AHAM CAPITAL
ASSET MANAGEMENT

Information Memorandum

AHAM **World Series - Asian High Yield** Fund

(Formerly known as Affin Hwang World Series – Asian High Yield Fund)

MANAGER
AHAM Asset Management Berhad
Registration No.: 199701014290 (429786-T)

TRUSTEE
HSBC (Malaysia) Trustee Berhad
Registration No.: 193701000084 (1281-T)

This Replacement Information Memorandum is dated 15 December 2023.
The AHAM World Series – Asian High Yield Fund was constituted on 7 September 2020.
The constitution date of the Fund is also the launch date of the Fund.

A copy of this Information Memorandum has been lodged with the Securities Commission Malaysia. The Securities Commission Malaysia has not authorised or recognised the Fund and a copy of this Information Memorandum has not been registered with the Securities Commission Malaysia. The lodgement of this Information Memorandum should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Information Memorandum. The Securities Commission Malaysia is not liable for any non-disclosure on the part of AHAM Asset Management Berhad responsible for the Fund and takes no responsibility for the contents in this Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Information Memorandum, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

Sophisticated Investors should note that they may seek recourse under the Capital Markets and Services Act 2007 for breaches of securities laws including any statement in this Information Memorandum that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Information Memorandum or the conduct of any other person in relation to the Fund.

This Information Memorandum is to be issued and distributed in Malaysia only. Consequently, no representation has been and will be made as to its compliance with the laws of any foreign jurisdiction.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS INFORMATION MEMORANDUM AND OBTAIN PROFESSIONAL ADVICE BEFORE SUBSCRIBING TO THE UNITS OF THE FUND. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISE

! YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.

TABLE OF CONTENTS

CORPORATE DIRECTORY

The Manager/AHAM

AHAM Asset Management Berhad

Registered Office

27th Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur

Tel No. : (603) 2142 3700

Fax No. : (603) 2140 3799

Business Address

Ground Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur

Tel No. : (603) 2116 6000

Fax No. : (603) 2116 6100

Toll free line : 1-800-88-7080

E-mail : customercare@aham.com.my

Website : www.aham.com.my

The Trustee

HSBC (Malaysia) Trustee Berhad

Registered Address and Business Address

Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur

Tel No. : (603) 2075 7800

Fax No. : (603) 2179 6511

E-mail: fs.client.services.myh@hsbc.com.my

ABBREVIATION

AUD	Australian Dollar.
CIBM	China Interbank Bond Market.
EU	European Union.
FiMM	Federation of Investment Managers Malaysia.
HKD	Hong Kong Dollar.
MYR	Malaysian Ringgit.
OECD	Organization for Economic Co-operation and Development.
OTC	Over-the-Counter.
PBOC	People’s Bank of China.
REITs	Real Estate Investment Trusts.
RMB	Renminbi Yuan.
SAFE	State Administration of Foreign Exchange.
SC	Securities Commission Malaysia.
SFC	Securities and Futures Commission of Hong Kong.
SGD	Singapore Dollar.
US	United States of America.
USD	United States Dollar.
VAT	Value Added Tax.

GLOSSARY

Act	Means the Capital Markets and Services Act 2007 as may be amended from time to time.
AUD Hedged-class	Represents a Hedged-class issued by the Fund which is denominated in AUD.
Base Currency	Means the currency in which the Fund is denominated i.e. USD.
Bond Connect	Means mutual bond market access between Hong Kong and Mainland China established by China Foreign Exchange Trade System & National Interbank Funding Centre and Hong Kong Exchanges and Clearing Limited (amongst others).
Bursa Malaysia	Means the stock exchange operated by Bursa Malaysia Securities Berhad including such other name as it may be amended from time to time.
Business Day	Means a day on which Bursa Malaysia and/or one or more of the foreign markets in which the Fund is invested in are open for business/trading. The Manager may declare certain Business Days as non-Business Days when deemed necessary, such as (i) in the event of market disruption; (ii) if the jurisdiction of the Target Fund declares that day as a non-business day; and/or (iii) if the Target Fund Manager declares that day as a non-dealing day for the Target Fund.
CIBM Initiative	Means the permission granted by the PBOC to the foreign institutional investors to invest in CIBM, subject to compliance with any other rules and regulations as promulgated by Mainland China authorities, i.e., the PBOC and the SAFE.
Class(es)	Means any number of class(es) of Unit(s) representing similar interests in the assets of the Fund although a class of Units of the Fund may have different features from another class of Units of the Fund.
Class Currency	Refers to the currency of account of a class specified by the Target Fund Manager.
Code	Refers to Section I and Section II of the SFC Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structured Investment Products or any handbook, guideline and code issued by the SFC, as may be amended from time to time.
communiqué	Refers to the notice issued by the Manager to the Unit Holders.

