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**13 February 2017**

Dear Shareholder,

**Schroder GAIA Cat Bond (the "Fund")**

Over the last six months, the Fund has grown to more than USD 1,100 million. In Schroders' view, the Fund has almost reached the limit at which it can be effectively managed. Therefore, in accordance with the provisions in the prospectus, the share classes listed below will be closed to subscriptions and switches in on 28 February 2017. The Fund will continue to accept requests for redemptions and switches out from these classes.

If you wish to subscribe to the Fund before it closes, you should ensure that your order reaches Schroder Investment Management (Luxembourg) S.A. prior to the deal cut-off at 13:00 Luxembourg time on 23 February 2017. Please note that distributors, correspondent banks or similar agents in some countries might have a local deal cut-off time which is earlier than the deal cut-off time in Luxembourg, and we recommend that you check with them to ensure that your order reaches Schroders in Luxembourg in good time. We regret that orders arriving at Schroders in Luxembourg after the relevant deal cut-off time will not be accepted.

We would also like to inform you on behalf of the board of directors of Schroder GAIA that we have decided to offer a new Capacity Restricted Dealing Service, which will be open to all existing and potential new investors in the Fund. Using this service, we will invite subscriptions in a controlled manner as and when capacity becomes available in the Fund. We are implementing this service as demand for the Fund would make it impractical for us to attempt a general re-opening and we would have to close it again almost immediately, creating confusion and disappointment.

This new service is effectively a waiting list, which will be managed by Schroder Investment Management (Luxembourg) S.A. (the "Management Company"). Investors who wish to subscribe to the Fund may apply to join the waiting list and the Management Company will invite them to place their subscriptions on a "first come, first served" basis as capacity becomes available.

If you would like to join the list, please complete the attached Expression of Interest form and send it by e-mail to the Management Company at the e-mail address given on the form. The Management Company will open the waiting list at 10.00 am Luxembourg time on 1 March 2017. Any forms submitted before this time will be rejected. Please carefully note the terms and conditions of the service, which are described on the reverse of the form. If you would like more information about the Capacity Restricted Dealing Service, please go to [www.schroders.lu/crd](http://www.schroders.lu/crd) or contact your local Schroders office or the Management Company on (+352) 341 342 212.

Yours sincerely,



**Cord Rodewald**  
Authorised Signatory



**Alastair Woodward**  
Authorised Signatory

<b>Share class</b>	<b>Share class currency</b>	<b>ISIN code</b>
F Accumulation	USD	LU0951570505
F Accumulation	EUR Hedged	LU0951570844
F Accumulation	CHF Hedged	LU0951571149
F Distribution	USD	LU1323608809
F Distribution	SGD Hedged	LU1323609013
I Accumulation	USD	LU0951570760
I Accumulation	EUR Hedged	LU0951571065
I Accumulation	CHF Hedged	LU0951571495
IF Accumulation	USD	LU0951570687
IF Accumulation	EUR Hedged	LU0951570927
IF Accumulation	CHF Hedged	LU0951571222