

# **GAM Funds, Inc.**

**PROSPECTUS**

**and**

**APPLICATION**

**April 30, 1998**

No dealer, salesman, or any other person has been authorized to give any information or to make any representations, other than those contained in this Prospectus, in connection with the offer contained in this Prospectus, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Company. This Prospectus does not constitute an offer by the Company to sell or a solicitation of any offer to buy any of the securities offered hereby in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

**GAM**



**Systematic Withdrawal Plan\* (Optional)**

By completing the section below you authorize the Fund's Agent to redeem the necessary number of shares from your account in order to make periodic payments. The minimum is \$100 per Fund.

Fund	Withdrawal Amount	Choose One			
		Monthly	Quarterly	Semi-annually	Annually
_____	\$ _____				
_____	\$ _____				

Credit to bank account as designated under Wire Transfer or  Send check to name and address of account registration

\* This request for Systematic Withdrawal Plan must be received by the 18th day of the month in which you wish withdrawals to begin. Redemption of shares will occur on the 25th day of the month prior to payment or the next business day.

**Statement of Intention (Optional)**

I/we agree to the Statement of Intention and Escrow Agreement set forth below. Although I/we am/are not obligated to do so, I/we intend to invest in the Funds over a 13-month period at least:

\$100,000     \$300,000     \$600,000     \$1,000,000

**Right of Accumulation (Optional)**

I/we qualify for the Right of Accumulation described in the Prospectus. (Please identify in whose name shares are registered, in which Fund(s), the shareholder's account number, and the shareholder's relationship to you):

\_\_\_\_\_

**Net Asset Value Eligibility**

Check here if eligible for waiver of sales load. (Reason must be stated or sales load will be incurred. See page 22)

Specify reason \_\_\_\_\_

**Agreement and Signature(s)**

- I/we have received, read and carefully reviewed a copy of the Funds' prospectus.
- All share purchases are subject to acceptance and are governed by New York law.
- I/we authorize you to honor redemption requests by telephone or facsimile, if so elected above.
- I/we authorize you to accept telephone or facsimile exchange instructions, if so elected above.
- I/we authorize you to wire proceeds of redemptions, if so elected above.
- I/we hereby agree that neither the Company nor Chase Global Funds Services Company will be liable for any loss, liability or expense as a result of any action taken upon instructions believed by it to be genuine and which were in accordance with the procedures set forth in the prospectus.

*U.S. Citizen/taxpayer: Under penalty of perjury, I/we certify that(1) the number shown on this form is my/our correct taxpayer identification number and (2) I/we am/are not subject to backup withholding either because I/we have not been notified by the Internal Revenue Service that I/we am/are subject to backup withholding as a result of failure to report all interest and dividends, or the Internal Revenue Service has notified me/us that I/we am/are no longer subject to backup withholding. (If you have been notified by the Internal Revenue Service that you are currently subject to backup withholding, strike out phrase (2) above.) The Internal Revenue Service does not require your consent to any provision of this document other than the preceding certifications required to avoid backup withholding.*

*Non-U.S. Citizens/Taxpayer: Indicated country of residence for tax purposes \_\_\_\_\_*

*Under penalties of perjury, I/we certify that we are not U.S. citizens or residents and Z/we are exempt foreign persons as defined by Internal Revenue Service.*

\_\_\_\_\_  \_\_\_\_\_

\_\_\_\_\_  \_\_\_\_\_

SIGNATURE(S) OF ALL APPLICANTS REGISTERED ABOVE – Sign exactly as name(s) of registered owner(s) appear(s) above (including legal title if signing for corporation, trust, custodial account, etc.).

Date \_\_\_\_\_ 199\_

**Statement of Intention**

If you anticipate investing \$100,000 or more in shares of the Funds within a 13-month period, you may obtain a reduced sales load as though the total quantity were invested in one lump sum by filing a Statement of Intention within 90 days of the start of the purchases. To ensure that the reduced price will be received on future purchases, you must inform Chase Global Funds Services Company that this Statement is in effect each time shares are purchased.

Subject to the conditions mentioned below, each purchase will be made at the public offering price applicable to a single transaction of the dollar amount specified on the application, as described in the prospectus. You are not committed to purchase additional shares, but if your purchases within 13 months plus the value of shares credited toward completion do not total the sum specified, you will pay the increased amount of the sales load prescribed in the Escrow Agreement. Neither dividends nor capital gain distributions invested in additional shares will apply toward the competition of this Statement. If the total purchases under this Statement are large enough to qualify for an even lower sales load than that applicable to the amount specified in the Statement, then you must notify the Transfer Agent and all transactions will then be recomputed at the expiration date of this Statement to give effect to the lower load. Any difference in sales load as a result of these additional purchases will be applied to the purchase of additional shares at the lower load if specified by you or refunded to you in cash if you so specify.

This Statement is not effective until accepted by the Company.

**Escrow Agreement**

Out of the initial purchase (or subsequent purchases if necessary) 5% of the dollar amount specified on the application shall be held in escrow by Chase Global Funds Services Company in the form of shares registered in your name. All dividends and capital gain distributions on escrowed shares will be paid to you or to your order. When the minimum investment so specified is completed, the escrowed shares will be released. If the investment is not completed, the Company will redeem an appropriate number of the escrowed shares in order to realize any difference between the sales load on the amount specified and on the amount actually attained. Shares remaining after any such redemption will be released from escrow.

In signing the application, you irrevocably constitute and appoint Chase Global Funds Services Company your attorney to surrender for redemption any or all escrowed shares with full power of substitution in the premises.