



THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD SEEK ADVICE FROM YOUR INDEPENDENT LEGAL, FINANCIAL OR PROFESSIONAL ADVISOR IMMEDIATELY. IF YOU HAVE SOLD OR TRANSFERRED YOUR SHARES IN GAM STAR WORLDWIDE EQUITY, A SUB-FUND OF GAM STAR FUND PLC, PLEASE HAND THIS DOCUMENT AND THE DOCUMENTS ACCOMPANYING IT AT ONCE TO THE STOCKBROKER, BANK OR OTHER AGENT THROUGH WHOM THE SALE OR TRANSFER WAS EFFECTED FOR TRANSMISSION TO THE PURCHASER OR THE TRANSFEREE AS SOON AS POSSIBLE.

PROPOSED MERGER OF

**GAM STAR GLOBAL QUALITY,
A SUB-FUND OF GAM STAR FUND PLC
(THE “MERGING FUND”)**

INTO

**GAM STAR WORLDWIDE EQUITY, A SUB-FUND OF GAM STAR FUND PLC
(THE “RECEIVING FUND”)**

DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

Accumulation Share:	a Share in the Merging Fund or the Receiving Fund where income relative to the Shareholder's holding is distributed and immediately reinvested without allotment of additional shares;
Auditor:	the auditor of the Merging Fund, being PricewaterhouseCoopers;
Central Bank:	the Central Bank of Ireland;
Depository	the depository of both the Merging Fund and the Receiving Fund, being State Street Custodial Services (Ireland) Limited who is responsible for the safekeeping of assets of the Merging Fund and the Receiving Fund on behalf of investors and upholding their interests generally;
Directors :	the directors of GAM Star Fund;
Effective Date:	12 December 2018 or such subsequent date as may be agreed between the Depository and GAM and approved by the Central Bank;
Effective Time	11.59 p.m. on the Effective Date;
EGM:	the extraordinary general meeting (or any adjournment thereof) of the Merging Fund's Shareholders;
Funds:	means both the Merging Fund and the Receiving Fund;
GAM:	the GAM group;
GAM Star Fund:	GAM Star Fund p.l.c., an open-ended umbrella investment company with variable capital incorporated with limited liability and segregated liability between its sub-funds under Irish law and authorised by the Central Bank pursuant to the European Communities Undertakings for Collective Investment in Transferable Securities (UCITS) Regulations 1989 and subject to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended and supplemented from time to time. The registered office of GAM Star Fund is at George's Court, 54-62 Townsend Street, Dublin 2, Ireland;

Income Share:	a Share in the Merging Fund or the Receiving Fund where income relative to the Shareholder's holding is distributed and not reinvested;
Irish UCITS Regulations:	the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended;
Manager:	the manager of both the Merging Fund and the Receiving Fund, being GAM Fund Management Limited;
Merger:	the merger of the Merging Fund with the Receiving Fund by way of a scheme of arrangement in accordance with Part 7 of the Irish UCITS Regulations and on the terms set out herein;
Merging Fund:	GAM Star Global Quality;
Merging Fund Documentation:	the Prospectus and Memorandum and Articles of Association of GAM Star Fund;
Receiving Fund:	GAM Star Worldwide Equity;
Receiving Fund Documentation:	the Prospectus and Memorandum and Articles of Association of GAM Star Fund;
Register:	the register of Shareholders of the Merging Fund or the register of shareholders of the Receiving Fund as the context requires;
Registrar:	the registrar of both the Merging Fund and the Receiving Fund, being GAM Fund Management Limited;
Scheme of Arrangement:	the scheme of arrangement for the Merger as set out herein subject to any modification, addition or condition made pursuant to section 11 hereof;
Scheme Property:	the scheme property (including cash and near cash) attributable to the Merging Fund or the Receiving Fund as the context requires;
Shares or New Shares:	EUR Institutional Accumulation Shares, GBP Ordinary Accumulation Shares, GBP Institutional Income Shares, USD Institutional Accumulation Shares, USD Institutional Income Shares, USD Ordinary Accumulation Shares in the Receiving Fund as the context requires, proposed to be issued to Shareholders pursuant to the Merger;
Shares or Original Shares:	shares held in respect of the Merging Fund, being EUR Institutional Accumulation Shares, GBP Ordinary Accumulation Shares, GBP Institutional Income Shares,

USD Institutional Accumulation Shares, USD Institutional Income Shares, USD Ordinary Accumulation Shares;

Shareholders:

in relation to Original Shares in the Merging Fund, the person(s) entered in the Register as the holder(s) of that or those Original Share(s) as at the relevant record date.

Terms of Merger:

the common draft terms of merger in respect of the Merger.

To: The Shareholders of GAM Star Worldwide Equity

Date: 6 November 2018

Proposed Merger of the Merging Fund into the Receiving Fund

Dear Shareholder,

We are writing to advise you of a proposal to merge the Merging Fund into the Receiving Fund. The Merging Fund and the Receiving Fund are both sub-funds of GAM Star Fund.

GAM Star Fund is structured as an open-ended investment company, with variable share capital incorporated in Ireland and authorised by the Central Bank as an undertaking for collective investment in transferable securities pursuant to the Irish UCITS Regulations. GAM Star Fund is an umbrella fund with segregated liability between sub-funds.

Details of the procedure by which the Merger of the Merging Fund will be effected, the action you should take and the implications for you as a Shareholder, are set out in this Circular and the Appendices attached hereto.

There is no action required of you in order to implement the proposed Merger.

I. The Proposal

It is proposed that the Merging Fund be merged into the Receiving Fund.

Details of the Merger in respect of the Merging Fund are set out in **Appendix 1**.

A table highlighting the key differences between the terms and procedures of the Merging Fund and the Receiving Fund is included at **Appendix 2**.

II. Background and Rationale

The Merging Fund was launched in July 2011 and had reached a volume of USD 32.3 million as at 9 October 2018. Given the size of the Merging Fund, the board of GAM Star Fund is of the view that it

would be in the interests of the Shareholders to merge with the Receiving Fund which would broaden the investor base and create a single sub-fund with a larger and a more competitive fund volume and more efficient and cost-effective portfolio management.

As of 9 October 2018, the combined assets of the Merging Fund and the Receiving Fund were USD 137.2 million. The board of GAM Star Fund is of the view that the proposed Merger would be in the interests of the shareholders of the Receiving Fund as it would increase the assets of the Receiving Fund which would in turn increase operational efficiencies of the Receiving Fund and reduce the fixed costs proportionally, thereby reducing the ongoing charges of Receiving Fund.

All costs of the Merger will be borne by GAM and Shareholders in the Merging Fund will not pay for any costs associated with the Merger.

III. Expected Impact of the Proposed Merger on the Shareholders of the Receiving Fund

The Manager does not expect the Merger to have any material impact on the operation of the Receiving Fund and the rights of the shareholders of the Receiving Fund will remain unchanged. The investment objective, investment strategy, investment manager, portfolio management team, cost, expected outcome, periodic reporting, possible dilution in performance and tax treatment of the Receiving Fund will remain unchanged, so that the Merger will not result in any changes for shareholders of the Receiving Fund.

A full comparison of the investment objectives, policies, fees and risks of the Merging Fund and the Receiving Fund is set out in Appendix 2.

It is not intended that the assets of the Merging Fund will be rebalanced prior to the Merger taking effect.

IV. Conditions applying to the Merger

The Merger of the Merging Fund into the Receiving Fund is conditional upon the clearance and approval of the Merger by the Central Bank and the approval of the Merger by way of a special resolution of the Shareholders of the Merging Fund, which requires that the special resolution be passed by a majority consisting of 75% or more of the total number of votes cast at the EGM.

V. Taxation Implications of the Merger

You should be aware that the Merger may constitute a taxable event for you depending on your jurisdiction, and that your tax treatment may be changed following the implementation of the Merger. Accordingly, you are advised to consult your professional advisors as to the tax implications of the Merger under the laws of the countries of your nationality, residence, domicile or incorporation.

A summary of the tax treatment of the Merging Fund and the Receiving Fund is contained in the prospectus of the GAM Star Fund.

VI. Right of Redemption

Shareholders of the Receiving Fund have the right to redeem or convert (as set out below) their Shares as usual but if Shareholders wish to redeem or convert their Shares prior to the Effective Date of the Merger, they can do so free of charge on any Dealing Day for the Receiving Fund (as defined in Appendix 2) by forwarding a request for the redemption or conversion of their Shares to the Registrar by 12h (UK time) on any Dealing Day prior to the Effective Date.

