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PROPOSED CHANGES TO CLOSE STRATEGIC ALPHA FUND (the "Company")

Dated: 26 May 2023

This document contains a Notice of a Meeting of the Shareholders of Close Strategic Alpha Fund (the "Meeting"). The Meeting is to be held at 10 Crown Place, London EC2A 4FT on 19 June 2023 at 2.00pm.

If you wish to appoint a proxy to vote on your behalf at the Meeting, we request that you return the enclosed Form of Proxy (and power of attorney or other authority (if any) under which it is signed or a notarially-certified copy thereof) indicating how your vote should be cast in the pre-paid envelope provided.

The Form of Proxy should be returned no later than 48 hours before the time appointed for the Meeting.

TIMETABLE

Action	Date
Qualification date for Shareholder voting	12 noon on Wednesday 17 May 2023
Despatch of circular and Forms of Proxy to Shareholders	Friday 26 May 2023
Last date to receive Forms of Proxy	2pm on Thursday 15 June 2023
Extraordinary General Meeting	2pm on Monday 19 June 2023
Date & Time of any Adjournment of the EGM, if required	2pm on Monday 26 June 2023

If the Changes are duly approved by Shareholders at the Meeting:

Effective Date of the Changes Proposed	Friday 30 June 2023
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Please note: All references in this document to times refer to UK time, unless specifically stated otherwise.

[Client Name]
Address 1
Address 2
Address 3]

26 May 2023

Dear Shareholder,

Proposal Changes to Close Strategic Alpha Fund (the "Company")

As ACD of the Close Strategic Alpha Fund, we are writing to you because you are a shareholder in the Company.

We have decided to make some changes in the Company which are fully explained below (the "Changes").

The Company has most recently been operated as a fund of funds and, although structured as a NURS, in the past 6 years the Fund has not utilised the wider investment powers that this categorisation permits and, as such, has in effect been run in line with UCITS rules for some time. In addition the Company is small, with almost no new net inflows for a number of years.

In order to make the Company more attractive to new investors and provide better value for existing investors, we propose to amend the regulatory classification from NURS to UCITS, change the investment focus to direct investment and add a new sustainable investment methodology (which the Investment Adviser feels is the most appropriate investment style going forward). The name will also be changed to better reflect the Company's investment strategy and focus.

The Investment Adviser believes that these changes will position the fund for growth and, when taken together with the reduction in overall costs¹, will benefit existing unitholders and will offer potential for further economies of scale. Following the proposed restructuring, the Investment Adviser believes that investors will hold units in a more viable fund, with greater portfolio diversification possibilities.

¹Note: As from the Effective Date of the Changes the estimated Ongoing Charges Figure (KiiD OCF) for unitholders in the Fund is expected to fall from 1.29% (currently) to c0.70% pa due to the removal of most third party fund costs.

We consider these to be important changes to the Company and we will be making the Changes only with relevant shareholder approval.

As we wish to seek your input on the Changes, they will require the passing of an extraordinary resolution at an extraordinary general meeting of the Company (the "Meeting") to be held on 19 June 2023. **We encourage you to vote either in person at the Meeting or by proxy. A Form of Proxy is enclosed with this letter.** The actions you should take and the implications for you as a shareholder are set out in this document. Please note; the proposed Changes are all contained in one resolution, it is not therefore possible to vote separately on each proposed Change.

In summary the changes are:

- **Section 1: Change to the investment strategy of the Company to include a sustainable investment methodology.** All shareholders should read this section before voting on the resolution.
- **Section 2: Change to the investment strategy of the Company from a "fund of funds" approach (i.e. indirect investment) to direct investment.** All shareholders should read this section before voting on the resolution.

- **Section 3: Change of the name of the Company from Close Strategic Alpha Fund to Close Select Global Equity Fund.** All shareholders should read this section before voting on the resolution.
- **Section 4: Change to the regulatory classification of the Company from a non-UCITS retail scheme ("NURS") to a UCITS scheme.** All shareholders should read this section and voting on the resolution.