Connected Person	Shall unless otherwise specified have the meaning as set out in the Code, meaning, in relation to a company: (a) any person or company beneficially owning, directly or indirectly, 20% or more of the ordinary share capital of that company or able to exercise directly or indirectly, 20% or more of the total votes in that company; or (b) any person or company controlled by a person who or which meets one or both of the descriptions given in (a); or (c) any member of the group of which that company forms part; or (d) any director or officer of that company or of any of its Connected Persons as defined in (a), (b) or (c).
Correspondent	Means the agent, nominee, delegate, custodian, co-custodian or sub-custodian which are appointed for the custody and/or safekeeping of any of the investments, cash, assets, collateral or other property comprised in the Target Fund.
currency hedged unit class	Currency hedged unit classes of the Target Fund seek to minimise the effect of currency fluctuations between the Class Currency of the class and the base currency of the Target Fund. Hedging is achieved by the Target Fund entering into foreign currency transactions such as currency forward transactions, currency futures or other forms of financial derivative instruments. Currency positions are not actively managed but rather applied passively at the level of the currency hedged unit class of the Target Fund. Depending on the currency exposure of the Target Fund's underlying assets and its objective then a currency hedged unit class of the Target Fund will either be classified as a base currency hedged unit class of the Target Fund or a portfolio currency hedged unit class of the Target Fund.
CVC Capital Partners Asia Fund V	Means collectively (1) CVC Capital Partners Asia V L.P.; (2) CVC Capital Partners Investment Asia V L.P.; and (3) CVC Capital Partners Asia V Associates L.P.
Deed	Refers to the deed dated 26 August 2020 and the first supplemental deed dated 16 November 2023 entered into between the Manager and the Trustee and includes any subsequent amendments and variations to the deed.
deposits	Has the same meaning as per the definition of "deposit" in the Financial Services Act 2013. For the avoidance of doubt, it shall exclude structured deposit.
Development Financial Institution	Means a development financial institution under the Development Financial Institutions Act 2002.
Financial Institution	Means (1) if the institution is in Malaysia – (i) Licensed Bank; (ii) Licensed Investment Bank; (iii) Development Financial Institution; or (iv) Licensed Islamic Bank; or (2) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.
Forward Pricing	Means the method of determining the price of a Unit which is the NAV per Unit at the next valuation point after an application for purchase or repurchase request is received by the Manager.
Fund	Means AHAM World Series – Asian High Yield Fund *(formerly known as Affin Hwang World Series – Asian High Yield Fund).*
Government and other public securities	Means any investment issued by, or the payment of principal and interest on which is guaranteed by, a government or any fixed-interest investment issued by its public or local authorities or other multilateral agencies.
Guidelines	Means the *Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework* issued by the SC as may be amended from time to time.
Hedged-class	Means a particular Class that aims to reduce the effect of exchange rate fluctuations between the Base Currency and the currency in which Unit Holders are exposed to having invested in that Class, also known as NAV hedging method. NAV hedging is undertaken regardless of whether the Base Currency is expected to increase or decline in value relative to the hedged currency.

HSBC Group	Refers to HSBC Holdings plc, its subsidiaries, related bodies corporate, associated entities and undertakings and any of their branches.
Information Memorandum	Means this offer document in respect of the Fund as may be replaced or amended from time to time.
Investment Adviser	Means HSBC Global Asset Management (Hong Kong) Limited.
Issue Price	Means the price at which units of a class of the Target Fund will be issued.
Licensed Bank	Means a bank licensed under the Financial Services Act 2013.
Licensed Investment Bank	Means an investment bank licensed under the Financial Services Act 2013.
Licensed Islamic Bank	Means an Islamic bank licensed under the Islamic Financial Services Act 2013.
Mainland China	Means all the customs territories of the People's Republic of China, excluding Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan.
Manager or AHAM	Means AHAM Asset Management Berhad.
medium to long term	Means a period between three (3) to five (5) years.
Moody's	Refers to Moody's Investor Service Inc.
MYR Class	Represents a Class issued by the Fund which is denominated in MYR.
MYR Hedged-class	Represents a Hedged-class issued by the Fund which is denominated in MYR.
NAV	Means the value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point. Where the Fund has more than one Class, there shall be a NAV attributable to each Class.
NAV per Unit	Means the NAV of the Fund at a particular valuation point divided by the number of Units in Circulation at the same valuation point. Where the Fund has more than one Class, there shall be a NAV per Unit for each Class; the NAV per Unit of a Class at a particular valuation point shall be the NAV of the Fund attributable to that Class divided by the number of Units in Circulation of that Class at the same valuation point.
Redemption Price	Means the price at which units of a class of the Target Fund will be redeemed.
Repurchase Charge	Means a charge imposed pursuant to a repurchase request.
Repurchase Price	Means the price payable to a Unit Holder by the Manager for a Unit pursuant to a repurchase request and it shall be exclusive of any Repurchase Charge. *The Repurchase Price is equivalent to the initial offer price during the initial offer period and NAV per Unit after the initial offer period.*
Repurchase Transactions	Means transactions whereby the Target Fund sells its securities to a counterparty of Reverse Repurchase Transactions and agrees to buy such securities back at an agreed price with a financing cost in the future.
Reverse Repurchase Transactions	Means transactions whereby the Target Fund purchases securities from a counterparty of Repurchase Transactions and agrees to sell such securities back at an agreed price in the future.
Sales Charge	Means a charge imposed pursuant to a purchase request.
Securities Financing Transactions	Means collectively Securities Lending transactions, Repurchase Transactions and Reverse Repurchase Transactions.
Security Lending	Means transactions whereby the Target Fund lends its securities to a security-borrowing counterparty for an agreed fee.
Securities Market	Means any stock exchange, OTC market or other securities market that is open to the international public and on which such securities are regularly traded.
Selling Price	Means the price payable by a Unit Holder for the Manager to create a Unit in the Fund and it shall be exclusive of any Sales Charge. *The Selling Price is equivalent to the initial offer price during the initial offer period and NAV per Unit after the initial offer period.*
SGD Hedged-class	Represents a Hedged-class issued by the Fund which is denominated in SGD.
Sophisticated Investor	Refers to any person (a) who falls within any of the categories of investors set out in Part 1, Schedules 6 and 7 of the Act; (b) who acquires unlisted capital market products where the consideration is not less than two hundred and fifty thousand ringgit or equivalent in foreign currencies for each transaction whether such amount is paid for