Shareholders who hold Ordinary Shares and Institutional Shares in the Receiving Fund may switch to a corresponding class of Shares within the Receiving Fund or another sub-fund of the GAM Star Fund. For example, if a Shareholder holds EUR Ordinary Shares of the Receiving Fund, he may switch to USD Ordinary Shares within that Fund or to another sub-fund of the GAM Star Fund, however, he may not switch to the Institutional, Distribution, M Shares, N Shares, P Shares, R Shares, U Shares, V Shares, W Shares, X Shares, Z Shares, Non UK RFS, Non UK RFS Z Shares or Selling Agents' Shares where such classes exist within the Receiving Fund or another sub-fund of the GAM Star Fund, unless the Manager shall otherwise agree.

VII. Effective Time/Date of the Merger

The effective time of the Merger is 11.59 p.m. on 12 December 2018.

VIII. Documents for Inspection and Additional Information Available

Copies of the following documents relating to GAM Star Fund (which will be provided to Shareholders free of charge upon request) may be obtained from the office of the Manager at George's Court, 54-62 Townsend Street, Dublin 2, Ireland (Tel: +353 1 609 3927) during normal business hours on weekdays (Irish public holidays excepted) until the time of the conclusion of the EGM (or any adjourned meeting of the Shareholders) and are available on the website www.GAM.com:

1. the Prospectus of GAM Star Fund;
2. Supplement of the Merging Fund and the Receiving Fund;
3. the Memorandum and Articles of Association of GAM Star Fund; and
4. the latest annual report / semi-annual report of GAM Star Fund.

Following the Merger, you can request from the Manager, once available and free of charge, a copy of the report on the Merger by the Auditor relating to the valuation of the assets, the calculation method for the exchange ratio as well as the actual exchange ratio.

IX. Review by the Depositaries of the Merger Proposal

The Depositary has confirmed, in accordance with the requirements of Regulation 59 of the Irish UCITS Regulations, that it has verified in respect of both the Merging Fund and the Receiving Fund, the type of merger and the UCITS involved, the Effective Date and the rules applicable, respectively, to the transfer of assets and the exchange of units are in accordance with the Irish UCITS Regulations and the Memorandum and Articles of Association of GAM Star Fund.

Yours faithfully,



Andrew Hanges
Director
For and on behalf of
GAM Star Fund plc

APPENDIX 1

MERGER

OF THE MERGING FUND

1. MERGER

- 1.1 The Merger falls within sub-section (c) of the definition of “merger” in Part 1, Regulation 3(1) of the Irish UCITS Regulations, being a merger whereby one or more UCITS or sub-funds thereof, (“merging UCITS”), which continue to exist until their liabilities have been discharged, transfer their net assets to another sub-fund of the same UCITS, to a UCITS which they form or to another existing UCITS or sub-fund thereof (a “receiving UCITS”).
- 1.2 Upon approval of the Merger, as and from the Effective Date and subject to the terms hereof, the Scheme Property of the Merging Fund will become part of the property of the Receiving Fund in exchange and in full payment for the issue of New Shares to the holders of Original Shares.
- 1.3 The Depositary in its capacity as Depositary of the Merging Fund shall transfer to the Depositary in its capacity as Depositary of the Receiving Fund , the Scheme Property of the Merging Fund (less the retention provided for in paragraph 1.4) and the Depositary shall (subject to the Terms of Merger) hold the Scheme Property transferred to it as an accretion to the Scheme Property of the Receiving Fund subject to the Memorandum and Articles of Association of GAM Star Fund. In relation to assets so held, with effect from the Effective Date, the provisions set out in the Merging Fund Documentation shall cease to have any effect save as required for the purposes of the Merger.
- 1.4 The Depositary shall retain such amount of cash (and if necessary other assets), together with any income arising therefrom as shall, in the opinion of the Manager, be sufficient for the purpose of discharging any outstanding, unsatisfied or contingent liabilities of the Merging Fund until the date on which the termination of the Merging Fund is completed pursuant to paragraph 8. For the purpose of the Merger, outstanding or unsatisfied liabilities of the Merging Fund shall exclude any costs and expenses in connection with the implementation of the Merger but shall include the accrued or anticipated costs, charges, expenses, taxation, liabilities and fees authorised by the Merging Fund Documentation to be paid out of the Scheme Property of the Merging Fund (including, inter alia, the Manager's fees and the Depositary's remuneration if any) as accrued to the Effective Date. After the discharge of all liabilities of the Merging Fund, the Depositary shall transfer to the account of the Receiving Fund held by the Depositary, the balance then remaining, if any, as an accretion to the then Scheme Property of the Receiving Fund

subject to the Irish UCITS Regulations but such accretion, if any, shall not take place until the date on which the termination of the Merging Fund has been completed and shall not increase the number of New Shares to be issued

1.5 Dealings in the Original Shares shall continue up to the day prior to the Effective Date of the Merger in respect of subscription/redemption notices received by the Manager on or prior to 12.00 p.m. (UK time) on the relevant Dealing Day. Dealings in the New Shares in the Receiving Fund shall commence on the first Dealing Day (as defined in Appendix 2 of the Circular) of the Receiving Fund subsequent to the Effective Date provided that subscription/redemption notices have been received by the Manager on or prior to 12.00 p.m. (UK time) on that Dealing Day.

2. CANCELLATION OF ORIGINAL SHARES

1.1 Immediately after the issue of New Shares pursuant to the Merger, every Original Share in the Merging Fund shall be deemed to have been cancelled and shall cease to be of value, and no further Shares in the Merging Fund will be issued.

3. CALCULATION OF EXCHANGE RATIO AND VALUATION OF ASSETS

3.1 The total number of New Shares to be created and issued by the Receiving Fund pursuant to the Merger to each Shareholder of the Merging Fund at the Effective Date (in place of and in proportion to his/her Original Shares), known as the exchange ratio, shall be calculated by dividing the value of the Original Shares in the Merging Fund, which shall be calculated as of the Effective Date in accordance with the valuation methodology set out in the Merging Fund Documentation by the net asset value per share of Shares to be issued in the Receiving Fund calculated as of the Effective Date. Each Shareholder will receive Shares in the Receiving Fund equal in value to the Shares held by each Shareholder in the Merging Fund as at the Effective Date.

3.2 For the purpose of the Merger:

- (a) the price of Original Shares in the Merging Fund shall, subject to paragraph 3.3(i), be the price ascertained by the Manager in accordance with the valuation provisions set down in the Merging Fund Documentation, excluding dealing costs; and
- (b) the price of New Shares in the Receiving Fund shall, subject to paragraph 3.3(ii), be the price ascertained by the Manager in accordance with the valuation provisions set down in the Receiving Fund Documentation, excluding dealing costs.

3.3 For the purposes of determining the prices in terms of paragraph 3.2:

(i) the value of the Scheme Property of the Merging Fund shall be ascertained in accordance with the valuation provisions set down in the Merging Fund Documentation as at 23:00 hours (UK time) on the Effective Date. In computing such values, in the case of the Scheme Property of the Merging Fund, there shall be deducted therefrom the costs and expenses identified as outstanding or unsatisfied liabilities of the Merging Fund pursuant to paragraph 1.4;

(ii) the value of the Scheme Property of the Receiving Fund shall be ascertained in accordance with the valuation provisions set down in the Receiving Fund Documentation in respect of the Effective Date.

3.4 The transfer of the Scheme Property of the Merging Fund, less the retention provided for in paragraph 1.4, to the Receiving Fund will be in exchange for the New Shares issued to the Merging Fund Shareholders pursuant to the Merger who will be treated as exchanging their Original Shares for New Shares in the Receiving Fund.

3.5 The Manager shall not, in respect of the New Shares to be issued under the Merger, be entitled to make any preliminary or initial charge. Neither shall the Manager levy any redemption charge on cancellation of Original Shares in the Merging Fund under the Merger or on redemption of Original Shares by Shareholders prior to the Effective Date.

3.6 The Auditors of the Merging Fund will validate the following as at the Effective Date:

- (a) The criteria adopted for the valuation of the assets as of the Effective Date; and
- (b) The calculation method of the exchange ratio referred to in Section 3.1 hereof as well as the actual exchange ratio determined as of the Effective Date.

4 **ISSUE OF SHARES**

4.1 As at the Effective Date, the Manager and the Registrar shall allot and issue New Shares to the Merging Fund Shareholders to the same value as the Original Shares held in the Merging Fund (calculated as at 23:00 hours (UK time) on the Effective Date) using the exchange ratio calculation as outlined below.

