

LOMBARD ODIER FUNDS

NOTICE TO SHAREHOLDERS

Dear Shareholder,

The Board of Directors of Lombard Odier Funds (the "Company") hereby informs shareholders that two new Investment Managers will be appointed to provide investment management services to the Company, namely Lombard Odier Funds (Switzerland) SA and Lombard Odier Asset Management (Europe) Limited.

Lombard Odier Funds (Switzerland) SA will also act as asset allocator in replacement of Lombard Odier Darier Hentsch & Cie.

Information regarding Sub-Funds allocated to each Investment Manager is published in the annual and semi-annual reports of the Company and is available from the Company upon written request.

The proposed changes will become effective on 1 September 2010 and in no way affect your right to redeem your shares without redemption charge or convert your shares into shares of another Sub-Fund of the Company.

Copies of the current version of the prospectus, simplified prospectus, articles of incorporation and the last annual and semi-annual report of the Company may be obtained upon request at the registered office of the Company.

Yours sincerely,

Your Board of Directors

Luxembourg, 31 August 2010