	in cash or otherwise; or (c) any other person as may be determined by the SC from time to time under the Guidelines. Note: For more information, please refer to our website at www.aham.com.my for the current excerpts of Part 1, Schedules 6 and 7 of the Act and the list of other Sophisticated Investors as permitted by the SC under the Guidelines.
Special Resolution	Means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority of not less than three-fourths (3/4) of the Unit Holders present and voting at the meeting in person or by proxy; for the avoidance of doubt, "three-fourths (3/4) of the Unit Holders present and voting" means three-fourths (3/4) of the votes cast by the Unit Holders present and voting; for the purposes of terminating the Fund or a Class, "Special Resolution" means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority in number representing at least three-fourths (3/4) of the value of the Units held by the Unit Holders present and voting at the meeting in person or by proxy.
Standard & Poor's	Refers to Standard & Poor's Financial Services LLC.
Stock Connect	Refers to the Shanghai-Hong Kong Stock Connect programme and the Shenzhen-Hong Kong Stock Connect programme.
sub-fund	Means any sub-fund of the HSBC Investment Funds Trust.
Substantial Financial Institutions	Means an authorized institution as defined in section 2(1) of the Banking Ordinance (Chapter 155 of Laws of Hong Kong) or a financial institution which is on an ongoing basis subject to prudential regulation and supervision, with a minimum net asset value of HKD2 billion or its equivalent in foreign currency.
Target Fund	Refers to HSBC Investment Funds Trust - HSBC Asian High Yield Bond Fund.
Target Fund Manager	Refers to HSBC Investment Funds (Hong Kong) Limited.
Target Fund Prospectus	Means the offering document of the Target Fund dated September 2021, as amended, modified or supplemented from time to time.
Tax Exempt Period	Means the period from 7 November 2018 to 6 November 2021, where foreign institutional investors are exempted from Mainland China Corporate Income Tax in respect of bond interest income received from investments in the Mainland China onshore bond market pursuant to [Caishui [2018] No. 108] ("Circular 108") jointly issued by the Ministry of Finance ("MOF") and the State Taxation Administration of the People's Republic of China in November 2018.
Trustee	Refers to HSBC (Malaysia) Trustee Berhad.
Trustee of the Target Fund	Refers to HSBC Institutional Trust Services (Asia) Limited.
Underlying Funds	Means the collective investment schemes in which the Target Fund may invest in, including unit trusts, mutual funds, and exchange traded funds.
Unit or Units	Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a unit of the Fund; if the Fund has more than one Class, it means a unit issued for each Class.
Units in Circulation	Means Units created and fully paid for and which have not been cancelled. *It is also the total number of Units issued at a particular valuation point.*
Unit Holder, you	Means the person / corporation for the time being who, in full compliance to the relevant laws is a Sophisticated Investor pursuant to the Guidelines including a jointholder. In relation to the Fund, means all the Unit Holders of every Class in the Fund.
USD Class	Represents a Class issued by the Fund which is denominated in USD.
US Person	Means a US citizen or US tax resident individual (including a green-card holder, an individual with substantial US presence and an individual who has US permanent or mailing address), US corporation, US partnership, US trust or US estate for US federal income tax purposes.

Reference to first person pronouns such as "we", "us" or "our" in this Information Memorandum means the Manager/AHAM.

ABOUT AHAM WORLD SERIES – ASIAN HIGH YIELD FUND

FUND CATEGORY	:	Feeder (Wholesale)	**BASE CURRENCY**	:	USD
FUND TYPE	:	Income	**FINANCIAL YEAR END**	:	30 November

DISTRIBUTION POLICY

Subject to the availability of income, the Fund endeavours to distribute income on a monthly basis, after the end of its first financial year.

At our discretion, the Fund may distribute (1) realised income, (2) realised capital gains (3) unrealised income, (4) unrealised capital gains, (5) capital or (6) a combination of any of the above.

INVESTMENT OBJECTIVE

The Fund aims to provide regular income over the medium to long term period.

Any material change to the Fund's investment objective would require Unit Holders' approval.

ASSET ALLOCATION

- A minimum of 80% of the Fund's NAV to be invested in the Target Fund; and
- A maximum of 20% of the Fund's NAV to be invested in money market instruments and/or deposits.

INVESTMENT STRATEGY

The Fund will be investing a minimum of 80% of the Fund's NAV in the Target Fund and a maximum of 20% of the Fund's NAV in money market instruments and/or deposits.

We may substitute the Target Fund with another fund that has a similar investment objective with the Fund, if, in our opinion, the Target Fund no longer meets the Fund's investment objective. However, this is subject to the Unit Holder's approval before such change is made.

Temporary Defensive Measure

We may take temporary defensive positions that may be inconsistent with the Fund's principal strategy and asset allocation by reducing its investment in the Target Fund and raise the liquidity levels of the Fund during adverse market conditions that may impact financial markets to protect the Unit Holders' interest. In raising the Fund's liquidity level, we may also invest in collective investment schemes that are able to meet the Fund's investment objective.

Derivatives

Derivatives trades may be carried out for hedging purposes through financial instruments including, but not limited to, forward contracts, futures contracts and swaps. Futures and forward contracts are generally contracts between two parties to trade an asset at an agreed price on a pre-determined future date whereas swaps is an agreement to swap or exchange two financial instruments between two parties.

The intention of hedging is to preserve the value of the assets from any adverse price movements. While the hedging transactions will assist in mitigating the potential foreign exchange losses by the Fund, any potential foreign exchange gains from the hedging strategy will be capped as well.

