upon real property;

(iii) **Evidence of Debt;**

(iv) **Instruction; or**

(v) **Statement of Uncertificated Security,**

which

(a) bears a signature of any maker, drawer, issuer, endorser, assignor, lessee, transfer agent, registrar, acceptor, surety, guarantor, or of any person signing in any other capacity which is a forgery; or

(b) is altered; or

(c) is lost or stolen:

(2) guaranteed in writing or witnessed any signature upon any transfer, assignment, bill of sale, power of attorney, **Guarantee** or any items listed in (i) through (v) above;

(3) acquired, sold or delivered, or given value, extended credit or assumed liability on the faith of any item listed in (i) through (v) above which is counterfeit.

A mechanically reproduced facsimile signature is treated the same as a handwritten signature.

(F) **Counterfeit Currency**

Loss resulting from the receipt or acceptance by the **Insured**, in good faith, of:

(1) any money orders which prove to be **Counterfeit** or to contain an alteration; or

(2) any **Counterfeit Money** of any country.

(G) **Computer or Telephonic Fraud and Malicious Code**

Loss resulting from:

(1) **Computer or Telephonic Fraud**; and/or

(2) the modification or deletion of any **Electronic Data** or **Computer Program** due to any **Malicious Code**.

**Special Condition**

It is agreed that:

(i) those **Electronic Communications** which are transmitted through touch tone telephone communication systems or by telex, TWX or telefacsimile; and

(ii) all **Telephonic Communications**,

must be **Tested**.

(H) **Stop Payment Order Liability**

**Loss** resulting from any and all sums which the **Insured** shall become obligated to pay by reason of liability imposed upon the **Insured** by law for damages:

(1) for having either complied with or failed to comply with any written notice of any customer or client of the **Insured**, any shareholder of or subscriber to shares issued by any **Fund** or any authorized representative of such customer, client, shareholder or subscriber to stop payment of any check or draft made or drawn by such customer, client, shareholder or subscriber or any authorized representative of such customer, client, shareholder or subscriber; or

(2) for having refused to pay any check or draft made or drawn by any customer or client of the **Insured**, any shareholder of or subscriber to shares issued by any **Fund** or any authorized representative of such customer, client, shareholder or subscriber.

(I) **Uncollectable Items of Deposit**

Loss resulting from:

(1) payments of dividends or fund shares, or withdrawals permitted from an account of a customer or client of the **Insured** or any shareholder of or subscriber to shares issued by any **Fund** based upon uncollectible items of deposit of a customer, client, shareholder or subscriber credited by the **Insured** or the **Insured**'s agent to the Mutual Fund Account of such customer, client, shareholder or subscriber; or

(2) any item of deposit processed through an automated clearing house which is reversed by a customer or client of the **Insured** or a shareholder of or subscriber to shares issued by any **Fund** and deemed uncollectible by the **Insured**.

Loss includes dividends and interest accrued not to exceed fifteen per cent (15%) of the uncollectible items which are deposited.

This Insuring Agreement applies to all Mutual Funds with exchange privileges if all Fund(s) in the exchange program are **Insured** by a National Union Fire Insurance Company of Pittsburgh, PA for uncollectible items of deposit. Regardless of the number of transactions between Fund(s), the minimum number of days of deposit within the Fund(s) before withdrawal as declared in the Fund(s) prospectus shall begin from the date a deposit was first credited to any **Insured** Fund(s).

(J) **Audit Expense**

Loss resulting from expense incurred by the **Insured** for that part of audits or examinations required by any governmental regulatory authority or **Self-Regulatory Organization** to be conducted by such governmental regulatory authority or **Self-Regulatory Organization** or by an independent accountant or other person, by reason of the discovery of **Loss** sustained by the **Insured** and covered by this policy.

(K) **Unauthorized Signatures**

Loss resulting from the **Insured** having accepted, paid or cashed any check or withdrawal order made or drawn on an account of a customer or client of the **Insured** or any shareholder of or subscriber to shares issued by any **Fund** which

bears the signature or endorsement of one other than a person whose name and signature is on file with the **Insured** as a signatory on such account.

**Special Condition**

The **Insured** shall have on file signature of all persons who are signatories on such account.