If you wish to vote, please complete the enclosed Form of Proxy and return it in the pre-paid return envelope provided with this document to enable your vote to be counted, to reach us by 2.00pm on 15 June 2023.

If the extraordinary resolution is passed the Changes will take place on 30 June 2023 (the "**Effective Date**"). If the extraordinary resolution is not passed, we will write to you again in due course. Please see section 5 for further information.

1. Change to the investment strategy of the Company to include a sustainable investment methodology

We propose to change the investment strategy of the Company to include a sustainable investment methodology. The current and revised investment objective and policy are set out in full in Appendix 1 below.

2. Change to the investment strategy of the Company from a fund of funds to direct investment

In order to be able to implement the sustainable investment strategy, we propose to change the way the Company invests, from a "fund of funds" strategy to direct investment. This means that, rather than gaining exposure to companies through investing in other funds, the Company will invest directly in those, or similar, companies. By investing directly, this will enable us to better screen assets under the sustainable investment methodology for suitability for inclusion in the Company. The current and revised investment objective and policy are set out in full in Appendix 1 below.

This change will result in the turnover of substantially all of the underlying portfolio of the fund and, given the level of turnover, this will give rise to one-off transaction costs of c10-12bps which, it is proposed, will be borne within the Fund. In contrast however, due to the reduction in the level of indirect investment, going forward investors will see a substantial reduction (of c 50-60 bps pa) in the Fund's ongoing synthetic costs from current levels. N.B. All other costs associated with the proposed Changes will be borne by the ACD.

At the same time we will change the Company's comparator benchmark from IA Flexible Investment to IA Global as this better reflects the investment policy and the assets in which the Company will invest.

3. Change of the name of the Company from Close Strategic Alpha Fund to Close Select Global Equity Fund

We propose to change the name of the Company from Close Strategic Alpha Fund to Close Select Global Equity Fund. The new name more closely reflects the Company's investment strategy. The word "Select" in the name, reflects the Investment Adviser's ability to be selective about the assets it chooses for investment. "Global Equity" reflects that the Company will invest in the share of companies anywhere in the world.

4. Change to the regulatory classification of the Company from a non-UCITS retail scheme ("NURS") to a UCITS scheme

We propose to change the regulatory classification of the Company from a NURS to a UCITS scheme. Both types of scheme are constituted in accordance with the rules of the Financial Conduct Authority, however a UCITS scheme is subject to greater investment restrictions than a NURS, for example, including limits on how much of the Company can be invested in one type of asset. This helps to

Although the Company is classified as a NURS, all of the assets in which it invests and the percentage allocation to those assets, are compliant with the rules that apply to a UCITS scheme. The Company has been managed in accordance with the investment and borrowing powers of a UCITS scheme for more than six years and therefore we propose to formally reclassify the Company as a UCITS scheme and formally apply the UCITS investment criteria to the Company. All of the other funds for which we are the authorised fund manager are classified as UCITS scheme and so this change will ensure that we can effectively monitor all of our funds consistently.

The extraordinary resolution in relation to these Changes is set out at Appendix 3. N.B. There is one single resolution for all of the changes. This is because we will only adopt the Changes if they are all voted for i.e. We will either adopt them all, or none of them.

5. Further information and results of the Meeting

You may also contact us on 0370 606 6452 (individual holders) or visit our website at <https://www.closebrothersam.com/funds/fund-actions/> to obtain confirmation of the outcome of the Meeting.

Should the Changes not be approved, we will consider what, if any further action to take in respect of the ongoing operation of the Fund and will write to you again in due course.

6. Costs of the Changes

All costs associated with the Changes, except any portfolio rebalancing costs (see section 2 above), will be borne by the ACD.

7. Action to be taken

We believe that the Changes are in your best interests and we urge you to vote in favour of the Changes at the Meeting. To be passed, the resolution requires a majority in favour of not less than 75% of the total number of votes cast, so it is important that you exercise your right to vote.

Whether or not you intend to be present at the Meeting, please complete and return the enclosed Form of Proxy in the pre-paid envelope provided, to arrive no later than 2.00pm on 15 June 2023. Completion and return of a Form of Proxy will not preclude you from attending the Meeting and voting in person if you so wish. In such circumstances, your Form of Proxy will be set aside and you should cast your votes when the poll is taken.