The Fund adopts commitment approach to measure the Fund's global exposure to derivatives. The commitment approach is a methodology that aggregates the underlying market values or notional values of derivatives after taking into account the possible effects of netting and/or hedging arrangements. The Fund's global exposure from the derivatives position must not exceed 100% of NAV of the Fund at all times.

Cross Trades

AHAM may conduct cross trades between funds which it is currently managing provided that all criteria imposed by the regulators are met. Notwithstanding the aforesaid, cross trades between the personal account of an employee of AHAM and the Fund's account(s) and between AHAM's proprietary trading accounts and the Fund's account(s) are strictly prohibited. Compliance with the criteria would be monitored by AHAM's compliance unit, and reported to AHAM's compliance and risk management committee, to avoid conflict of interests and manipulation that could have a negative impact on investors.

PERMITTED INVESTMENTS

The Fund will invest in the following investments:

- Collective investment scheme;
- Money market instruments;
- Deposits;
- Derivatives; and
- Any other form of investments as may be determined by the Manager from time to time that is in line with the Fund's investment objective.

VALUATION POINT OF THE FUND

The Fund will be valued at 6.00 p.m. on every Business Day (or "trading day" or "T day"). However, if the Fund has exposure to investments outside of Malaysia, the Fund shall be valued at 11.00 a.m. on the next Business Day (or "T + 1 day"). All foreign assets are translated into the Base Currency based on the bid exchange rate quoted by Bloomberg or Refinitiv at 4.00 p.m. (United Kingdom time) which is equivalent to 11.00 p.m. or 12.00 midnight (Malaysian time) on the same day, or at such time as stipulated in the investment management standards issued by the FiMM.

VALUATION OF ASSETS

We will ensure that the valuation of the Fund is carried out in a fair manner in accordance to the relevant laws and Guidelines. We will obtain the daily price or value of the assets for the purpose of valuing the Fund in accordance to the Malaysian Financial Reporting Standard 9 issued by the Malaysian Accounting Standards Board. In the absence of daily price or value of the assets, we will use the latest available price or value of the assets respectively. The valuation bases for the permitted investments of the Fund are as follows:

- **Unlisted Collective Investment Schemes**

  Valuation of investments in unlisted collective investment schemes shall be based on its last published repurchase price.

- **Deposits**

  Valuation of deposits placed with Financial Institutions will be done by reference to the principal value of the deposits and the interests accrued thereon for the relevant period.

- **Money Market Instruments**

  Valuation of MYR denominated money market instruments will be done using the price quoted by a bond pricing agency ("BPA") registered with the SC. For non-MYR denominated money market instruments, valuation will be done using an average of quotations provided by reputable Financial Institutions. Where the Manager is of the view that the price quoted by BPA differs from the fair value or where reliable market quotations are not available, the fair value will be determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee. This may be determined by reference to the valuation of other money market instruments which are comparable in rating, yield, expected maturity date and/or other characteristics.

- **Derivatives**

  Valuation of derivatives will be based on the prices provided by the respective issuers. The issuers generate the market valuation through the use of their own proprietary valuation models, which incorporate all the relevant and available market data with respect to the derivatives (e.g. interest rates, movement of the underlying assets, volatility of the underlying assets, the correlation of the underlying assets and such other factors). For foreign exchange forward contracts ("FX Forwards"), interpolation formula is applied to compute the value of the FX Forwards based on the rates provided by Bloomberg or Refinitiv. If the rates are not available on Bloomberg or Refinitiv, the FX Forwards will be valued based on a fair value as determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

- **Any Other Investments**

  Fair value as determined in good faith by the Manager, based on the methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

ABOUT THE CLASSES

If you intend to invest in a Class other than MYR Class and MYR Hedged-class, you are required to have a foreign currency account with any Financial Institution as all transactions relating to any foreign currency will ONLY be made through telegraphic transfers.