MERGING FUND	RECEIVING FUND
EUR Institutional Accumulation Shares	EUR Institutional Accumulation Shares
GBP Ordinary Accumulation Shares	GBP Ordinary Accumulation Shares
GBP Institutional Income	GBP Institutional Income Shares

MERGING FUND	RECEIVING FUND
Shares	
USD Institutional Accumulation Shares	USD Institutional Accumulation Shares
USD Institutional Income Shares	USD Institutional Income Shares
USD Ordinary Accumulation Shares	USD Ordinary Accumulation Shares

5 COSTS AND ADJUSTMENTS

- 5.1 The costs and expenses identified as outstanding or unsatisfied liabilities of the Merging Fund pursuant to paragraph 1.4 shall be borne out of the Scheme Property of the Merging Fund. The costs and expenses of the Merger and its implementation shall be borne by GAM.
- 5.2 All liability (if any) to stamp duty or stamp duty reserve tax or similar overseas transfer taxes which arises from the implementation of the Merger shall be borne by the Manager.
- 5.3 If the liabilities of the Merging Fund exceed the total amount retained by the Manager in accordance with the Merger, then to the extent of such excess, the Manager shall discharge such liabilities or (if the Depositary is liable to meet such liabilities) shall put the Depositary in funds to discharge such excess of liabilities and shall indemnify the Depositary in respect thereof.
- 5.4 If the liabilities of the Merging Fund are lower than the total amount retained by the Manager in accordance with the Merger and there is a surplus remaining with the Merging Fund on the completion of the termination of the Merging Fund, such surplus, together with any income arising therefrom, shall be transferred to the Receiving Fund. No further issue of New Shares shall be made as a result. The Manager shall cease to hold such amount in its capacity as Manager of the Merging Fund and shall make such transfers and redesignations as may be directed or instructed by the Depositary.

6 PAYMENTS OUT OF THE SCHEME PROPERTY OF THE MERGING FUND

- 6.1 Without prejudice to the terms of paragraph 5.4, the Manager shall pay out of the Scheme Property of the Merging Fund or otherwise meet from the amounts retained by it in accordance with paragraph 1.4:
- (a) the Global Distributor, Investment Manager, Delegate Investment Manager, Manager and Depositary fee, if any, in respect of the Merging Fund accrued to the Effective Date; and
 - (b) all other undischarged liabilities of the Merging Fund whether arising before or after the Effective Date, including all the accrued costs, charges, expenses, taxation,

liabilities and fees of the Merging Fund authorised to be paid either out of the Scheme Property of the Merging Fund on or before the Effective Date and/or subsequently out of the amounts to be retained by the Manager pursuant to the Merger.

7 STATEMENTS

- 7.1 The Manager and Registrar shall despatch to those persons who were Merging Fund Shareholders at the Effective Date statements indicating the number of New Shares to which they are entitled under the Merger and which at the date of despatch of such statements have not been redeemed. Such statements shall be sent, not later than 5 Business Days (as defined in Appendix 2 in respect of the Receiving Fund) after the Effective Date, by ordinary prepaid post or electronically as per the Shareholders' request, at the risk of the persons entitled to them and shall be sent to them at their respective addresses as shown in the Register of Shareholders in the Merging Fund at the Effective Date.
- 7.2 No certificates will be issued in respect of the New Shares.
- 7.3 The Depositary and the Registrar shall each be entitled to assume that all information contained in the Merging Fund's Register at the Effective Date is correct and to utilise the same in calculating the number of New Shares to be issued and registered pursuant to the Merger and shall each be entitled to act and rely upon any certificate, opinion, evidence or information furnished by its respective professional advisers in connection with the Merger and shall not be liable or responsible for any loss suffered as a result thereof.

8 TERMINATION OF THE MERGING FUND

- 8.1 If the Merger is approved, the Manager will following the Effective Date and subject to the discharge of all liabilities of the Merging Fund proceed to terminate the Merging Fund in accordance with the Terms of Merger, the Memorandum and Articles of Association of GAM Star Fund and the Irish UCITS Regulations.

9 ALTERATION(S) TO THE MERGER

- 9.1 The Manager or the Depositary shall, at any time on or before the Effective Date, be authorised in accordance with the requirements of the Central Bank to make such modifications, additions or conditions to the Terms of Merger as may be approved by them and the Depositary, provided always that the Manager and the Depositary shall have agreed in writing that such modifications, additions or conditions do not involve any current or potential Shareholders in the Merging Fund or potential shareholders in the Receiving Fund in any material prejudice.
- 9.2 There may be circumstances beyond the control of the Manager or the Depositary which mean that it is not possible or practicable to effect the Merger. In these circumstances the Manager and the Depositary will continue to operate the Merging Fund until such time as it is

practicable to effect the consolidation which will be done on the Terms of Merger with such consequential adjustments to the timetable as the Manager and the Depositary consider appropriate.

10. VERIFICATION

- 10.1 The Depositary shall verify in writing to the Central Bank in respect of both the Merging Fund and the Receiving Fund (i) the type of merger and the UCITS involved (ii) the Effective Date and (iii) the rules applicable, respectively, to the transfer of assets and the exchange of units are in accordance with the Irish UCITS Regulations and the Memorandum and Articles of Association of GAM Star Fund (as applicable).

11. PLANNED EFFECTIVE DATE OF THE MERGER

- 11.1 Subject to the approval of the Central Bank, the planned Effective Date of the Merger is 12 December 2018. Any change to the Effective Date, which must be cleared in advance by the Central Bank, will be notified in writing to Shareholders.

12. PROPER LAW

- 12.1 The Scheme of Arrangement and any non-contractual obligations arising out of or in connection with the Scheme of Arrangement shall in all respects be governed by and construed in accordance with the laws of Ireland.

APPENDIX 2

COMPARISON OF GAM STAR GLOBAL QUALITY AND GAM STAR WORLDWIDE EQUITY

There are a number of differences between the Merging Fund and the Receiving Fund, the main features of which can be identified in the comparison table below. Full details of GAM Star Worldwide Equity are set out in the prospectus of GAM Star Fund, copies of which are available upon request:

	Merging Fund GAM Star Global Quality	Receiving Fund GAM Star Worldwide Equity
Structure	A sub-fund of an umbrella investment company with variable capital with segregated liability between sub-funds authorised by the Central Bank	A sub-fund of an umbrella investment company with variable capital with segregated liability between sub-funds authorised by the Central Bank
Category of fund	UCITS scheme authorised by the Central Bank	UCITS scheme authorised by the Central Bank
Investment Objective and Policy	<p>^The investment objective of the Fund is to provide capital appreciation primarily through investment in quoted equity securities listed on or dealt in Recognised Markets on a worldwide basis. The Fund emphasises investment in companies in developed countries such as the United States, the countries of Western Europe and certain countries in the Pacific Basin, which include but are not limited to Australia, Hong Kong, Japan, New Zealand and Singapore.</p> <p>The Fund will seek to primarily own equity of companies which have demonstrated operating characteristics which could be considered of relative quality and consistency versus a broader universe of stocks. In addition, the portfolio selection process adopted by the fund manager</p>	<p>^^The investment objective of the Fund is to provide capital appreciation primarily through investment in quoted securities on a worldwide basis.</p> <p>It will be the normal policy of the Fund to invest mainly in equities.</p> <p>However, the Fund may invest not more than 15% of the Net Asset Value of the Fund in Fixed Income Securities and preferred stock, if the fund manager considers this course of action appropriate to the goal of maximising capital growth. The Manager will invest not more than 20% of the Net Asset Value of the Fund in emerging market countries, of which not more than 10% of the Net Asset Value of the Fund may be invested in the Russian market. With respect to such investment in Russia, the Fund may invest in any securities</p>

	Merging Fund GAM Star Global Quality	Receiving Fund GAM Star Worldwide Equity
	<p>seeks to identify established businesses which have a history of relatively stable margins and sales growth as well as attractive valuations. The Fund will seek to consist of mid- to- large capitalisation stocks with favourable dividend yields, strong cash flow yields and stable financial characteristics that meet fund manager’s screening criteria.</p> <p>The Fund may also invest up to 25% of its net assets in equity securities of companies located in developing countries, i.e., equity securities of companies in Emerging Markets which satisfy the criteria outlined in the preceding paragraph.</p> <p>The term “Emerging Markets” is generally understood to refer to the markets of countries that are in the process of developing into modern industrialised states and thus display a high degree of potential but also entail a greater degree of risk. It shall include, but is not limited to countries included from time to time in the S&P/IFC Emerging Markets Investible Composite Index or in the MSCI Emerging Markets Index, each of which is a free floating adjusted market index designed to measure the performance of relevant securities in global emerging markets.</p> <p>No more than 10% of the Net Asset Value of the Fund may be invested in the Russian market. With respect to such investment in Russia, the Fund may invest in any securities listed on the Moscow Interbank Currency</p>	<p>listed on the Moscow Interbank Currency Exchange (MICEX) and any securities listed on the Moscow Exchange.</p> <p>The Fund may also invest in deposits, Money Market Instruments and collective investment schemes. Any investment in collective investment schemes shall not exceed in aggregate 10% of the Net Asset Value of the Fund.</p> <p>Notwithstanding anything to the contrary in the Prospectus and the above provisions relating to the investment policy of the Fund, in order for the Fund to comply with and for as long as the Fund needs to comply with certain provisions of the German Investment Tax Act 2018 (as may be amended), the Fund will ensure that at least 51% of its net assets are continuously invested in shares which are listed on or dealt in a Recognised Market consistent with the investment policy of the Fund (which for the avoidance of doubt excludes units or shares in collective investment schemes). However in extraordinary market circumstances (such as a market crash or major crises) and in order to ultimately protect the interests of the Shareholders, the Fund may divest or decrease its interest in such shares in order to hold ancillary liquid assets.</p> <p>Investment Strategy</p> <p>The investment team comprises of unconstrained, bottom up, global stock-pickers who focus on company specific fundamentals, rather than</p>

