

## Suspension of dealing in unconstrained/absolute return bond funds

Dear investor,

We would like to inform you that all subscriptions and redemptions in all of GAM's unconstrained/absolute return bond funds (ARBF) have been suspended as of 31 July 2018. The fund boards are considering all future steps, including fund liquidations, to maximise value and liquidity for investors.

Following the recent suspension of Tim Haywood, the ARBF funds have experienced a high level of redemption requests. Although the funds have the necessary liquidity to serve these requests, such actions would lead to a disproportional shift in their portfolio composition, which could compromise the interests of remaining investors.

GAM is committed to ensuring equal treatment of all investors and protection of their interests. The company is focused on working with the applicable fund boards to resolve the situation as quickly as possible. We are working on the liquidity plan and will contact you about further details in the coming week.

GAM is also working on establishing alternative structures for clients who want to remain invested with the ARBF team. Please contact your client relationship representative if you would like more details of this potential option.

We would like to emphasise that our other products, investment teams at GAM, and our third-party managers continue to manage client funds as normal. Our investment processes and risk management across the firm remain robust.

With CHF 163.8 billion in assets under management as of 30 June 2018, GAM offers a broad range of products with strong track records across different asset classes. Over 75% of GAM's assets under management tracked by Morningstar outperformed their respective peer groups over three and five years to 30 June 2018.

We will continue to keep you informed, and should you have any questions, please do not hesitate to contact your GAM client relationship representative.