

**E.I. STURDZA FUNDS PLC**  
**(the "Company")**

20 December 2017

Re: E.I. Sturdza Funds plc (the "Company"), Strategic Global Quality Fund (the "Fund")

Dear Shareholder

**Update to the fee terms for shareholders of the Fund**

The Directors of the Company hereby notify all Shareholders in the Fund of the following approved changes which will come into effect from 01 January 2018 as follows

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**Research fees for all classes of shares:**

Historically, research costs were captured and charged within transaction fees payable to brokers whilst transacting, without limitation. With the introduction of the new regulation MiFID II, the costs for research and execution must be unbundled and paid for separately. In order to provide a clear structure around research, E.I. Sturdza Strategic Management Limited (the 'IM') and the Investment Advisor Lofoten AM (the 'IA') have agreed to bear a portion of research costs alongside our investors, to demonstrate an alignment of interests.

From 1 January 2018 the IA will arrange for research costs borne by the Fund to be paid for through a research payment account. As a result, an annual fee for research costs will be charged to the Fund and will be accrued at each Valuation Point and be payable monthly in arrears into the research payment account at a rate not exceeding 5bps per annum of the average Net Asset Value. An overall reduction in costs at the Fund level is expected as a result of the capping of research fees at 5 bps.

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Registered Office: 4<sup>th</sup> Floor, 76 Baggot Street Lower, Dublin 2, Ireland

Directors: Denise Kinsella (Irish), Brian Dillon (Irish), Gavin Farrell (British) and L. Georges Gutmans (Swiss)

A variable capital umbrella investment company with segregated liability between sub-funds; incorporated with limited liability in Ireland under the Companies Act 2014 with registration number (461518); and authorised by The Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investments in Transferable Securities) Regulations, 2011 (S.I. No 352 of 2011)

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**Institutional Class terms:** The Performance Fee will cease to be charged with effect from 01 January 2018;

In addition, the minimum subscription limit for the Institutional Class is reduced from 3,000,000 to 1,000,000 with effect from 01 January 2018.

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**Super Institutional Class terms:** The Management Fee will be reduced from 90bps to 75bps with effect from 01 January 2018;

The minimum investment criteria for the Super Institutional Class will remain at 25,000,000 and be applicable at the point of the initial subscription.

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In summary and as a result of the changes per above, the respective terms for the various classes of shares available to investors of the Fund will change as follows with effect from 01 January 2018

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|-----------------------------------|---|
| <b>Retail / Standard Classes:</b> | <ul style="list-style-type: none"><li>• No adjustment in terms of management or performance fees;</li><li>• Introduction of fee for research, capped at 5bps.</li></ul> |
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| <b>Institutional Classes:</b> | <ul style="list-style-type: none"><li>• No adjustment to the management fee;</li><li>• Removal of the performance fee;</li><li>• Reduction of the minimum investment criteria 1,000,000 (1 million);</li><li>• Introduction of fee for research, capped at 5bps.</li></ul> |
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Institutional Class shares will be classified as a "clean / RDR compliant class".

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|-------------------------------------|---|
| <b>Super Institutional Classes:</b> | <ul style="list-style-type: none"><li>• Reduction of management fee from 90bps to 75bps;</li><li>• Introduction of fee for research, capped at 5bps</li></ul> |
|-------------------------------------|---|

Super Institutional Class shares will be classified as a "clean / RDR compliant class".

Please note that the supplements for the Fund will not be updated prior to year end and these changes will be included in the next prospectus/supplement update, which is expected to be completed in early 2018. All changes of fee and subscription terms as detailed above will however be applied with effect from 01 January 2018.

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Should you have any queries please do not hesitate to contact Adam Turberville at EI Sturdza at 3<sup>rd</sup> Floor Frances House, Sir William Place, St Peter Port, Guernsey GY1 1GX (T: +44 (1481) 722322 / D: +44 (1481) 72380).

Yours faithfully,



**Director**  
**E.I. Sturdza Funds plc**

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