	Merging Fund	Receiving Fund
	GAM Star Global Quality	GAM Star Worldwide Equity
	<p>Exchange (MICEX) and any securities listed on the Moscow Exchange.</p> <p>Up to 15% of the Net Asset Value of the Fund may be invested in Fixed Income Securities, if the fund manager considers this course of action appropriate to the goal of maximising capital growth. Such Fixed Income Securities will include corporate bonds or other debt securities (such as certificates of deposit and commercial paper) which may have fixed or floating rates of interest and are to be of investment grade or higher as defined by Standard and Poor's or an equivalent rating agency.</p> <p>The Fund may also invest in deposits, Money Market Instruments and collective investment schemes. Any investment in collective investment schemes shall not exceed in aggregate 10% of the Net Asset Value of the Fund.</p> <p>Although it is the normal policy of the Fund to deploy its assets as detailed above, it may also invest up to 100% of its net assets in deposits, cash, Government debt securities and Money Market Instruments in the appropriate circumstances. Such circumstances include (i) the holding of cash on deposit pending reinvestment, in order to meet redemptions and payment of expenses, (ii) in order to support any derivative exposure; (iii) in any extraordinary market circumstances such as a market crash or major crises which in the reasonable opinion of the</p>	<p>perceived risk against a benchmark. The investment team compares valuations of similar companies on a global basis and determines the drivers behind large valuation differentials. Its analysis focuses on finding investments that fit within the long term themes and which fit within the team's quality and valuation criteria. These themes guide the direction of the bottom-up company research. The resulting portfolios differ substantially from any index, and often result in investments in stocks that are not in any benchmark. The investment team actively seek to diversify the portfolio across stocks with a spread of value and growth characteristics resulting in a mixture of mature, asset-backed and growth investments. Asset-backed companies typically own identifiable assets where valuation compared to market value of the company is attractive.</p>

	<p style="text-align: center;">Merging Fund</p> <p style="text-align: center;">GAM Star Global Quality</p>	<p style="text-align: center;">Receiving Fund</p> <p style="text-align: center;">GAM Star Worldwide Equity</p>
	<p>fund manager would be likely to have a significant detrimental effect on the performance of the Fund or (iv) for investment purposes in pursuance of the investment objective of the Fund.</p> <p>The Fund may also invest in structured notes which shall be used by the fund manager in order to generate unleveraged short or long exposure (i.e. a delta 1 exposure) to the equity securities described above.</p> <p>Notwithstanding anything to the contrary in the Prospectus and the above provisions relating to the investment policy of the Fund, in order for the Fund to comply with and for as long as the Fund needs to comply with certain provisions of the German Investment Tax Act 2018 (as may be amended), the Fund will ensure that at least 51% of its net assets are continuously invested in shares which are listed on or dealt in a Recognised Market consistent with the investment policy of the Fund (which for the avoidance of doubt excludes units or shares in collective investment schemes). However in extraordinary market circumstances (such as a market crash or major crises) and in order to ultimately protect the interests of the Shareholders, the Fund may divest or decrease its interest in such shares in order to hold ancillary liquid assets.</p>	

	Merging Fund GAM Star Global Quality	Receiving Fund GAM Star Worldwide Equity
Use of Derivatives and Leverage	<p>^It is not the current intention that the Fund will use derivatives for investment purposes and in this way it is not intended that the Fund be leveraged to gain additional exposure.</p> <p>Subject to the 2011 Regulations and as more fully described under the heading “Investment Restrictions”, in the Prospectus, where a class is denoted as a hedged share class in Appendix I of the Prospectus, the Fund will enter into currency forward transactions for hedging purposes in order to hedge the currency exposure of such class denominated in a currency other than the Base Currency, as described in the section of the Prospectus entitled “Share Currency Designation Risk”. Where the Fund does not enter into such hedging transactions, a currency conversion will take place on subscription, redemption, switching and distributions at prevailing exchange rates where the value of the share expressed in the class currency will be subject to exchange rate risk in relation to the Base Currency.</p> <p>Currency Forwards: These may be used to: (a) hedge the designated currency of the assets of the Fund to the Base Currency of the Fund; or (b) mitigate the exchange rate risk between the Base Currency of the Fund and the currency in which Shares in a class in the Fund are designated where that designated currency is different to the Base Currency of the Fund.</p> <p>The use of derivative instruments</p>	<p>^^It is not intended that the Fund will use derivatives for investment purposes. Subject to the 2011 Regulations and as more fully described under the heading “Investment Restrictions” in the Prospectus, the Fund may use the derivatives listed below for efficient portfolio management purposes (being (i) the reduction of risk, (ii) the reduction of cost or (iii) the generation of additional capital or income for the Fund with a level which is consistent with its risk profile).</p> <p>The derivative instruments which may be held by the Fund comprise currency forwards, index/equity futures and options (put/call). Where a class is denoted as a hedged share class in Appendix I of the Prospectus, the Fund will enter into certain currency related transactions in order to hedge the currency exposure of such class denominated in a currency other than the Base Currency, as described under the heading “Share Currency Designation Risk” in the Prospectus.</p> <p>Such derivatives may be traded over-the-counter or on a Recognised Market.</p> <p><i>Currency Forwards:</i> These may be used to: (a) hedge the designated currency of the assets of the Fund to the Base Currency of the Fund; or (b) mitigate the exchange rate risk between the Base Currency of the Fund and the currency in which Shares in a class in the Fund are designated where that designated currency is different to the Base Currency of the Fund.</p> <p><i>Options/Futures:</i> These may be used only to mitigate the risk of</p>

	<p align="center">Merging Fund</p> <p align="center">GAM Star Global Quality</p>	<p align="center">Receiving Fund</p> <p align="center">GAM Star Worldwide Equity</p>
	<p>for the purposes outlined above may expose the Fund to the risks disclosed under the heading "Introduction – Risk Factors".</p> <p>The Fund will use the Commitment Approach as part of its risk management process.</p>	<p>the equity portfolio falling sharply in value. The fund manager would determine a percentage of the portfolio to be hedged and would then decide to either sell futures or purchase a put option to cover the risk, for example a US portion of a portfolio may be hedged by selling S&P index futures or by buying an S&P index option and investments in other countries would be hedged in an appropriate future or option. The length of an index is normally three months and these would be rolled over if the Fund considered it necessary. When the fund manager determines there is no further risk, the hedge would be closed.</p> <p>Although the use of derivatives used for efficient portfolio management may give rise to an additional exposure, any such additional exposure will not exceed the Net Asset Value of the Fund. Consequently the total exposure of the Fund shall not exceed 200% of the Net Asset Value of the Fund, excluding permitted temporary borrowing of 10%. Such exposure will be risk managed using the Commitment Approach.</p> <p>In addition, it should be noted that while the Fund may at times hold short positions in the asset classes described above in the section entitled "Investment Objectives and Policies" such short positions will only be for hedging purposes and will not result in any additional exposure being generated by the Fund on a net basis.</p> <p>The Fund is a non- sophisticated user of derivatives, whereby the Fund will only use a limited number of</p>

	Merging Fund GAM Star Global Quality	Receiving Fund GAM Star Worldwide Equity
		simple derivative instruments for non- complex efficient portfolio management. The Fund will use the Commitment Approach as part of its risk management process.
Other Efficient Portfolio Management Techniques	<p>^The Fund may use the following techniques for efficient portfolio management purposes such as hedging and performance enhancement (i.e. reduction of cost, generation of additional capital or income, etc.) in accordance with the terms and conditions set out by the Central Bank from time to time in relation to any such techniques:</p> <p><i>Sub- underwriting Agreements:</i> The Fund may from time to time enter into sub- underwriting agreements in order to acquire securities in which the Fund is permitted to invest in and/or to generate additional income for the Fund.</p> <p>Information relating to the operational costs and/or fees which shall be deducted from the revenue delivered to the Fund as a result of these techniques is set out in Appendix V of the Prospectus together with general</p>	<p>^The Fund may also use the following techniques for efficient portfolio management purposes such as hedging and performance enhancement (i.e. reduction of cost, generation of additional capital or income, etc.) in accordance with the terms and conditions set out by the Central Bank from time to time in relation to any such techniques:</p> <p><i>Sub- underwriting Agreements:</i> The Fund may from time to time enter into sub- underwriting agreements in order to acquire securities in which the Fund is permitted to invest in and/or to generate additional income for the Fund.</p> <p><i>Participation Notes:</i> The Fund may use participation notes for performance enhancement purposes by gaining short exposure to a basket of equities with the added benefit of capital protection.</p>

