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www.schroders.com.sg

19 September 2012

Dear Valued Holder

NOTICE OF TERMINATION OF SCHRODER ALTERNATIVE INVESTMENTS - SCHRODER ACTIVE STRATEGIES PORTFOLIO

We, Schroder Investment Management (Singapore) Ltd, as the manager of Schroder Active Strategies Portfolio (the “**Sub-Fund**”), a sub-fund of Schroder Alternative Investments (the “**Fund**”), are writing to inform you that the Sub-Fund will be terminated with effect from 31st December 2012.

Due to the lack of significant inflows and steady outflows, the Sub-Fund size has been falling and the total expense ratio of the Sub-Fund has been increasing over the past four years. After careful consideration, we have decided to terminate the Sub-Fund as we are of the view that the fixed costs associated with running the Sub-Fund may erode your returns in the long run.

Clause 26(B)(i) of the trust deed of the Fund dated 12 March 2004, as amended (the “**Deed**”) enables us to terminate the Sub-Fund if at any time the net asset value (“**NAV**”) of the Sub-Fund is less than S\$40,000,000 (or the equivalent in other currencies). In this connection, we wish to inform you that as of 31st July 2012, the NAV of the Sub-Fund was S\$11,813,802.

Following the termination of the Sub-Fund, you will be entitled to receive such amount of cash liquidation that would be proportionate to your interest in the Sub-Fund.

Should you wish to redeem your holdings of units in the Sub-Fund (“**Units**”) prior to the termination, please take note of the following redemption deadlines:

Redemption deadline	Redemption date
5pm on 9 October 2012	31 October 2012
5pm on 7 November 2012	30 November 2012

If you do not wish to redeem your Units prior to the termination of the Sub-Fund, you will not have to submit a redemption request by any of the abovementioned redemption deadlines. Your holdings of Units will be automatically redeemed upon the termination of the Sub-Fund on 31st December 2012 and you will receive your monies on or around 15 January 2013.

Please call us at 6534-4288 if you have any queries regarding the termination of the Sub-Fund.

We would like to thank you for your continued support in the Schroder Active Strategies Portfolio. Should you wish to explore other suitable investment opportunities within our range of funds, please visit our website at www.schroders.com.sg.

Yours faithfully,

Albert Tse
Head of Intermediary Distribution,
Southeast Asia
For and on behalf of
Schroder Investment Management (Singapore) Ltd

This is a computer generated letter and requires no signature.