If, having completed and returned a Form of Proxy, you sell any of your Shares in the Company to which the relevant Form of Proxy relates before the Meeting, the Form of Proxy will not be counted in respect of those Shares and you will not be able to vote in respect of those Shares at the Meeting.

8. Questions

If you have any questions concerning the Changes, please do not hesitate to contact us on 0370 606 6452 (individual holders) or at dsm@bnymellon.com (institutional holders). Calls may be recorded for training or monitoring purposes. Please note that whilst we will be happy to take your calls and answer general queries, we are not able to provide you with financial advice. If you require financial advice, we recommend that you speak with a financial adviser.

Yours sincerely,



Robin C S Smith

Director

Appendix 1

Current and Proposed Investment Objective and Policy

Current Investment Objective	Proposed Investment Objective
<p>The Investment Objective of the Fund is to provide capital growth over the medium term (i.e. more than 5 years)</p>	<p>The Investment Objective of the Fund is to provide capital growth over the medium term (i.e. more than 5 years). The Fund also seeks to maintain a weighted average carbon intensity (tonnes of Scope 1 and 2 CO₂e per US\$m of revenue) below a benchmark of the MSCI All Countries World Index, targeting a level 50% below this benchmark by 2030 from 2019 baseline, and net zero by emissions by 2050.</p>
Current Investment Policy	Proposed Investment Policy
<p>The Fund will hold at least 80% of its portfolio in equities, achieving this exposure through indirect investment in actively and passively managed collective investment schemes (which may include collective investment schemes managed by the Manager or by an affiliate of the Manager).</p> <p>There may be occasions where the Manager considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Fund. In such circumstances, the Manager may hold up to 20% of the Fund in direct equities and other transferable securities, indirect fixed interest securities, money market instruments, deposits, cash and near cash.</p> <p>The Fund may gain exposure to alternative asset classes, such as commodities, hedge funds, infrastructure, property and convertibles through investment in transferable securities.</p> <p>The Fund is actively managed and the allocation to particular asset classes may vary over time at the investment manager's discretion and in response to changing market conditions. In normal market conditions, the allocation to equities will not fall below 80%.</p> <p>The underlying equity component of the Fund may include equities of companies from anywhere in the world, in any sector and of any market capitalisation. This may include shares in smaller companies and companies listed in emerging markets.</p> <p>The underlying fixed interest component of the Fund may include government and corporate bonds (which may include emerging market and high yield bonds). These may be investment grade, sub-investment grade or unrated.</p>	<p>The Fund will hold at least 80% of its portfolio in equities and equity-related securities of companies from anywhere in the world, in any sector and of any market capitalisation. This may include shares in smaller companies and companies listed in emerging markets. Equity-related securities can include American depositary receipts (ADRs), global depositary receipts (GDRs) and other equity-related transferrable securities.</p> <p>The Fund uses a sustainable investment process to ensure that it is invested in a way that contributes to reducing greenhouse gas emissions. The investment universe is identified by the Investment Adviser using both quantitative and qualitative assessments.</p> <p>Firstly, the Investment Adviser applies a quantitative screening process to exclude companies that derive more than 10% of their annual revenues from activities related to thermal coal.</p> <p>The Investment Adviser then applies its qualitative assessment in order to identify and select companies considered by the Investment Adviser as having operations and/or business models that aim to minimise their harmful effects on society and the environment. As part of this assessment, the Investment Adviser also considers whether companies follow good governance practices (e.g. with respect to sound management and company board, corporate culture, capital allocation and remuneration policies).</p> <p>Investment opportunities are identified using in-depth fundamental analysis to determine the sustainability (both financial and non-financial) of holdings. The Investment Adviser's fundamental analysis is supported by a variety of qualitative</p>

The use of derivatives and/or hedging transactions are permitted in connection with the efficient portfolio management of the Fund, and borrowing will be permitted under the terms of the Regulations.