	Merging Fund GAM Star Global Quality	Receiving Fund GAM Star Worldwide Equity
	<p>terms and conditions for use of sub- underwriting agreements.</p> <p>The Fund will only use only currency forwards for hedging purposes. As a result the Fund will not be leveraged as a result of its use of financial derivative instruments.</p>	<p>Information relating to the operational costs and/or fees which shall be deducted from the revenue delivered to the Fund as a result of these techniques is set out in Appendix V of the Prospectus together with general terms and conditions for use of participation notes and sub- underwriting agreements.</p>
Base Currency	US Dollars	US Dollars
Manager	GAM Fund Management Limited	GAM Fund Management Limited
Investment Manager	GAM International Management Limited	GAM International Management Limited
Administrator	State Street Fund Services (Ireland) Limited	State Street Fund Services (Ireland) Limited
Registrar	GAM Fund Management Limited	GAM Fund Management Limited
Depository	State Street Custodial Services (Ireland) Limited	State Street Custodial Services (Ireland) Limited
Global Distributor	GAM Fund Management Limited	GAM Fund Management Limited
Type of Shares	<p>EUR Institutional Accumulation Shares</p> <p>GBP Ordinary Accumulation Shares</p> <p>GBP Institutional Income Shares</p> <p>USD Institutional Accumulation Shares</p> <p>USD Institutional Income Shares</p> <p>USD Ordinary Accumulation Shares</p>	<p>EUR Institutional Accumulation Shares</p> <p>GBP Ordinary Accumulation Shares</p> <p>GBP Institutional Income Shares</p> <p>USD Institutional Accumulation Shares</p> <p>USD Institutional Income Shares</p> <p>USD Ordinary Accumulation Shares</p>

	Merging Fund GAM Star Global Quality	Receiving Fund GAM Star Worldwide Equity
Business Day	A day on which banks are generally open for business in Dublin or such other days as the Manager may, with the approval of the Depositary, determine.	A day on which banks are generally open for business in Dublin or such other days as the Manager may, with the approval of the Depositary, determine.
Dealing Day	Every Business Day	Every Business Day
Notice for Subscriptions/Redemption	12:00 (UK time) in order to be dealt with at the net asset value per share on the relevant Dealing Day	12:00 (UK time) in order to be dealt with at the net asset value per share on the relevant Dealing Day
Subscription Settlement Period:	^15:00 hours, UK time, on the day on which any application for Shares must be received in order to be dealt with at the relevant Net Asset Value per Share on the relevant Dealing Day, or in the case of investors or intermediaries approved by the Manager, within four Business Days of the relevant Dealing Day, in cleared funds and in the designated currency of the Shares being purchased.	^15:00 hours, UK time, on the day on which any application for Shares must be received in order to be dealt with at the relevant Net Asset Value per Share on the relevant Dealing Day, or in the case of investors or intermediaries approved by the Manager, within four Business Days of the relevant Dealing Day, in cleared funds and in the designated currency of the Shares being purchased.
Redemption Settlement Period:	Normally, within 4 Business Days of the deadline for receipt of redemption requests.	Normally, within 4 Business Days of the deadline for receipt of redemption requests.
Initial Minimum Investment	<p>EUR Institutional Accumulation Shares - EUR 20,000,000</p> <p>GBP Ordinary Accumulation Shares - GBP 6,000</p> <p>GBP Institutional Income Shares - GBP 12,000,000</p> <p>USD Institutional Accumulation Shares - USD 20,000,000</p> <p>USD Institutional Income Shares - USD 20,000,000</p> <p>USD Ordinary Accumulation Shares - USD 10,000</p>	<p>EUR Institutional Accumulation Shares - EUR 20,000,000</p> <p>GBP Ordinary Accumulation Shares - GBP 6,000</p> <p>GBP Institutional Income Shares - GBP 12,000,000</p> <p>USD Institutional Accumulation Shares - USD 20,000,000</p> <p>USD Institutional Income Shares - USD 20,000,000</p> <p>USD Ordinary Accumulation Shares - USD 10,000</p>

	Merging Fund GAM Star Global Quality	Receiving Fund GAM Star Worldwide Equity
Subsequent Investment	N/A	N/A
Minimum Holding Requirement	N/A	N/A
Stock Exchange Listings	<p>EUR Institutional Accumulation Shares– listed on Euronext Dublin</p> <p>GBP Ordinary Accumulation Shares– listed on Euronext Dublin</p> <p>GBP Institutional Income Shares– listed on Euronext Dublin</p> <p>USD Institutional Accumulation Shares– listed on Euronext Dublin</p> <p>USD Institutional Income Shares– listed on Euronext Dublin</p> <p>USD Ordinary Accumulation Shares– listed on Euronext Dublin</p>	<p>GBP Ordinary Accumulation Shares – listed on Euronext Dublin</p> <p>USD Ordinary Accumulation Shares - listed on Euronext Dublin</p>
Final Accounting Date	30 June	30 June
Interim Accounting Date	31 December	31 December
Income Allocation Date	On or before 31 August in respect of annual distributions	On or before 31 August in respect of annual distributions
Reporting Date	<p>By 31 October (within 4 months after final accounting date)</p> <p>By 28 February (within 2 months after final accounting date)</p>	<p>By 31 October (within 4 months after final accounting date)</p> <p>By 28 February (within 2 months after final accounting date)</p>
UK HMRC Reporting Fund Status	Original Shares – yes	New Shares - yes

	Merging Fund GAM Star Global Quality	Receiving Fund GAM Star Worldwide Equity
Borrowing	10% of net asset value on a temporary basis	10% of net asset value on a temporary basis
Publication of Net Asset Value per Share	Available from www.gam.com, Euronext Dublin and the Manager.	Available from www.gam.com, the Euronext Dublin and the Manager.
Synthetic Risk and Reward Indicator	Category 5	Category 5
<p>Risk Factors (KIID)</p> <p>Please also refer to the risks section of the Prospectus for each of the Merging Fund and the Receiving Fund for a full disclosure of the risks.</p>	<p>^The risk indicator is based on the volatility of the Fund's performance over the last 5 years. Where 5 years' performance history is not available the data is supplemented by proxy fund, benchmark data or a simulated historical series as appropriate.</p> <ul style="list-style-type: none"> • This profile is determined using historical data, as such may not be a reliable indication for the future risk profile. It is not guaranteed and may shift over time. • The lowest category does not mean 'risk free'. • The Fund does not offer any capital guarantee or assurance that the investor will receive a fixed amount when redeeming. • Further risks that may have a significant effect on the net asset value of the Fund include: • Currency Risk - Non Base 	<p>^The risk indicator is based on the volatility of the Fund's performance over the last 5 years. Where 5 years' performance history is not available the data is supplemented by proxy fund, benchmark data or a simulated historical series as appropriate.</p> <ul style="list-style-type: none"> • This profile is determined using historical data, as such may not be a reliable Indication for the future risk profile. It is not guaranteed and may shift over time. • The lowest category does not mean 'risk free'. • The Fund does not offer any capital guarantee or assurance that the investor will receive a fixed amount when redeeming. <p>Further risks that may have a significant effect on the net asset value off the Funds include:</p> <ul style="list-style-type: none"> • Currency Risk - Non Base Currency Share Class: non-base currency share classes may or

	Merging Fund	Receiving Fund
	GAM Star Global Quality	GAM Star Worldwide Equity
	<p>Currency Share Class: non-base currency share classes may or may not be hedged to the base currency of the Fund. Changes in exchange rates will have an impact on the value of shares in the Fund which are not denominated in the base currency. Where hedging strategies are employed, they may not be fully effective.</p> <ul style="list-style-type: none"> Equity: investments in equities (directly or indirectly via derivatives) may be subject to significant fluctuations in value. <p>The “Risk Factor” section of the Prospectus and the “Risk Factor” section of the Fund Supplement for this Fund give you more details about all the risks for the Fund – see under “Practical Information” for how to obtain a copy.</p>	<p>may not be hedged to the base currency of the Fund. Changes in exchange rates will have an impact on the value of shares in the Fund which are not denominated in the base currency. Where hedging strategies are employed, they may not be fully effective.</p> <ul style="list-style-type: none"> Equity: investments in equities (directly or indirectly via derivatives) may be subject to significant fluctuations in value. <p>The “Risk Factor” section of the Prospectus and the “Risk Factor” section of the Fund Supplement for this Fund give you more details about all the risks for the Fund – see under “Practical Information” for how to obtain a copy.</p>
Charges		
Subscription Fee	In respect of Original Shares - up to 5% of the value of the gross subscription.	In respect of New Shares - up to 5% of the value of the gross subscription.
Manager Fee	^ In respect of Original Shares - up to 0.15% per annum (plus VAT, if any) of the Net Asset Value of the relevant class of Shares of the Fund.	^^ In respect of New Shares - up to 0.15% per annum (plus VAT, if any) of the Net Asset Value of the relevant class of Shares of the Fund.

