

2 September 2024

Dear Client

On 11 July 2024, GAM announced it had reached a definitive agreement to transfer its Management Company activities in Ireland and Luxembourg to Apex Group Ltd (“Apex Group”). Apex Group is a leading global provider of financial services with over 13,000 employees globally.

We anticipate the following key benefits to GAM and our clients:

**Improved client service:** Clients will benefit from streamlined services and enhanced support, as GAM integrates with Apex Group's robust platform, services and capabilities. Today, these services are highly commoditised and more cost-effective when outsourced.

**Focus on core competencies:** Allows GAM to concentrate more on its core investment management capabilities, ensuring that resources are directed towards the pursuit of superior investment performance for clients.

**Enhanced efficiency:** The transfer of management company services enables GAM to consolidate its operations, reduce complexity and increase operational efficiency.

**Scalability:** By leveraging Apex Group's first-class expertise, services and infrastructure, GAM will be better positioned to scale its operations and respond to market demands.

We have prepared the following Q&A, which we hope will answer all your questions regarding these changes. If you have further questions, please get in touch with your usual GAM contact, or email [ClientServiceOperations@gam.com](mailto:ClientServiceOperations@gam.com)

Yours faithfully

GAM Fund Management Limited, GAM (Luxembourg) SA

## Q&A

### 1. Why is GAM changing (outsourcing) its Management Companies?

GAM's strategy is to focus on core investment management competencies and its clients, whilst increasing efficiency and scalability.

In line with this strategy, the sale of our third-party Fund Management Services business to Carne Group was successfully completed on 31 January 2024. GAM has also reached agreement with 1741 Group, a leading Swiss provider, to transfer management company services for the GAM funds in Switzerland.

In the next stage of this strategy, GAM has reached an agreement to transfer its Management Company activities in Ireland, Luxembourg and the UK to Apex Group Ltd ("Apex Group"). Apex Group is a leading provider of financial services and supplier of solutions to multinationals, financial institutions, private clients and asset managers around the world.

The agreement includes the sale of GAM Fund Management Limited, Dublin (GFML), including its in-house transfer agency service, to Apex Group, and furthermore it commits GAM to transfer management company services for GAM funds in Luxembourg to corresponding subsidiaries of Apex Group, subject to regulatory approvals and other customary conditions.

Most GFML staff will move to Apex Group as part of the purchase and will continue in their roles, managing the same processes. We believe this will lead to a smooth and seamless transition for our clients.

### 2. What do GAM clients need to do next?

No action is required at this stage. The transfer should be seamless for fund selectors and non-operational personnel.

GAM will be in touch with further details regarding the transfer later in the year, which will include legal communications regarding the change of parties, and distributor consent to novate agreements where relevant.

**If you are not the right person in your organisation to receive this communication, please forward to the most appropriate person, and cc.**

**[ClientServiceOperations@gam.com](mailto:ClientServiceOperations@gam.com)** so that we can make sure that subsequent communications are sent to the right person.

### **3. Will this change affect investment teams, funds or portfolio managers?**

There will be no changes to GAM's investment managers, investment management personnel, strategies or fund names as a result of the ManCo changes. Your usual relationship manager at GAM will not change.

### **4. Will there be any changes to the fees / charging structure?**

There will be no changes in fees for GAM clients or distributors.

### **5. Who will be the new Apex management companies (ManCo) and global distributors?**

Initially, GFML will remain as the ManCo of funds including the GAM Star Fund range and GAM FCM Cat Bond Inc. The name of GFML will be changed – the new name is expected to be Bridge Fund Solutions Limited. After this change, it is planned that Bridge Fund Solutions Limited will be merged in to Bridge Fund Management Limited ("Bridge"). The merger date will be confirmed at a later stage.

FundRock Management Company S.A ("FundRock Lux") will be the ManCo for GAM's Luxembourg domiciled funds.

Bridge Fund Management Limited will also be the Global Distributor for all of GAM's Luxembourg and Ireland domiciled fund ranges.

Bridge and FundRock are part of the Apex Group: [apexgroup.com](https://apexgroup.com)

### **6. Can we begin due diligence on Bridge / FundRock?**

Yes, please contact [Sean.Brady@bridgefundservices.com](mailto:Sean.Brady@bridgefundservices.com) to obtain due diligence documents from Bridge or FundRock.

### **7. Who will be the Transfer Agent?**

Apex Fund Services (Ireland) Limited will replace GAM Fund Management Limited as the Transfer Agent for the GAM Star Fund range, British Virgin Islands and relevant Cayman Islands domiciled funds.

State Street Bank International GmbH (Luxembourg) will continue unchanged as the Transfer Agent and Custodian for GAM's Luxembourg domiciled fund range.

### **8. When will the change take place?**

The transfer of GFML, and the appointment of Fundrock Lux is expected to be effective before the end of 2024, with the timing of the merger of GFML into Bridge to occur as soon

as practicable after Completion of the sale of GFML, subject to regulatory approvals and other customary conditions.

#### **9. Will GFML employees transfer to Apex?**

Yes, the GFML employees who have functions focussed on management company or transfer agency services will move to Apex, as GFML will be purchased by Apex.

