

Mitteilung an alle Anteilseigner der GAM Fund Management Limited

Anbei finden Sie eine Information der Fondsgesellschaft GAM.
Folgende Fonds sind betroffen:

IE00B3Q8M574 GAM Star Cat Bond EUR Cap



28 June 2012

To the Shareholders of
GAM Star Cat Bond (the "Fund")

Dear Shareholder

Subscription restrictions

Following a recommendation by Fermat Capital Management LLC ("Fermat"), the Fund's Delegate Investment Manager, revised subscription arrangements have been introduced into the Fund in order to preserve the interests of investors and the integrity of the investment strategy. These arrangements, which are expected to be temporary, have been put in place in response to growing investor demand for the Fund and limited supply in the catastrophe bond market.

The summer months typically see lower levels of new issuance in the catastrophe bond market and the effects of this seasonality are being compounded by a recent strengthening in demand for catastrophe bonds. The combination of these two factors is creating capacity constraints within the sector, restricting the availability of certain bonds and making it difficult for Fermat to maintain its preferred blend of portfolio holdings.

Whilst Fermat expects these capacity constraints to be eased by net new issuance during the fourth quarter of the year, it believes the pressure on the market in the interim will impact its ability to invest client inflows appropriately and in line with its investment strategy. On the recommendation of Fermat, the Directors have therefore resolved that the Fund's subscriptions will be restricted with immediate effect until such time as supply conditions improve.

Despite these restrictions, we expect that some capacity will be available in the Fund during this period. Investors who are interested in making further investment in the Fund over the coming months are therefore recommended to contact our Client Services team as soon as possible to request that their names are added to a waiting list of interested parties. Capacity that becomes available in the Fund will be allocated to these interested parties on the basis of criteria approved by the Directors¹. Such allocations are likely to be made on only one of the Fund's three scheduled dealing days, namely on the fourth Monday of the month. Investors who are offered an allocation of shares via this process will be asked to settle their purchase on the day of dealing. Redemptions will continue to be processed on each scheduled dealing day as usual.

Please be advised that pending subscriptions for dealing on 29 June 2012 will be assessed in relation to available capacity on the day of dealing. Investors will be contacted in the event that demand exceeds capacity and subscriptions have to be cancelled or reduced on a pro rata basis.

The Fund's subscription restrictions will be monitored and reviewed by the Fund's Directors in conjunction with Fermat on an ongoing basis. They are expected to be lifted in the fourth quarter of the year once Fermat is confident that market conditions can adequately support a higher volume of inflows and that client assets can be appropriately invested.

¹ Details of these criteria will be made available to interested parties upon request.

There will be no changes to the Fund's other terms or to its investment strategy as a result of these restrictions.

If you have any questions or require further information, please do not hesitate to contact your client relationship manager or our Client Services team in Dublin by email at info@gam.com or by telephone on +353 (0) 1 609 3927.

Yours faithfully

William Norris
Managing Director
GAM Fund Management Limited