	Merging Fund GAM Star Global Quality	Receiving Fund GAM Star Worldwide Equity
Servicing Fee	N/A	N/A
Investment Manager Fee	<p>^ In respect of Ordinary Shares - up to 1.45% per annum (plus VAT, if any) of the Net Asset Value of the relevant class of Shares of the Fund*.</p> <p>This fee may be increased up to 1.70% per annum (plus VAT, if any) of the Net Asset Value of the relevant class of Shares of the Fund upon reasonable written notice to Shareholders*.</p> <p>In respect of Institutional Shares - up to 0.95% per annum (plus VAT, if any) of the Net Asset Value of the relevant class of Shares of the Fund.</p> <p>This fee may be increased up to 1.30% per annum (plus VAT, if any) of the Net Asset Value of the relevant class of Shares of the Fund upon reasonable written notice to Shareholders.</p> <p>*This fee is a combined fee of the Investment Manager, the Delegate Investment Manager and the Global Distributor.</p>	<p>^^ In respect of Ordinary Shares - up to 1.35% per annum (plus VAT, if any) of the Net Asset Value of the relevant class of Shares of the Fund*.</p> <p>This fee may be increased up to 1.70% per annum (plus VAT, if any) of the Net Asset Value of the relevant class of Shares of the Fund upon not less than three months written notice to Shareholders*.</p> <p>In respect of Institutional Shares - up to 0.85% per annum (plus VAT, if any) of the Net Asset Value of the relevant class of Shares of the Fund.</p> <p>This fee may be increased up to 1.20% per annum (plus VAT, if any) of the Net Asset Value of the relevant class of Shares of the Fund upon not less than three months written notice to Shareholders.</p> <p>*This fee is a combined fee of the Investment Manager and the Global Distributor.</p>
Performance Fee	N/A	N/A
Registrar Charges	The Manager does not receive a separate fee in respect of registrar services provided. Please refer to the above for information on Manager fee.	The Manager does not receive a separate fee in respect of registrar services provided. Please refer to the above for information on Manager fee.
Depository's Annual	In respect of Original Shares - up	^^In respect of New Shares - up

	Merging Fund GAM Star Global Quality	Receiving Fund GAM Star Worldwide Equity
Fee	to 0.0425% per annum (plus VAT, if any) of the Net Asset Value of the relevant class of Shares of the Fund.	to 0.0425% per annum (plus VAT, if any) of the Net Asset Value of the relevant class of Shares of the Fund.
Switching Charge	N/A	N/A
Redemption Fee	N/A ¹	N/A
Pricing	Forward pricing	Forward pricing
Dilution Levy	In respect of Original Shares - up to 1% on subscriptions and redemptions	In respect of New Shares - up to 1% on subscriptions and redemptions
Limitation on Redemptions	10% of net asset value of the Merging Fund or 10% of the total number of shares in issue in the Merging Fund on any one Dealing Day.	10% of net asset value of the Receiving Fund or 10% of the total number of shares in issue in the Receiving Fund on any one Dealing Day.
Fiscal Treatment	The attention of Shareholders is drawn to the section of the GAM Star Fund Prospectus headed "Taxation".	The attention of shareholders is drawn to the section of the GAM Star Fund Prospectus headed "Taxation".
Fund Size (as at 30 September 2018)	USD 33,264,428	USD 108,295,930

^ Defined terms and cross references in this section shall have the same meaning as those set out in the GAM Star Fund Prospectus and the Merging Fund supplement.

Defined terms and cross references in this section shall have the same meaning as those set out in the GAM Star Fund Prospectus and the Receiving Fund supplement.

¹ No redemption fee will be levied in respect of the Shares in the Merging Fund on the cancellation of Original Shares in the Merging Fund under the Merger or on the redemption of Original Shares by Shareholders prior to the Effective Date.

COMMON DRAFT TERMS OF MERGER

Scheme of Arrangement for the Merger of the GAM Star Global Quality (the “Merging Fund”) with GAM Star Worldwide Equity (the “Receiving Fund”)

Definitions

The following definitions apply throughout this document unless the context otherwise requires:

Accumulation Share:	a Share in the Merging Fund or the Receiving Fund where income relative to the Shareholder’s holding is distributed and immediately reinvested without allotment of additional shares;
Auditor:	the auditor of the Merging Fund, being PricewaterhouseCoopers;
Central Bank:	the Central Bank of Ireland;
Depository	the depository of both the Merging Fund and the Receiving Fund, being State Street Custodial Services (Ireland) Limited who is responsible for the safekeeping of assets of the Merging Fund and the Receiving Fund on behalf of investors and upholding their interests generally;
Directors	the directors of GAM Star Fund;
Effective Date:	12 December 2018 or such subsequent date as may be agreed between the Depository and GAM and approved by the Central Bank;
EGM:	the extraordinary general meeting (or any adjournment thereof) of the Merging Fund’s Shareholders;
Funds:	means both the Merging Fund and the Receiving Fund;
GAM:	the GAM group;
GAM Star Fund:	GAM Star Fund p.l.c., an open-ended umbrella investment company with variable capital incorporated with limited liability and segregated liability between its sub-funds under Irish law and authorised by the Central Bank pursuant to the European Communities Undertakings for Collective Investment in Transferable Securities (UCITS) Regulations 1989 and subject to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended and supplemented from time to time. The registered office of GAM Star Fund is at George’s Court, 54–62 Townsend Street, Dublin 2, Ireland;
Income Share	a Share in the Merging Fund or the Receiving Fund where income relative to the Shareholder’s holding is distributed and not reinvested;
Irish UCITS Regulations:	the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended;

Manager:	the manager of both the Merging Fund and the Receiving Fund, being GAM Fund Management Limited;
Merger:	the merger of the Merging Fund with the Receiving Fund by way of a scheme of arrangement in accordance with Part 7 of the Irish UCITS Regulations and on the terms set out herein;
Merging Fund:	GAM Star Global Quality;
Merging Fund Documentation:	the Prospectus and Memorandum and Articles of Association of GAM Star Fund;
Receiving Fund:	GAM Star Worldwide Equity;
Receiving Fund Documentation:	the Prospectus and Memorandum and Articles of Association of GAM Star Fund;
Register:	the register of Shareholders of the Merging Fund or the register of shareholders of the Receiving Fund as the context requires;
Registrar:	the registrar of both the Merging Fund and the Receiving Fund, being GAM Fund Management Limited;
Scheme of Arrangement:	the scheme of arrangement for the Merger as set out herein subject to any modification, addition or condition made pursuant to section 15 hereof;
Scheme Property:	the scheme property (including cash and near cash) attributable to the Merging Fund or the Receiving Fund as the context requires;
Shares or New Shares:	EUR Institutional Accumulation Shares, GBP Ordinary Accumulation Shares, GBP Institutional Income Shares, USD Institutional Accumulation Shares, USD Institutional Income Shares, USD Ordinary Accumulation Shares in the Receiving Fund as the context requires, proposed to be issued to Shareholders pursuant to the Merger;
Shares or Original Shares:	shares held in respect of the Merging Fund, being EUR Institutional Accumulation Shares, GBP Ordinary Accumulation Shares, GBP Institutional Income Shares, USD Institutional Accumulation Shares, USD Institutional Income Shares, USD Ordinary Accumulation Shares;
Shareholders:	in relation to Original Shares in the Merging Fund, the person(s) entered in the Register as the holder(s) of that or those Original Share(s) as at the relevant record date.
Special Resolution:	the special resolution of Shareholders set out in the Notice of the EGM to approve the Merger;
Terms of Merger:	the common draft terms of merger hereof.

1. INTRODUCTION

- 1.1 In this Scheme of Arrangement, references to any statute or statutory instrument or other legislation shall be deemed to include a reference to such statute or statutory instrument or other legislation as from time to time amended and to any codification, consolidation or re-enactment thereof as from time to time in force and the definitions set out on in this document shall apply to the Scheme of Arrangement. References to paragraphs are to paragraphs of this Scheme of Arrangement.
- 1.2 Where the context so permits, all terms used in the Scheme of Arrangement in relation to the Merging Fund or the Receiving Fund shall have the meanings attributed to them in the Merging Fund Documentation, Receiving Fund Documentation or the Definitions section to this document (as the context requires).
- 1.3 If there is any conflict among the Merging Fund Documentation, the Receiving Fund Documentation, the Definitions, this Scheme of Arrangement and the Irish UCITS Regulations, then this Scheme of Arrangement shall take precedence over the said documents and the Irish UCITS Regulations shall take precedence over this Scheme of Arrangement.
- 1.4 The Merger constitutes a merger as provided for in Part 7 of the Irish UCITS Regulations of the Merging Fund with the Receiving Fund.