<table>
<tr><th></th><th>USD Class</th><th>MYR Class</th><th>MYR Hedged-class</th><th>SGD Hedged-class</th><th>AUD Hedged-class</th></tr>
<tr><td rowspan="2">Initial Offer Price</td><td>N/A[+]</td><td>MYR 0.50**</td><td>N/A[+]</td><td>N/A[+]</td><td>N/A[+]</td></tr>
<tr><td colspan="5">[**]The price of Units offered for purchase during the initial offer period.
[+]The price of Units for USD Class, MYR Hedged-class, SGD Hedged-class and AUD Hedged-class shall be based on the NAV per Unit.</td></tr>
<tr><td>Initial Offer Period</td><td colspan="5">The initial offer period for MYR Class will be one (1) day which is on the date of this Information Memorandum.
The initial offer period for the existing USD Class, MYR Hedged-class, SGD Hedged-class and AUD Hedged-class has ended.</td></tr>
<tr><td>Minimum Initial Investment[*]</td><td>USD 10,000</td><td>MYR 30,000</td><td>MYR 30,000</td><td>SGD 10,000</td><td>AUD 10,000</td></tr>
<tr><td>Minimum Additional Investment[*]</td><td>USD 5,000</td><td>MYR 10,000</td><td>MYR 10,000</td><td>SGD 5,000</td><td>AUD 5,000</td></tr>
<tr><td>Minimum Repurchase Units[*]</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td></tr>
<tr><td rowspan="2">Minimum Units Held[*]</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td></tr>
<tr><td colspan="5">If the balance of your investment (i.e. total number of Units) is less than the minimum holding of Units, you will be required to make an additional investment in order to meet the required minimum balance of investment. Otherwise, we may withdraw all your holding of Units and pay the proceeds to you.</td></tr>
<tr><td>Minimum Units Per Switch[*]</td><td>20,000 Units</td><td>60,000 Units</td><td>60,000 Units</td><td>20,000 Units</td><td>20,000 Units</td></tr>
<tr><td>Unitholdings in Different Classes</td><td colspan="5">You should note that there are differences when purchasing Units of the USD Class and other Classes. For illustration purposes, assuming you have USD 10,000 to invest:
<table>
<tr><th>Class(es)</th><th>USD Class</th><th>MYR Class / MYR Hedged-class</th><th>SGD Hedged-class</th><th>AUD Hedged-class</th></tr>
<tr><td>NAV per Unit</td><td>USD 0.50</td><td>MYR 0.50</td><td>SGD 0.50</td><td>AUD 0.50</td></tr>
<tr><td>Currency exchange rate</td><td>USD 1
= USD 1</td><td>USD 1
= MYR 4</td><td>USD 1
= SGD 2</td><td>USD 1
= AUD 2</td></tr>
<tr><td>Invested amount</td><td>USD 10,000 x USD 1 = USD 10,000</td><td>USD 10,000 x MYR 4 = MYR 40,000</td><td>USD 10,000 x SGD 2= SGD 20,000</td><td>USD 10,000 x AUD 2 = AUD 20,000</td></tr>
<tr><td>Units received</td><td>USD 10,000 ÷ USD 0.50 = 20,000 Units</td><td>MYR 40,000 ÷ MYR 0.50 = 80,000 Units</td><td>SGD 20,000 ÷ SGD 0.50 = 40,000 Units</td><td>AUD 20,000 ÷ AUD 0.50 = 40,000 Units</td></tr>
</table>
Invested amount = USD 10,000 x currency exchange rate of the Class
Units received = Invested amount ÷ NAV per Unit of the Class

By purchasing Units of the USD Class, you will receive less Units for every USD invested in the Fund (i.e. 20,000 Units), compared to purchasing Units in MYR Class / MYR Hedged-class (i.e. 80,000 Units), SGD Hedged-class (i.e. 40,000 Units) or AUD Hedged-class (i.e. 40,000 Units). Upon a voting by poll, the votes by every Unit Holder present in person or by proxy is proportionate</td></tr>
</table>

[*] At our discretion, we may reduce the transaction value and Units, including for transactions made via digital channels, subject to terms and conditions disclosed in the respective channels.

	USD Class	MYR Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class
	to the value of Units held by him or her. Hence, holding more number of Units may not give you an advantage when voting at Unit Holders' meetings. You should note that in a Unit Holders' meeting to terminate the Fund, a Special Resolution will only be passed by a majority in number representing at least three-fourths (3/4) of the value of Units held by the Unit Holders present and voting at the meeting in person or by proxy.				

The Fund may create new Classes without having to seek Unit Holders' prior approval. You will be notified of the issuance of the new Classes by way of communiqué and the investors will be notified of the same by way of a supplemental or replacement information memorandum.

ABOUT THE FEES AND CHARGES

There are fees and charges involved and you are advised to consider them before investing in the Fund.

You should be aware that all fees, charges and expenses referred to or quoted in this Information Memorandum (including any supplemental information memorandum) and the Deed (including any supplemental deed) are referred to or quoted as being exclusive of any other applicable taxes. We (including the Trustee and other service providers) will charge any other applicable taxes on the fees, charges and expenses in accordance with any other relevant or applicable laws.

The following are the charges that may be directly incurred by you

SALES CHARGE

Up to 3.00% of the initial offer price of a Class during the initial offer period, and thereafter, on the NAV per Unit of a Class.

REPURCHASE CHARGE

Nil.

TRANSFER FEE

Nil.

SWITCHING FEE

The Manager does not impose any switching fee. However, if the amount of sales charge of the fund (or class) that the Unit Holder intends to switch into is higher than the sales charge imposed by the fund (or class) being switched from, then the difference in the sales charge between the two (2) funds (or classes) shall be borne by the Unit Holder.

The following are the fees and expenses that you may indirectly incur when you invest in the Fund

With the issuance of multiple Classes in this Fund, the indirect fees and/or charges for the Fund are apportioned based on the size of the Class relative to the whole Fund. This means that the multi-class ratio is calculated by taking the "*value of a Class before income and expenses*" for a particular day and dividing it with the "*value of the Fund before income and expenses*" for that same day. This apportionment is expressed as a ratio and calculated as a percentage.

As an illustration, assuming there is an indirect fee chargeable to the Fund of USD 100 and assuming further the size of the USD Class over the size of the Fund is 60% whereas the size of the MYR Hedged-class over the size of the Fund is 40%, the ratio of the apportionment based on the percentage will be 60:40, 60% being borne by the USD Class and 40% borne by the MYR Hedged-class.

ANNUAL MANAGEMENT FEE

The management fee is up to 1.50% per annum of the NAV of the Fund and is calculated using the Base Currency (before deducting the management fee and trustee fee). The management fee is calculated and accrued daily and payable monthly to the Manager.

Please note that the example below is for illustration only:

Assuming that the NAV of the Fund is USD 120 million for that day, the accrued management fee for that day would be:

$$\frac{\text{USD 120 million x 1.50\%}}{\text{365 days}} = \text{USD 4,931.51 per day}$$

The management fee is only charged at the Fund level. The management fee chargeable by the Target Fund will be paid out of the annual management fee charged by us at the Fund level. There is no double charging of the management fee.