The Fund may, in addition to its other investment powers, use derivatives and forward transactions for investment purposes. It is not intended that the use of derivatives in this way will change the risk profile of the Fund.

information and available data including publicly available sources, third-party data, and proprietary models. When making an investment decision, the Investment Adviser considers a broad range of environmental and social characteristics, such as carbon emissions goals, supply chain management practices, and/or the effect that products and services have on addressing environmental and social challenges such as climate change, education and healthcare. Rather than focussing on a specific sustainability theme across every investment we focus on what we assess to be most material to the company and its broader stakeholders.

The relevance of the qualitative information and data to the fundamental analysis varies across issuers, sectors and geographies. The Investment Adviser is not limited to assessing only these aspects in its analysis, and may investigate more or fewer, depending on the materiality and availability of information for any given issuer, sector or geography. The Investment Adviser considers these aspects together as a whole and no one aspect has consistent prevalence over the others in order to determine the suitability of an investment.

The Investment Adviser will engage with company management where it identifies opportunities to effect positive change, or to deepen knowledge and insight, with respect to sustainability considerations, where deemed material.

The Fund will maintain a weighted average carbon intensity (tonnes of Scope 1 and 2 CO₂e per US\$m of revenue) below MSCI All Countries World Index benchmark, targeting a level 50% below this benchmark by 2030 from 2019 baseline. To help achieve this objective, the Fund will not invest in companies that derive more than 10% of their revenues from the following business activities:

- Thermal coal. This factor identifies companies with an industry tie to thermal coal, in particular reserve ownership, production and power generation.

Further sectors or business groups are excluded on the basis that the negative externalities generated by the sector or business group are deemed to, on balance, outweigh the positive externalities. To help achieve this objective, the Fund will not invest in companies that derive more than 10% of their revenues from the following business activities:

- Tobacco products manufacture

- Controversial weapons including: non-detectable fragments, landmines, incendiary weapons, blinding laser weapons, cluster munitions, nuclear/biological/chemical weapons

- Civilian firearms

- Gambling

- Adult entertainment

In addition, the Fund will not invest in:

- Companies that the Investment Adviser deems to be in violation of the UN Global Compact principles (<https://www.unglobalcompact.org/what-is-gc/mission/principles>)

- Governments that the Investment Adviser deems to be in violation of the UN Universal Declaration of Human Rights (<https://www.ohchr.org/en/human-rights/universal-declaration/translations/english>)

Divestment criteria: The Investment Adviser will monitor all companies to check if changes mean that they may no longer meet our definition of having positive attributes. Any change to results under the screening process or provision of new information which results in a holding no longer meeting our criteria will mean that the holding will be sold within 90 days of the change occurring.

Other assets in which the Fund may invest (including collective investment schemes) are not subject to the screening but will be assessed by the Investment Adviser to ensure that any such investments will not affect the ability of the Fund to meet its sustainable objective.

There may be occasions where the Investment Adviser considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Fund. In such circumstances, the Investment Adviser may hold up to 20% of the Fund in other transferable securities not included in the equity-related component of the portfolio, collective investment schemes, fixed interest securities, money market instruments, deposits, cash and near cash.

The fixed interest component of the Fund may include government and corporate bonds (which may include emerging market and high yield bonds). These may be investment grade, sub-investment grade or unrated.

The Fund may gain indirect exposure to alternative asset classes, such as commodities, infrastructure, property and

	<p>convertibles through investment in transferable securities.</p> <p>The Fund is actively managed and the allocation to particular asset classes may vary over time at the Investment Adviser's discretion and in response to changing market conditions. In normal market conditions, the allocation to equities will not fall below 80%.</p> <p>The use of derivatives and/or hedging transactions are permitted in connection with the efficient portfolio management of the Fund, and borrowing will be permitted under the terms of the Regulations. However, it is not currently proposed to employ currency hedging strategies.</p> <p>The Fund may, in addition to its other investment powers, use derivatives and forward transactions for investment purposes. It is not intended that the use of derivatives in this way will change the risk profile of the Fund.</p>
	<p>Other information and investment restrictions</p>
	<p>The Fund may not invest more than 10% in value of its scheme property in other collective investment schemes.</p>

Appendix 2

Procedure for Meeting of Shareholders

Notice of a Meeting of Shareholders setting out the resolution to approve the Changes is in Appendix 3.