(L) **Larceny and Embezzlement**

Loss and costs directly arising from larceny and embezzlement, covering each officer and employee of the **Insured**, who may singly, or jointly with others, have access to securities or funds of the **Insured**, either directly or through authority to draw upon such funds or to direct generally the disposition of such securities.

(M) **Fraudulent Retention of Funds or Property**

Loss resulting from the **Fraudulent Retention** by a third party recipient of any funds or **Property**, as a direct result of:

(1) the misdirection or erroneous transfer of such funds or **Property** by the **Insured** or by a **Financial Organization** acting upon instructions from the **Insured**, to a third party recipient account other than that actually intended; or

(2) the transfer of such funds or **Property** by the **Insured** or by a **Financial Organization** acting upon instructions from the **Insured**, to a third party recipient account in an amount greater than that actually intended.

**Special Condition**

The **Insured** shall make reasonable efforts to secure the recovery of such funds or **Property**.

**Sub-Limit of Liability**

The **Insurer**'s maximum aggregate limit of liability under this Insuring Agreement shall be sub-limited to the amount stated under Item 5 of the Declarations.

(N) **Extortion**

Loss resulting from the loss of **Property** surrendered away from an office of the **Insured** or the transfer of funds as a result of a threat communicated to the **Insured**:

(1) to do bodily harm to a director, officer, trustee or **Employee** of the **Insured**, or a relative or an invitee of such director, officer, trustee, **Employee**, who is, or allegedly is, being held captive or under threat;

(2) to damage the premises, property (including **Property**) or other assets of the **Insured** or for which the **Insured** are legally liable;

(3) to delete or modify the **Insured** s **Computer Programs** or the **Insured** s **Electronic Data**;

(4) to sell or disclose confidential information to another person or party by reason of having gained unauthorised access to the **Insured** s **Computer System**;

(5) to cause the **Insured** to transfer, pay or deliver any funds or property (including **Property**) by means of a **Computer System** used or operated by the **Insured**,

provided, however, that prior to the surrender of such **Property** or transfer of funds:

(i) the person receiving the threat has made a reasonable effort to report the extortionist s threat to a director of the **Insured**;

(ii) a reasonable effort has been made to report the extortionist s threat to local law enforcement authorities; and



(iii) in relation to sub-clause (3), (4) or (5) above, the aforementioned director is satisfied that the person making the threat is both capable of carrying it out and reasonably likely to do so and that the threatened action is technologically feasible.

## 2. EXTENSIONS

### (A) Interpretation

This policy shall be interpreted with due regard to the purpose of fidelity bonding under Rule 17g-1 of the Investment Company Act of 1940 (i.e., to protect innocent third parties from harm) and to the structure of the investment management industry (in which a loss of **Property** resulting from a cause described in any Insuring Agreement ordinarily gives rise to a potential legal liability on the part of the **Insured**), such that the term "loss" as used herein shall include an **Insured's** legal liability for direct compensatory damages resulting directly from a misappropriation, or measurable diminution in value, of **Property**.

### (B) Difference in Conditions

If the **Insurer** is not liable for **Loss** under this policy, but cover for the same **Loss** would (but for the time at which such **Loss** was **Discovered**) have been available to any **Insured** based upon the terms, conditions and exclusions of the **Prior Policy**, then this policy shall provide cover in accordance with the terms, conditions and exclusions of the **Prior Policy**.

If the amount of any sub-limit or any single loss limit under the **Prior Policy** for any **Loss** is greater than any sub-limit or any single loss limit provided by this policy for the same **Loss**, then the sub-limit or any single loss limit under this policy for such **Loss** shall be increased to the same amount as that provided under the **Prior Policy**.

The Declarations shall be deemed to be amended accordingly in accordance with this provision with respect to the relevant **Loss**.

In no way shall this extension serve to increase the **Limit of Liability**, and all sub-limits and single loss limits payable under this policy shall be part of, and not in addition to, the **Limit of Liability**.

## 3. GENERAL AGREEMENTS

### A) Nominees

**Loss** sustained by any nominee organized by the **Insured** for the purpose of handling certain of its business transactions and composed exclusively of its **Employees** shall, for all the purposes of this policy and whether or not any partner of such nominee is implicated in such **Loss**, be deemed to be **Loss** sustained by the **Insured**.