We expect the relevant GAM Funds to continue to be serviced by the same GAM personnel post-transfer.

#### **10. Will distribution agreements be changed?**

For GFML, agreements will undergo a mere name change of counterparty at completion of the transaction anticipated in Q4 2024, when GFML will be acquired by Bridge Fund Management Limited. Upon merger of then renamed GFML into Bridge, distribution and similar agreements (e.g. without limitation, trailer/distribution/platform administration agreements or listing/placement/ introducer /finder's agreements as well as agreements on rebates, discounts and retrocessions) will automatically transfer over under Irish merger law.

Also anticipated in Q4, GAM's Luxembourg domiciled fund umbrellas (GAM Multibond SICAV and GAM Multistock SICAV) will appoint FundRock Management Company SA as the new Luxembourg ManCo.

Current Distribution Agreements with GAM SICAVs or GAM Luxembourg will be novated to Bridge as the new Global Distributor of Luxembourg-domiciled GAM funds. We will contact relevant clients prior to the novation with further details.

There will be no changes to the commercial terms agreed between GAM and clients or investors.

#### **11. How will changes to the Global Distribution function affect distribution agreements?**

Bridge Fund Management Limited will expand its role to become the Global Distributor for the Irish and Offshore GAM funds as well as the Luxembourg-domiciled GAM funds. This will streamline client interactions by providing a single contracting party, and potentially a single agreement.

Please note that different Transfer Agents (TAs) will remain in place, with Apex Fund Services (Ireland) Limited taking on the TA function for the funds for which GFML currently acts as TA, while the Luxembourg TA State Street / IFDS will continue unchanged for the Lux SICAVs.

## 12. How do these changes fit with GAM's strategy?

GAM's complex operating model, legal structures and other back / middle office functions undergo regular review and change to ensure we remain effective, competitive, and deliver a quality GAM experience that is fit for our clients' current and future needs, whilst actively pursuing best in class performance and service.

The Asset Management sector is changing fast. Accordingly, GAM is also undergoing a strategic transformation, focusing on GAM's four strategic pillars to drive strategic growth and ongoing value for our clients, shareholders and partners:

- **Focusing on clients** in existing core markets
- **Amplifying** and growing core active equity, fixed income and multi-asset strategies by investing in talent and product ideas
- **Diversifying** into new investment product areas and building a wealth management offering by leveraging GAM's heritage of active management, while building strategic partnerships and expanding GAM's alternatives and hedge funds platform
- **Enhancing effectiveness** by reducing complexity to focus on GAM's investment management capabilities.

## 13. What is GAM's strategy for transformation and what type of initiatives are underway?

GAM is optimising its complex organisation, and outsourcing its ManCo activities and Transfer Agency, to be more focussed on investment and wealth management. GAM's Ad hoc announcement for our 2023 Annual Results gave advance public message that this strategic move was in progress.

To date:

- The sale of GAM's third-party Fund Management Services business was successfully completed on 31 January 2024
- An agreement has been reached with 1741 Group, a leading Swiss provider for third-party funds, to transfer Management Company Services for GAM's Swiss based funds
- GAM has reached an agreement to transfer Management Company Services for non-Swiss based GAM funds to be transferred to Apex Group
- The transition to a single operating platform is on track to be completed by the end of 2024, to ensure greater efficiency across GAM's global operations.

With regard to the recently announced definitive agreement reached with Apex Group (11th July 2024), these changes will be relevant to GAM's Irish, Luxembourg and offshore fund ranges, and relate to the management companies that govern the day-to-day operation of investment funds.

Please note that the investment managers of these funds are not changing. GAM and our partner managers will still provide the distinctive investment management capabilities and professional client service for which we are renowned.

**For further information please contact:**

Jim Redhead  
Client Service Operations

Email [ClientServiceOperations@gam.com](mailto:ClientServiceOperations@gam.com)

T +44 (0) 207 3938 798

Visit us: [www.gam.com](http://www.gam.com)

Follow us: [X](#) and [LinkedIn](#)

**Other Important Information**

This release contains or may contain statements that constitute forward-looking statements. Words such as “anticipate”, “believe”, “expect”, “estimate”, “aim”, “project”, “forecast”, “risk”, “likely”, “intend”, “outlook”, “should”, “could”, “would”, “may”, “might”, “will”, “continue”, “plan”, “probability”, “indicative”, “seek”, “target”, “plan” and other similar expressions are intended to or may identify forward-looking statements. Any such statements in this release speak only as of the date hereof and are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance, and estimates. Any forward-looking statements in this release are not indications, guarantees, assurances or predictions of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the person making such statements, its affiliates and its and their directors, officers, employees, agents and advisors and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct and may cause actual results to differ materially from those expressed or implied in any such statements. You are strongly cautioned not to place undue reliance on forward-looking statements and no person accepts or assumes any liability in connection therewith. This release is not a financial product or investment advice, a recommendation to acquire, exchange or dispose of securities or accounting, legal or tax advice. It has been prepared without taking into account the objectives, legal, financial or tax situation and needs of individuals. Before making an investment decision, individuals should consider the appropriateness of the information having regard to their own objectives, legal, financial and tax situation and needs and seek legal, tax and other advice as appropriate for their individual needs and jurisdiction.