

26 September 2018

Dear Investor,

On 29 August 2018 we informed you about the start of the wind down process of the suspended Cayman unconstrained/absolute return bond funds (ARBF) (each a Fund). 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 process to make the second payments is expected to begin in the coming days.

You will find the percentage to be paid in the second payment, as well as the settlement dates, for the individual Funds attached to this letter. Each investor will be receiving a separate contract note, specifying the exact second payment amount. Further Fund assets will be liquidated to cash and returned over the coming months, depending on market conditions, and we will communicate with Fund investors on this in 4Q 2018.

Each investor's entire shareholding has already been compulsorily redeemed¹. Investors have already received a significant pre-payment of their redemption proceeds on 7 September 2018, and as noted above, a further part payment will be made in the coming days. Additional payments in respect of those redemption proceeds will be made in tranches as proceeds from the sale of the underlying Fund investments become available – and the boards, in conjunction with the Investment Manager, will continue to closely monitor the progress of the sales process, with a view to authorising further payments from time to time. 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 clients in the Funds are being treated fairly and equally, receiving their proportionate share of the wind down proceeds. For those who wish to remain invested with the ARBF team, we are putting in place alternative structures and will update investors once these structures are in place.

You will find a dedicated information page on all matters related to ARBF on our website: www.gam.com/en/information-on-arbf. Please don't hesitate to contact your GAM relationship manager or me if you have any questions.

Yours Sincerely,



Tim Rainsford
Group Head of Sales and Distribution

¹ 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 investor returns for the funds. Further fund assets will be liquidated to cash and returned in the months following September, dependent on market conditions. All investors will be informed in writing before each payment is made.

| Fund name | First payment | Second payment | | Total % of fund assets returned post first and second payment ² |
|--------------------------------------|------------------|------------------|-----------------|--|
| | % of fund assets | % of fund assets | Settlement date | |
| GAM Absolute Return Bond Master Fund | 60% | 6% | 4 Oct 2018 | 66% |
| GAM Unconstrained Bond Fund | 60% | 6% | 4 Oct 2018 | 66% |

² Percentages are based on the AuM levels pre the first payment on each fund (as per 3 September 2018). Further fund assets will be liquidated to cash and returned over the coming months.