

25 February 2019

Dear investor,

On 28 August 2018 we informed you about the start of the liquidation process of the suspended Cayman absolute return bond funds (ARBF) (each a "Fund" and together the "Funds"). In that letter, we included an indication of the percentages of fund assets to be returned in two payments. The first payments took place in early September and the second payments followed at the beginning of October 2018. We are pleased to inform you that a third payment will be made to the shareholders in the Cayman domiciled ARBF in the course of February 2019.

You will find the percentage to be paid in this third payment, as well as the settlement dates, for each Fund attached to this letter. Each Fund shareholder will be receiving a separate contract note, specifying the exact third payment amount. Further Fund assets will be liquidated to cash and returned over the coming weeks, depending on market conditions.

Each investor's entire shareholding has already been compulsorily redeemed<sup>1</sup>. Investors have already received a significant partial payment of their redemption proceeds on 7 September 2018 and on 4 October 2018, and as noted above, a further part payment will be made in the coming days. In order to assist with investors' accounting for the proceeds, the contract note for each distribution sets out a notional number of shares and price per share in respect of each distribution, which reflects the proportion which the distribution bears to the notional NAV as at the relevant date.

The liquidation process is progressing as planned and we continue to ensure all Fund shareholders are being treated fairly, receiving their proportionate share of the wind down proceeds.

You will find a dedicated information page on all matters related to ARBF on our website: [www.gam.com/en/information-on-arbf](http://www.gam.com/en/information-on-arbf). Please do not hesitate to contact your GAM relationship manager or me if you have any questions.

Sincerely,



Tim Rainsford  
Group Head of Sales and Distribution

<sup>1</sup> Please note that this compulsory redemption of the respective fund's shares was effective from 12 September 2018. Please also note that the boards have also exercised their power to defer the payment of those redemption proceeds while the asset realisation process continues. This power enables staged part payments to investors during the wind down process.

## Attachment on Fund wind down processes

The table below provides details on the current level of shareholder payments for the Funds. Further Fund assets will be liquidated to cash and returned to the applicable shareholders in the coming weeks, dependent on market conditions. All Fund shareholders will be informed in writing in advance of any further payments to be made to them.

Fund name	First payment	Second payment	Third payment		Total % of Fund assets returned post 1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> payment <sup>2</sup>
	% of Fund assets <sup>2</sup>	% of Fund assets <sup>2</sup>	% of Fund assets <sup>2</sup>	Settlement date	
GAM Absolute Return Bond Master Fund	60%	6%	5%	28 Feb 2019	71%
GAM Unconstrained Bond Fund	60%	6%	5%	28 Feb 2019	71%

<sup>2</sup> Percentages are based on the AuM levels pre the first payment on each Fund (as per 3 September 2018 for Cayman funds).