The type of merger proposed is that set out in sub-section (c) of the definition of “merger” in Part 1, Regulation 3(1) of the Irish UCITS Regulations being a merger whereby one or more UCITS or sub-funds thereof (“merging UCITS”), which continue to exist until their liabilities have been discharged, transfer their net assets to another sub-fund of the same UCITS, to a UCITS which they form or to another existing UCITS or sub-fund thereof (a “receiving UCITS”).

The proposed merger is of the Merging Fund into the Receiving Fund. The Merging Fund and the Receiving Fund are both sub-funds of GAM Star Fund which is an open-ended umbrella fund with segregated liability between sub-funds and incorporated as an investment company and authorised pursuant to the Irish UCITS Regulations.

2. APPROVAL OF THE MERGER

- 2.1 The Merger is conditional upon (i) the clearance and approval of the Merger by the Central Bank and (ii) the passing of a Special Resolution at an EGM of Shareholders of the Merging Fund, by which the Shareholders of the Merging Fund will be asked to approve the Merger and instruct the Manager to implement the Merger.
- 2.2 Provided that the Special Resolution is passed on or before the Effective Date, the Merger will be binding on all Shareholders of the Merging Fund (whether or not they voted in favour of it, or voted at all unless they have redeemed their shareholding in the Merging Fund prior to the Effective Date) and the Merger shall be implemented as set out in the following paragraphs.

3. BACKGROUND TO AND RATIONALE FOR MERGER

- 3.1 The Merging Fund was launched in July 2011 and had reached a volume of USD 32.3 million as at 9 October 2018. Given the size of the Merging Fund, the board of GAM Star Fund is of the view that it would be in the interests of the Shareholders to merge with the Receiving Fund which would broaden the investor base and create a single sub-fund with a larger and a more competitive fund volume and more efficient and cost-effective portfolio management..

As of 9 October 2018, the combined assets of the Merging Fund and the Receiving Fund were USD 137.2 million. The board of GAM Star Fund is of the view that the proposed Merger would be in the interests of the shareholders of the Receiving Fund as it would increase the assets of the Receiving Fund which would in turn increase operational efficiencies of the Receiving Fund and reduce the fixed costs proportionally, thereby reducing the ongoing charges of Receiving Fund.

- 3.2 All costs of the Merger will be borne by GAM and Shareholders in the Merging Fund will not pay for any costs associated with the Merger.

4. EXPECTED IMPACT OF THE PROPOSED MERGER ON THE SHAREHOLDERS OF THE MERGING FUND AND THE SHAREHOLDERS OF THE RECEIVING FUND

4.1 THE RECEIVING FUND

- (i) The Manager does not expect the Merger to have any material impact on the operation of the Receiving Fund. The investment objective, investment strategy, investment manager, portfolio management team, cost, expected outcome, periodic reporting, possible dilution in performance and tax treatment of the Receiving Fund will remain unchanged, so that the Merger will not result in any changes for shareholders of the Receiving Fund.

4.2 THE MERGING FUND

- (i) Shareholders in the Merging Fund will hold shares in the Receiving Fund. The Merging Fund is registered for sale in Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, Spain, Sweden, Switzerland and the UK. The Receiving Fund is registered for sale in Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, Singapore, Spain, Sweden, Switzerland, Taiwan and the UK.
- (ii) Shareholders of each launched and existing Share class of the Merging Fund will receive shares of the Receiving Fund as follows:

MERGING FUND	RECEIVING FUND
EUR Institutional Accumulation Shares	EUR Institutional Accumulation Shares
GBP Ordinary Accumulation Shares	GBP Ordinary Accumulation Shares
GBP Institutional Income Shares	GBP Institutional Income Shares

MERGING FUND	RECEIVING FUND
USD Institutional Accumulation Shares	USD Institutional Accumulation Shares
USD Institutional Income Shares	USD Institutional Income Shares
USD Ordinary Accumulation Shares	USD Ordinary Accumulation Shares

- (iii) No subscription fee will be levied in respect of the Shares in the Receiving Fund to be issued to Shareholders of the Merging Fund under the Merger. No redemption fee will be levied in respect of the Shares in the Merging Fund to be cancelled under the Merger.
- (iv) GAM International Management Limited currently acts as Investment Manager of both the Merging Fund and the Receiving Fund.
- (v) A full comparison of the investment objectives, policies and strategies of the Merging Fund and the Receiving Fund is set out in Appendix 2 of the Circular addressed to Shareholders of the Merging Fund (the "**Circular**").
- (vi) The methodology used to measure global exposure of the Receiving Fund is the commitment approach. The Merging Fund does not use derivatives for investment or efficient portfolio management purposes and the Merging Fund is not leveraged to gain additional exposure.
- (vii) A full comparison of the fees applicable to the relevant Shares in the Merging Fund and the relevant Shares in the Receiving Fund is set out in Appendix 2 of the Circular.
- (viii) No performance fee in respect of the Merging Fund and the Receiving Fund is charged.
- (ix) Periodic Reporting: Further information on the periodic reporting applicable to the Merging Fund and the Receiving Fund is set out in Appendix 2 of the Circular.
- (x) Risks: Investors should note that the risk and reward profile of the Merging Fund as set out in the Key Investor Information Document ("**KIID**") of the Merging Fund is 5, depending on the Share class and the risk and reward profile of the Receiving Fund as set out in the KIID of the Receiving Fund is 5, depending on the Share class. A full comparison of the material risks of the Merging Fund and the Receiving Fund which are not captured by the Synthetic Risk and Reward Indicator of the applicable fund is set out in Appendix 2 of the Circular.
- (xi) Rebalancing: It is not intended that the assets of the Merging Fund will be rebalanced prior to the Merger taking effect.
- (xii) The assets of the Merging Fund will preferably be transferred to the Receiving Fund or else sold and contributed in cash. Therefore, a dilution should not take place.
- (xiii) Dilution of performance of the Receiving Fund should not take place.
- (xiv) Impact on Shareholders of the Merging Fund: The Directors believe that the Merger is in the best interests of the Shareholders in the Merging Fund who will benefit because the Merger will allow GAM to provide a more cohesive, structured investment team and

will create costs efficiencies which is expected to benefit Shareholders of the Merging Fund.

- (xv) For the avoidance of doubt, there will be no material difference in rights between the Shareholders in Merging Fund in respect of investment policy and strategy expected outcome, periodic reporting and possible dilution in performance, before and after the Merger takes effect.

5. MERGER

- 5.1 Upon approval of the Merger, as and from the Effective Date and subject to the terms hereof, the Scheme Property of the Merging Fund will become part of the property of the Receiving Fund in exchange and in full payment for the issue of New Shares to the holders of Original Shares.
- 5.2 The Depositary in its capacity as Depositary of the Merging Fund shall transfer to the Depositary in its capacity as Depositary of the Receiving Fund, the Scheme Property of the Merging Fund (less the retention provided for in paragraph 5.3) and the Depositary shall (subject to the Terms of Merger) hold the Scheme Property transferred to it as an accretion to the Scheme Property of the Receiving Fund subject to the Memorandum and Articles of Association of GAM Star Fund. In relation to assets so held, with effect from the Effective Date, the provisions set out in the Merging Fund Documentation shall cease to have any effect save as required for the purposes of the Merger.
- 5.3 The Depositary shall retain such amount of cash (and if necessary other assets), together with any income arising therefrom as shall, in the opinion of the Manager, be sufficient for the purpose of discharging any outstanding, unsatisfied or contingent liabilities of the Merging Fund until the date on which the termination of the Merging Fund is completed pursuant to paragraph 12. For the purpose of the Merger, outstanding or unsatisfied liabilities of the Merging Fund shall exclude any costs and expenses in connection with the implementation of the Merger but shall include the accrued or anticipated costs, charges, expenses, taxation, liabilities and fees authorised by the Merging Fund Documentation to be paid out of the Scheme Property of the Merging Fund (including, inter alia, the Manager's fees and the Depositary's remuneration if any) as accrued to the Effective Date. After the discharge of all liabilities of the Merging Fund, the Depositary shall transfer to the account of the Receiving Fund held by the Depositary, the balance then remaining, if any, as an accretion to the then Scheme Property of the Receiving Fund subject to the Irish UCITS Regulations but such accretion, if any, shall not take place until the date on which the termination of the Merging Fund has been completed and shall not increase the number of New Shares to be issued.
- 5.4 Dealings in the Original Shares shall continue up to the day prior to the Effective Date of the Merger in respect of subscription/redemption notices received by the Manager on or prior to 12.00 p.m. (UK time) on the relevant Dealing Day. Dealings in the New Shares in the Receiving Fund shall commence on the first Dealing Day (as defined in Appendix 2 of the Circular) of the Receiving Fund subsequent to the Effective Date provided that subscription/redemption notices have been received by the Manager on or prior to 12.00 p.m. (UK time) on that Dealing Day.

