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11 April 2014

Dear Shareholder,

Schroder GAIA – CQS Credit (the "Fund")

Schroder GAIA CQS Credit's assets under management have reduced to 70.6 million US dollars. Schroders has consulted CQS Asset Management Limited (the "Investment Manager") and agreed that at the current level of assets under management, the implementation and management of the Fund's strategy would be challenging for an extended period of time.

After careful analysis and review, the Board of Directors of Schroder GAIA (the "Board" and the "Company" respectively) has decided, in the best interest of the shareholders and in accordance with Article 5 of the Company's articles of incorporation and the provisions of its prospectus, to liquidate the Fund under the terms of this letter.

Liquidation plan

The Board has decided to put the Fund into liquidation with effect from 8 April 2014.

With effect from 13:00 CET on 4 April 2014 the Management Company will accept no further requests for subscriptions or redemptions.

The Investment Manager has started to liquidate the Fund's portfolio of investments with a target completion date of 16 April 2014. On 23 April 2014, the Management Company will pay to each shareholder the cash proceeds of the liquidation.

The Management Company will bear the administration expenses incurred through the liquidation, including any legal and regulatory expenses. The Fund will bear its own securities trading expenses.

Tax status

We recommend that you seek independent professional advice on how this liquidation affects your tax status.

Further information

If you would like more information or if you have any questions about the liquidation, please contact your local Schroders office or your usual professional advisor or Schroder Investment Management (Luxembourg) S.A., the Company's Management Company, on (+352) 341 342 212.

Yours faithfully,



Noel Fessey
Authorised signatory



Gary Janaway
Authorised signatory