ANNUAL TRUSTEE FEE

The trustee fee is up to 0.03% per annum of the NAV of the Fund (including local custodian fees but excluding foreign custodian fees and charges), and is calculated using the Base Currency (before deducting the management fee and trustee fee). The trustee fee is calculated and accrued daily and payable monthly to the Trustee. In addition to the annual trustee fee, the Trustee may be reimbursed by the Fund for any expenses properly incurred by it in the performance of its duties and responsibilities.

Please note that the example below is for illustration only:

Assuming that the NAV of the Fund is USD 120 million for that day, the accrued trustee fee for that day would be:

$$\frac{\text{USD 120 million x 0.03\%}}{\text{365 days}} = \text{USD 98.63 per day}$$

ADMINISTRATIVE FEE

Only the expenses (or part thereof) which are directly related and necessary to the operation and administration of the Fund or each Class may be charged to the Fund or each Class respectively. These would include (but are not limited to) the following:

- Commissions or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (Where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets of the Fund;
- Taxes and other duties charged on the Fund by the government and/or other authorities;
- Costs, fees and expenses properly incurred by the auditor appointed for the Fund;
- Costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- Costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
- Costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund;
- Costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- Costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;
- Costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- Costs, fees and expenses incurred in the termination of the Fund or a Class or the removal or retirement of the Trustee or the Manager and the appointment of a new trustee or management company;
- Costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority;
- Fees, charges, costs and expenses relating to the preparation, printing, posting and/or lodgement of documents and reports which the Manager and/or the Trustee may be obliged to prepare, print, post and/or lodge in relation to the Fund by virtue of any relevant law;
- Costs and expenses incurred in relation to the distribution of income and/or capital (if any);
- Costs, fees and expenses incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent;
- Any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred by the Fund;
- Costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund or commenced by either of them for the benefit of the Fund or a Class (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund); and
- Other fees and expenses related to the Fund allowed under the Deed.

MAXIMUM RATE OF FEES AND CHARGES ALLOWABLE BY THE DEED

We may impose higher fees and charges up to the following stated maximum rate, provided that we have taken the necessary procedures to increase the fees and charges.

Sales Charge	6.00% of the NAV per Unit of a Class
Repurchase Charge	1.00% of the NAV per Unit of a Class
Annual Management Fee	3.00% per annum of the NAV of the Fund
Annual Trustee Fee	0.10% per annum of the NAV of the Fund (including local custodian fees but excluding foreign custodian fees and charges)

REBATES AND SOFT COMMISSIONS

We or any of our delegates thereof, will not retain any rebate or soft commission from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission will be directed to the account of the Fund.

The soft commissions can be retained by us or any of our delegates thereof provided that:-

- the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;
- any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; and
- we or our delegates will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

ABOUT THE TARGET FUND – HSBC INVESTMENT FUNDS TRUST-HSBC ASIAN HIGH YIELD BOND FUND

BASE CURRENCY	:	USD
INCEPTION DATE OF THE TARGET FUND	:	20 May 2011
COUNTRY OF ORIGIN	:	Hong Kong
REGULATORY AUTHORITY	:	Securities and Futures Commission of Hong Kong

ABOUT HSBC INVESTMENT FUNDS TRUST

The Target Fund is a sub-fund of the HSBC Investment Funds Trust. HSBC Investment Funds Trust was originally constituted as a Cayman Islands unit trust by a trust deed dated 13 November 1995 between HSBC Investment Funds (Hong Kong) Limited as the manager and HSBC Trustee (Cayman) Limited as the trustee. Pursuant to a Deed of Removal of the Trust to Another Jurisdiction and Replacement of Trustee dated 4 July 2017, HSBC Investment Funds Trust was removed from the jurisdiction of the Cayman Islands to the jurisdiction of Hong Kong and HSBC Institutional Trust Services (Asia) Limited was appointed as the trustee in place of HSBC Trustee (Cayman) Limited with effect from 29 August 2017. The trust deed is currently governed by the laws of Hong Kong.

HSBC INVESTMENT FUNDS (HONG KONG) LIMITED ("the Target Fund Manager")

HSBC Investment Funds (Hong Kong) Limited is the manager of the HSBC Investment Funds Trust, a company incorporated in and under the laws of Hong Kong.

The Target Fund Manager is registered with SFC to carry on the regulated activities of dealing in securities, advising on securities, advising on futures contracts and asset management. The Target Fund Manager is a member of the HSBC Group.

HSBC GLOBAL ASSET MANAGEMENT (HONG KONG) LIMITED ("the Investment Adviser")

HSBC Global Asset Management (Hong Kong) Limited is the investment adviser of the Target Fund. The Target Fund Manager has delegated its investment management duties of the Target Fund to the Investment Adviser to provide discretionary or non-discretionary advice. The Investment Adviser is regulated by the SFC and is also a member of the HSBC Group.

INVESTMENT OBJECTIVE OF THE TARGET FUND

The investment objective of the Target Fund is to achieve a higher level of income and capital appreciation through investing primarily in a diversified portfolio of higher yielding fixed income securities including investment grade, non-investment grade and unrated bonds that are primarily denominated in USD, traded or issued by issuers in the Asian markets.

INVESTMENT POLICY OF THE TARGET FUND

The Target Fund will normally invest in a broad range of fixed income securities and instruments including government bonds, corporate bonds, convertible bonds, monetary instruments and may hold cash on deposit pending reinvestment.

In order to achieve its investment objective, the Target Fund will invest in high-yield securities including, but not limited to, investment grade and non-investment grade bonds and other similar securities (rated and unrated).