B) **Additional Exposures**

(1) Additional Offices

Except as provided in sub-clause (2) below, this **policy** shall apply to any additional office(s) established by the **Insured** during the **Policy Period** and to all **Employees** during the **Policy Period**, without the need to give notice thereof or pay additional premiums to the **Insurer** for the **Policy Period**.

(2) Merger or Consolidation

If during the **Policy Period**, an **Insured** shall merge or consolidate with an institution in which such **Insured** is the surviving entity, or purchase substantially all the assets or capital stock of another institution, or acquires or creates a separate investment portfolio, and shall within sixty (60) days notify the **Insurer** thereof, then this policy shall automatically apply to the **Property** and **Employees** resulting from such merger, consolidation, acquisition or creation from the date thereof; provided, that the **Insurer** may make such coverage contingent upon the payment of an additional premium.

(3) Acquisition or Creation of Funds

(i) If during the **Policy Period**, an **Insured** creates or acquires a fund, other than by reason of the events described in sub-clause (2) above; and if the total consolidated assets of such fund are less than or equal to the amount set forth in Item 8 of the Declarations then, subject to all the other provisions of this policy, coverage shall automatically apply to any **Loss** sustained by that fund.

(ii) If during the **Policy Period**, an **Insured** creates or acquires a fund, other than by reason of the events described in sub-clause (2) above; and if the total consolidated assets of such fund are greater than the amount set forth in Item 8 of the Declarations, no coverage shall apply to any **Loss** sustained by that fund unless the **Insured** provides the **Insurer** with full particulars of such acquisition or creation, agrees to any additional premium and/or amendment of the provisions of this policy the **Insurer** requires and pays any premium required.

(iii) There shall be no coverage for:

(a) any **Loss** sustained by any such fund resulting from an act committed or an event occurring prior to the consummation of a transaction described in (i) or (ii) above; or

(b) any **Loss** sustained by any such fund resulting from an act whenever committed or an event whenever occurring, which together with an act committed or an event occurring prior to the consummation of such transaction, would constitute a **Single Loss**.

In no event shall any transaction among **Insureds** constitute an acquisition or creation of funds.

(4) Fund Name Changes

If during the **Policy Period**, a fund changes its legal name in accordance with the organizational documents of such fund and, if applicable, in accordance with state law, and such name change does not occur in connection with a transaction described in sub-clauses (2) or (3) above, then such fund shall automatically qualify as an insured fund under its new name, in addition to its prior name.

C) **Representation of Insured**

The **Insured** represents that the information furnished in the **Application** is complete, true and correct, to the best of the knowledge of the person who completed such **Application**.

Any misrepresentation, omission, concealment or incorrect statement of a material fact, in the **Application** or otherwise, which was deliberately made with the intent to deceive, shall be grounds for the rescission of this policy.

D) **Joint Insured**

If two or more **Insureds** are covered under this policy, the **First Named Insured** shall act for all **Insureds**. Payment by the **Insurer** to the **First Named Insured** of **Loss** sustained by any **Insured** shall fully release the **Insurer** on account of such **Loss**. If the **First Named Insured** ceases to be covered under this policy, the remaining **Named Insured** shall agree with the **Insurer** as to which one of them shall act on behalf of the all of the remaining **Insureds** (including but not limited to the receipt of any **Loss** payments). The liability of the **Insurer** for **Loss** which the **Insurer** would have been liable had all such **Loss** or **Losses** been sustained by one **Insured** will not exceed the **Limit of Liability**.

E) **Legal Proceedings Against the Insured**

The **Insurer** will indemnify the **Insured** against court costs and reasonable legal costs, charges, fees, disbursements and expenses incurred and paid by the **Insured** in defense of any **Legal Proceeding**.

The **Insureds**, and not the **Insurer**, have the duty to defend any **Legal Proceeding**. The **Insurer** shall be entitled to effectively associate with the **Insured** in the defense and the negotiation of any settlement of such **Legal Proceeding** if it that appears reasonable likely that such **Legal Proceeding** will involve the **Insurer** making payment under this policy. The **Insured** shall provide all reasonable information and assistance required by the **Insurer** in connection with such **Legal Proceeding**.