6. CANCELLATION OF ORIGINAL SHARES

- 6.1 Immediately after the issue of New Shares pursuant to the Merger every Original Share in the Merging Fund shall be deemed to have been cancelled and shall cease to be of value, and no further Shares in the Merging Fund will be issued.

7. CALCULATION OF EXCHANGE RATIO AND VALUATION OF ASSETS

- 7.1 The total number of New Shares to be created and issued by the Receiving Fund pursuant to the Merger to each Shareholder of the Merging Fund at the Effective Date (in place of and in proportion to his/her Original Shares), known as the exchange ratio, shall be calculated by dividing the value of the Original Shares in the Merging Fund, which shall be calculated as of the Effective Date in accordance with the valuation methodology set out in the Merging Fund

Documentation by the net asset value per share of Shares to be issued in the Receiving Fund calculated as of the Effective Date. Each Shareholder will receive Shares in the Receiving Fund equal in value to the Shares held by each Shareholder in the Merging Fund as at the Effective Date.

7.2 For the purpose of the Merger:

- (a) the price of Original Shares in the Merging Fund shall, subject to paragraph 7.3(i), be the price ascertained by the Manager in accordance with the valuation provisions set down in the Merging Fund Documentation, excluding dealing costs; and
- (b) the price of New Shares in the Receiving Fund shall, subject to paragraph 7.3(ii), be the price ascertained by the Manager in accordance with the valuation provisions set down in the Receiving Fund Documentation, excluding dealing costs.

7.3 For the purposes of determining the prices in terms of paragraph 7.2:

- (i) the value of the Scheme Property of the Merging Fund shall be ascertained in accordance with the valuation provisions set down in the Merging Fund Documentation as at 23:00 hours (UK time) on the Effective Date. In computing such values, in the case of the Scheme Property of the Merging Fund, there shall be deducted therefrom the costs and expenses identified as outstanding or unsatisfied liabilities of the Merging Fund pursuant to paragraph 5.3;
- (ii) the value of the Scheme Property of the Receiving Fund shall be ascertained in accordance with the valuation provisions set down in the Receiving Fund Documentation in respect of the Effective Date.

7.4 The transfer of the Scheme Property of the Merging Fund, less the retention provided for in paragraph 5.3, to the Receiving Fund will be in exchange for the New Shares issued to the Merging Fund Shareholders pursuant to the Merger who will be treated as exchanging their Original Shares for New Shares in the Receiving Fund.

7.5 The Manager shall not, in respect of the New Shares to be issued under the Merger, be entitled to make any preliminary or initial charge. Neither shall the Manager levy any redemption charge on cancellation of Original Shares in the Merging Fund under the Merger or on redemption of Original Shares by Shareholders prior to the Effective Date.

7.6 The Auditors of the Merging Fund will validate the following as at the Effective Date:

- (i) the criteria adopted for the valuation of the assets as of the Effective Date; and
- (ii) the calculation method of the exchange ratio referred to in Section 7.1 hereof as well as the actual exchange ratio determined as of the Effective Date.

8. ISSUE OF SHARES

8.1 As at the Effective Date, the Manager and the Registrar shall allot and issue New Shares to the Merging Fund Shareholders to the same value as the Original Shares held in the Merging Fund (calculated as at 23:00 hours (UK time) on the Effective Date) using the exchange ratio calculation as outlined herein.

9. COSTS AND ADJUSTMENTS

9.1 The costs and expenses identified as outstanding or unsatisfied liabilities of the Merging Fund pursuant to paragraph 5.3 shall be borne out of the Scheme Property of the Merging Fund. The costs and expenses of the Merger and its implementation shall be borne by GAM.

- 9.2 All liability (if any) to stamp duty or stamp duty reserve tax or similar overseas transfer taxes which arises from the implementation of the Merger shall be borne by the Manager.
- 9.3 If the liabilities of the Merging Fund exceed the total amount retained by the Manager in accordance with the Merger, then to the extent of such excess, the Manager shall discharge such liabilities or (if the Depositary is liable to meet such liabilities) shall put the Depositary in funds to discharge such excess of liabilities and shall indemnify the Depositary in respect thereof.
- 9.4 If the liabilities of the Merging Fund are lower than the total amount retained by the Manager in accordance with the Merger and there is a surplus remaining with the Merging Fund on the completion of the termination of the Merging Fund, such surplus, together with any income arising therefrom, shall be transferred to the Receiving Fund. No further issue of New Shares shall be made as a result. The Manager shall cease to hold such amount in its capacity as Manager of the Merging Fund and shall make such transfers and redesignations as may be directed or instructed by the Depositary.

10. PAYMENTS OUT OF THE SCHEME PROPERTY OF THE MERGING FUND

- 10.1 Without prejudice to the terms of paragraph 9.4, the Manager shall pay out of the Scheme Property of the Merging Fund or otherwise meet from the amounts retained by it in accordance with paragraph 5.3:
- (a) the Global Distributor, Investment Manager, Delegate Investment Manager, Manager and Depositary fee, if any, in respect of the Merging Fund accrued to the Effective Date; and
 - (b) all other undischarged liabilities of the Merging Fund whether arising before or after the Effective Date, including all the accrued costs, charges, expenses, taxation, liabilities and fees of the Merging Fund authorised to be paid either out of the Scheme Property of the Merging Fund on or before the Effective Date and/or subsequently out of the amounts to be retained by the Manager pursuant to the Merger.

11. STATEMENTS

- 11.1 The Manager and Registrar shall despatch to those persons who were Merging Fund Shareholders at the Effective Date statements indicating the number of New Shares to which they are entitled under the Merger and which at the date of despatch of such statements have not been redeemed. Such statements shall be sent, not later than 5 Business Days (as defined in Appendix 2 of the Circular in respect of the Receiving Fund) after the Effective Date, by ordinary prepaid post or electronically as per the Shareholders' request, at the risk of the persons entitled to them and shall be sent to them at their respective addresses as shown in the Register of Shareholders in the Merging Fund at the Effective Date.
- 11.2 No certificates will be issued in respect of the New Shares.
- 11.3 The Depositary and the Registrar shall each be entitled to assume that all information contained in the Merging Fund's Register at the Effective Date is correct and to utilise the same in calculating the number of New Shares to be issued and registered pursuant to the Merger and shall each be entitled to act and rely upon any certificate, opinion, evidence or information furnished by its respective professional advisers in connection with the Merger and shall not be liable or responsible for any loss suffered as a result thereof.

12. TERMINATION OF THE MERGING FUND

- 12.1 If the Merger is approved, the Manager will following the Effective Date and subject to the discharge of all liabilities of the Merging Fund proceed to terminate the Merging Fund in accordance with the Terms of Merger, the Memorandum and Articles of Association of GAM Star Fund and the Irish UCITS Regulations.

13. ALTERATION(S) TO THE MERGER

- 13.1 The Manager or the Depositary shall, at any time on or before the Effective Date, be authorised in accordance with the requirements of the Central Bank to make such modifications, additions or conditions to the Terms of Merger as may be approved by them and the Depositary, provided always that the Manager and the Depositary shall have agreed in writing that such modifications, additions or conditions do not involve any current or potential Shareholders in the Merging Fund or potential shareholders in the Receiving Fund in any material prejudice.
- 13.2 There may be circumstances beyond the control of the Manager or the Depositary which mean that it is not possible or practicable to effect the Merger. In these circumstances the Manager and the Depositary will continue to operate the Merging Fund until such time as it is practicable to effect the consolidation which will be done on the Terms of Merger with such consequential adjustments to the timetable as the Manager and the Depositary consider appropriate.

14. VERIFICATION

- 14.1 The Depositary shall verify in writing to the Central Bank in respect of both the Merging Fund and the Receiving Fund (i) the type of merger and the UCITS involved (ii) the Effective Date and (iii) the rules applicable, respectively, to the transfer of assets and the exchange of units are in accordance with the Irish UCITS Regulations and the Memorandum and Articles of Association of GAM Star Fund (as applicable).

15. PLANNED EFFECTIVE DATE OF THE MERGER

- 15.1 Subject to the approval of the Central Bank, the planned Effective Date of the Merger is 12 December 2018. Any change to the Effective Date, which must be cleared in advance by the Central Bank, will be notified in writing to Shareholders.

16. MEMORANDUM AND ARTICLES OF ASSOCIATION OF GAM STAR FUND

- 16.1 A copy of the Memorandum and Articles of Association of GAM Star Fund has been provided to the Central Bank, under separate cover.

17. PROPER LAW

- 17.1 The Scheme of Arrangement and any non-contractual obligations arising out of or in connection with the Scheme of Arrangement shall in all respects be governed by and construed in accordance with the laws of Ireland.

SIGNED on behalf of
GAM Star Fund plc



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Andrew Hanges
Director