The quorum for the Meeting is two Shareholders, present in person or by proxy. Shareholders present in person, by proxy or by authorised corporate representative shall be counted in the quorum for and be entitled to participate in the Meeting. If after a reasonable time from the meeting start time, a quorum is not present, the Meeting will stand adjourned for seven days. If, at an adjourned Meeting, a quorum is not present after a reasonable time from the Meeting start time, one person entitled to be counted in a quorum present at the Meeting shall constitute a quorum.

The Bank of New York Mellon, as Depositary of the Company, has appointed Iain Wallace (or failing him), any other duly authorised representative of Close Asset Management (UK) Limited) to be chairman of the Meeting.

The resolution will be proposed as an "extraordinary resolution" and must be carried by a majority in favour of not less than 75% of the total number of votes cast at the Meeting. Persons who are Shareholders on the date seven days before the notice is sent out, but excluding persons who are known by the ACD not to be Shareholders at the time of the Meeting, are entitled to vote and be counted in the quorum. Once passed, an extraordinary resolution is binding on all Shareholders in the Company.

The ACD of the Company is only entitled to be counted in the quorum and vote at the Meeting in respect of Shares which it holds on behalf of or jointly with a person who, if himself the registered Shareholder, would be entitled to vote and from whom the ACD has received voting instructions.

Associates of the ACD are entitled to be counted in a quorum. They may vote at the Meeting in respect of Shares which they hold on behalf of or jointly with a person who, if himself the registered holder, would be entitled to vote and from whom they have received voting instructions.

In view of the importance of the proposal for the Changes, the chairman of the Meeting will order a poll to be taken in respect of the resolution. On a poll, each Shareholder may vote either in person or by proxy. The voting rights attaching to each Share are such proportion of the voting rights attached to all the Shares in issue in the Company that the price of the Shares bears to the aggregate price(s) of all the Shares in issue at the date seven days before the Notice of Meeting is sent out. A Shareholder entitled to more than one vote on a poll need not, if he votes, use all his votes or cast all the votes he uses in the same way.

In the case of joint holders, the vote of the first-named holder on the register who tenders a vote, whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders.

Appendix 3

Notice of Meeting of Shareholders and Form of Proxy

MEETING OF SHAREHOLDERS of CLOSE STRATEGIC ALPHA FUND

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of the Shareholders of **Close Strategic Alpha Fund** will be held at 10 Crown Place, London EC2A 4FT at 2.00pm on 19 June 2023 to consider and, if thought fit, to pass the following resolution which will be proposed as an extraordinary resolution:

Extraordinary Resolution

THAT this meeting hereby approves the proposal as noted in the letter dated 26 May 2023 addressed by Close Asset Management (UK) Limited (the "ACD") to shareholders of the Close Strategic Alpha Fund (the "Company") to:

- change the investment strategy of the Company to include a sustainable investment methodology; and
- change the investment strategy of the Company from a fund of funds to direct investment; and
- change the name of the Company from Close Strategic Alpha Fund to Close Select Global Equity Fund; and
- change the regulatory classification of the Company from a non-UCITS retail scheme ("NURS") to a UCITS scheme.

For and on behalf of
Close Asset Management (UK) Limited
(as authorised corporate director of Close Strategic Alpha Fund)

Form of Proxy
CLOSE STRATEGIC ALPHA FUND
(the "Company")

I/We _____

of _____

being a Shareholder/Shareholders in the Company hereby appoint the Chairman of the Extraordinary General Meeting

or _____

of _____

as my/our proxy to vote for me/us on my/our behalf in the manner indicated below at the Extraordinary General Meeting of the Company ("EGM") at which I/we are entitled to vote to be held at 10 Crown Place, London EC2A 4FT at 2.00pm on 19 June 2023, or, if the quorum is not reached and the EGM is reconvened, at 10 Crown Place, London EC2A 4FT at 2.00pm on 26 June 2023 (or at any other reconvened, postponed or adjourned EGM with the same agenda).