The Target Fund may also invest in financial derivative instruments (including embedded financial derivatives) for investment and hedging purposes.

The Target Fund may invest less than 20% of its net asset value in bonds traded on the CIBM in Mainland China via the CIBM Initiative and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time. For the avoidance of doubt, the total investment in Mainland China market shall be less than 20% of the Target Fund's net asset value.

The Target Fund may invest less than 30% of its net asset value in debt instruments with loss-absorption features (e.g. contingent convertible debt securities). The Target Fund may invest up to 10% of its net assets in contingent convertible securities. However, such investment is not expected to exceed 5%.

The Target Fund issues several share classes and may issue new share classes with different features and requirements in future. The Fund will have full discretion to decide on share class of the Target Fund to invest and may switch to different share class of the Target Fund. Such decision will be made in the best interest of investors. Investors should note that the investment objective, investment strategy and risk profile of the Fund remain the same regardless of the investment of the Fund in different share class of the Target Fund.

INVESTMENT RESTRICTIONS OF THE TARGET FUND

1. Investment limitations

No holding of any security may be acquired for or added to the Target Fund which would be inconsistent with achieving the investment objective of the Target Fund or which would result in:-

(a) The aggregate value of the Target Fund's investments in, or exposure to, any single entity (other than Government and other public securities) through the following exceeding 10% of the latest available net asset value of the Target Fund:

(i) investments in securities issued by that entity;

(ii) exposure to that entity through underlying assets of financial derivative instruments; and

(iii) net counterparty exposure to that entity arising from transactions of OTC financial derivative instruments.

For the avoidance of doubt, restrictions and limitations on counterparty as set out in sub-paragraphs 1(a), 1(b) and 3.4(c) of this section will not apply to financial derivative instruments that are:

(A) transacted on an exchange where the clearing house performs a central counterparty role; and

(B) marked-to-market daily in the valuation of their financial derivative instrument positions and subject to margining requirements at least on a daily basis.

The requirements under this sub-paragraph 1(a) will also apply in the case of sub-paragraphs 5.2(g) and (h) below.

(b) Subject to sub-paragraphs 1(a) above and 3.4(c) below, the aggregate value of the Target Fund's investments in, or exposure to, entities within the same group through the following exceeding 20% of the latest available net asset value of the Target Fund:-

(i) investments in securities issued by those entities;

(ii) exposure to those entities through underlying assets of financial derivative instruments; and

(iii) net counterparty exposure to those entities arising from transactions of OTC financial derivative instruments.

For the purposes of sub-paragraphs 1(b) above and 1(c) below, "entities within the same group" means entities which are included in the same group for the purposes of consolidated financial statements prepared in accordance with internationally recognized accounting standards.

The requirements under this sub-paragraph 1(b) will also apply in the case of sub-paragraphs 5.2(g) and (h) below.

(c) The value of the Target Fund's cash deposits made with the same entity or entities within the same group exceeding 20% of the latest available net asset value of the Target Fund provided that the 20% limit may be exceeded in the following circumstances:

(i) cash held before the launch of the Target Fund and for a reasonable period thereafter prior to the initial subscription proceeds being fully invested; or

(ii) cash proceeds from liquidation of investments prior to the merger or termination of the Target Fund, whereby the placing of cash deposits with various financial institutions would not be in the best interests of investors; or

(iii) cash proceeds received from subscriptions pending investments and cash held for the settlement of redemption and other payment obligations, whereby the placing of cash deposits with various financial institutions be unduly burdensome and the cash deposits arrangement would not compromise investors' interests.

For the purposes of this sub-paragraph 1(c), "cash deposits" generally refer to those that are repayable on demand or have the right to be withdrawn by the Target Fund and not referable to provision of property or services.

(d) The Target Fund's holding of any ordinary shares exceeding 10% of any ordinary shares issued by any single entity.

(e) The value of the Target Fund's investment in securities and other financial products or instruments that are neither listed, quoted nor dealt in on a Securities Market, exceeding 15% of the latest available net asset value of the Target Fund.

(f) The value of the Target Fund's total holding of Government and other public securities of the same issue exceeding 30% of the latest available net asset value of the Target Fund (save that the Target Fund may invest all of its assets in Government and other public securities in at least six different issues). For the avoidance of doubt, Government and other public securities will be regarded as being of a different issue if, even though they are issued by the same person, they are issued on different terms whether as to repayment dates, interest rates, the identity of the guarantor, or otherwise.

(g) (i) the value of the Target Fund's investment in Underlying Funds which are non-eligible schemes (the list of "eligible schemes" is as specified by the SFC from time to time) and not authorized by the SFC in aggregate exceeding 10% of its latest available net asset value; and

(ii) the value of the Target Fund's investment in units or shares in each Underlying Fund which is either an eligible scheme (the list of "eligible schemes" is as specified by the SFC from time to time) or a scheme authorized by the SFC exceeding 30% of its latest available net asset value unless the Underlying Fund is authorized by the SFC, and the name and key investment information of the Underlying Fund are disclosed in the Target Fund Prospectus, provided that:

(A) no investment may be made in any Underlying Fund the investment objective of which is to invest primarily in any investment prohibited by Chapter 7 of the Code;

(B) where an Underlying Fund's objective is to invest primarily in investments restricted by Chapter 7 of the Code, such investments may not be in contravention of the relevant limitation. For the avoidance of doubt, the Target Fund may invest in Underlying Fund(s) authorized by the SFC under Chapter 8 of the Code (except for hedge funds under 8.7 of the Code), eligible scheme(s) of which the net derivative exposure does not exceed 100% of its total net asset value, and exchange traded funds satisfying the requirements in the note under "Investment in other schemes" of Chapter 7 of the Code in compliance with sub-paragraphs 1(g) (i) and (ii) above;

(C) the Underlying Fund's objective may not be to invest primarily in other collective investment scheme(s);

(D) all initial charges, redemption charges and management fees on the Underlying Fund(s) must be waived if the Underlying Fund is managed by the Target Fund Manager or its Connected Persons; and

(E) the Target Fund Manager or any person acting on behalf of the Target Fund or the Target Fund Manager may not obtain a rebate on any fees or charges levied by an Underlying Fund or its management company, or any quantifiable monetary benefits in connection with investments in any Underlying Fund.

