



12 December 2019

To the Shareholders of
GAM Star Global Dynamic Growth Fund
GAM Star Global Growth Fund
GAM Star Global Balanced Fund
GAM Star Global Cautious Fund
GAM Star Global Defensive Fund

Dear Shareholder,

Proposed Changes to the Funds and Updated Supplement to the Prospectus

We are writing to advise you of a change to the Exchange Traded Fund (ETF) limits the Funds are able to utilise, as well as a clarification of the volatility ranges for the Funds.

Subject to approval by the Central Bank of Ireland¹, the Directors have resolved to modify the Funds' Supplement to the Prospectus (the "Supplement") accordingly, and these changes came into effect on 6th December 2019.

Rationale

GAM regularly reviews its product range to ensure each fund is defined in a way that best reflects the investment process and investment philosophy of the fund manager. As part of this review process, Charles Hepworth (the "Fund Manager") has proposed to remove the maximum limits that the Funds can hold in ETFs.

The ETF market has developed substantially over the last decade, which has led to new opportunities within the market, especially from an actively managed Fund of Funds perspective. Consequently, the Fund Manager believes the ability to increase the usage of ETFs could have a number of benefits:-

- 1) The overall costs for the client could be reduced as ETFs are generally priced significantly lower than active funds reflecting their passive approach.
- 2) Ability to gain access to investment markets where active management opportunities are limited.

¹ GAM Star Fund plc is regulated by the Central Bank of Ireland in accordance with UCITS regulations.

Volatility ranges

The five Funds are scaled to efficiently meet a range of risk profiles (based on 5 year rolling NAV figures) and this has always been a central part of the Fund Manager's investment process. These ranges can be seen below and no changes to these are being proposed:-

GAM Star Global Dynamic Growth 9% - 16%

GAM Star Global Growth 7% - 14%

GAM Star Global Balanced 6% - 12%

GAM Star Global Cautious 5% - 9%

GAM Star Global Defensive 2% - 7%

However, as part of the supplement update, we are choosing to disclose each of these volatility bands more explicitly within the legal documentation.

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

Yours faithfully,

A handwritten signature in black ink, appearing to read 'T. Dowd', with a stylized flourish at the end.

Tom Dowd
Managing Director
GAM Fund Management Limited