Signed: _____

Date: _____

NOTE: A Shareholder entitled to attend and vote at the EGM, or at any reconvened, postponed or adjourned EGM with the same agenda, is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a Shareholder.

Resolution

Extraordinary Resolution of an Extraordinary General Meeting of the Company

Please indicate against the resolution how you wish your votes to be cast at the EGM at which you are entitled to vote to be held at 10 Crown Place, London EC2A 4FT at 2.00pm on 19 June 2023, or, if the quorum is not reached and the EGM is reconvened, at 10 Crown Place, London EC2A 4FT at 2.00pm on 26 June 2023 (or at any other reconvened, postponed or adjourned EGM with the same agenda), **by crossing (X) in one of the boxes marked "FOR" or "AGAINST" and including details of the number of Shares being voted¹.**

¹According to the Share Register at the qualifying cut-off date of 17 May 2023 you held _____ Shares in the Company

A vote "FOR" the resolution means you are voting in favour of all four changes. A vote "AGAINST" the resolution means you are voting against all four changes.

THAT this meeting hereby approves the proposal as noted in the letter dated 26 May 2023 addressed by Close Asset Management (UK) Limited (the "ACD") to Shareholders of the Close Strategic Alpha Fund (the "Company") to:

- change the investment strategy of the Company to include a sustainable investment methodology; and
- change the investment strategy of the Company from a fund of funds to direct investment; and
- change the name of the Company from Close Strategic Alpha Fund to Close Select Global Equity Fund; and
- change the regulatory classification of the Company from a non-UCITS retail scheme ("NURS") to a UCITS scheme.

FOR: AGAINST:

Representing: (insert number of Shares being voted): _____

Notes to Form of Proxy

1. Appointment of a proxy will not prevent you from attending the Meeting and voting in person if you wish. If you wish to appoint someone other than the chairman of the Meeting as your proxy, please delete the words "the Chairman of the Extraordinary General Meeting or" and insert in block capitals the name and address of your proxy. A proxy need not be a holder but must attend the Meeting or any adjourned meeting in person to represent the Shareholder. The amendment must be initialled.
2. To be valid, this Form of Proxy must be completed and posted together with the power of attorney or other authority, if any, under which it is signed or any other document necessary to show the validity of, or otherwise relating to, the appointment of a proxy (or a duly certified copy thereof) in the enclosed reply paid envelope so as to reach us not later than 2.00pm on 15 June 2023. If so valid, this Form of Proxy shall also be valid for any adjourned meeting.
3. To allow effective constitution of the Meeting, if it is apparent to the chairman of the Meeting that no Shareholders will be present in person or by proxy other than by proxy in the chairman's favour, then the chairman may appoint a substitute to act as proxy in his stead for any Shareholder provided that such substitute proxy shall vote on the same basis as the chairman would have voted.
4. A corporate body must complete this Form of Proxy either by affixing its common seal or by authorising in writing one of its officers or its attorney to sign on its behalf and such person must state his capacity in so signing.
5. In the case of joint Shareholders, any such Shareholder may sign but, in the event of more than one tendering votes, only the votes of the Shareholder whose name stands first in the register will be accepted.
6. On a poll, the voting rights of each Shareholder (whether present in person or by proxy) are the proportion of the voting rights attached to all of the Shares in issue in the Company that the price of a Share bears to the aggregate price or prices of all of the Shares in issue on the date seven days before the notice of meeting is deemed to have been served. A Shareholder entitled to more than one vote on a poll need not, if they vote, use all their votes or cast all the votes they use in the same way.
7. For the purposes of the meeting, "Shareholder" means persons who hold Shares on the date seven days before the notice of meeting is sent out, but excludes any persons who are known to the ACD not to be Shareholders at the time of the meeting.
8. To be passed, an extraordinary resolution must be carried by a majority in favour of not less than 75% of the total votes validly cast for and against the resolution at the meeting.