For the avoidance of doubt:

(aa) unless otherwise provided under the Code, the diversification requirements under sub-paragraphs 1(a), (b), (d) and (e) of this section do not apply to investments in Underlying Funds by the Target Fund;

(bb) exchange traded funds are considered and treated as collective investment schemes for the purposes of and subject to the requirements in this sub-paragraph 1(g); and the investments by the Target Fund in exchange traded funds shall be subject to sub-paragraph 1(e) above;

(cc) where investments are made in listed REITs, the requirements under sub-paragraphs 1(a), (b) and (d) apply and where investments are made in unlisted REITs, which are either companies or collective investment schemes, then the requirements under sub-paragraphs 1(e) and (g)(i) apply respectively; and

(dd) where the Target Fund invests in index-based financial derivative instruments, the underlying assets of such financial derivative instruments are not required to be aggregated for the purposes of the investment restrictions or limitations set out in sub-paragraphs 1(a), (b), (c) and (f) above provided that the index is in compliance with the requirements under 8.6(e) of the Code.

2. Investment prohibitions

The Target Fund Manager shall not, unless otherwise specifically provided for in the Code, on behalf of the Target Fund:-

(a) invest in physical commodities unless otherwise approved by the SFC on a case-by-case basis taking into account the liquidity of the physical commodities concerned and availability of sufficient and appropriate additional safeguards where necessary;

(b) invest in any type of real estate (including buildings) or interests in real estate (including any options or rights but excluding shares in real estate companies and interests in REITs);

(c) make short sales unless (i) the liability of the Target Fund to deliver securities does not exceed 10% of its latest available net asset value; (ii) the security which is to be sold short is actively traded on a Securities Market where short selling activity is permitted; and (iii) the short sales are carried out in accordance with all applicable laws and regulations;

(d) carry out any naked or uncovered short sale of securities;

(e) subject to sub-paragraph 1(e) of this section, lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person. For the avoidance of doubt, Reverse Repurchase Transactions in compliance with the requirements as set out in the Code are not subject to the limitations in this sub-paragraph 2(e);

(f) acquire any asset or engage in any transaction which involves the assumption of any liability by the Target Fund which is unlimited. For the avoidance of doubt, the liability of unit holders of the Target Fund is limited to their investments in the Target Fund;

(g) invest in any security of any class in any company or body if any director or officer of the Target Fund Manager individually owns more than 0.5%, or collectively they own more than 5%, of the total nominal amount of all the issued securities of that class; and

(h) invest in any security where a call is to be made for any sum unpaid on that security, unless the call could be met in full out of cash or near cash from the Target Fund's portfolio whereby such amount of cash or near cash has not been segregated to cover a future or contingent commitment arising from transaction in financial derivative instruments for the purposes of sub-paragraphs 3.5 and 3.6 of this section.

3. Derivatives restrictions

3.1 The Target Fund may acquire financial derivative instruments for hedging purposes. For the purposes of this sub-paragraph 3.1, financial derivative instruments are generally considered as being acquired for hedging purposes if they meet all the following criteria:

(a) they are not aimed at generating any investment return;

(b) they are solely intended for the purpose of limiting, off-setting or eliminating the probability of loss or risks arising from the investments being hedged;

(c) although they may not necessarily reference to the same underlying assets, they should relate to the same asset class with high correlation in terms of risks and return, and involve taking opposite positions, in respect of the investments being hedged; and

(d) they exhibit price movements with high negative correlation with the investments being hedged under normal market conditions.

The Target Fund Manager, where it deems necessary, shall cause hedging arrangement to be adjusted or re-positioned, with due consideration on the fees, expenses and costs, to enable the Target Fund to meet its hedging objective in stressed or extreme market conditions.

3.2 The Target Fund may also acquire financial derivative instruments for non-hedging purposes ("investment purposes") subject to the limit that the Target Fund's net exposure relating to these financial derivative instruments ("net derivative exposure") does not exceed the amount specified in 6(b) of this section provided that such limit may be exceeded in such circumstances as permitted under the Code, handbook, code and/or guideline issued by the SFC from time to time or permitted by the SFC from time to time. For the avoidance of doubt, financial derivative instruments acquired for hedging purposes under sub-paragraph 3.1 will not be counted towards the limit referred to in this sub-paragraph 3.2 so long as there is no residual derivative exposure arising from such hedging arrangement. Net derivative exposure shall be calculated in accordance with the Code and the requirements and guidance issued by the SFC which may be updated from time to time.

3.3 Subject to sub-paragraphs 3.2 and 3.4, the Target Fund may invest in financial derivative instruments provided that the exposure to the underlying assets of the financial derivative instruments, together with the other investments of the Target Fund, may not in aggregate exceed the corresponding investment restrictions or limitations applicable to such underlying assets and investments as set out in sub-paragraphs 1(a), (b), (c), (f), (g)(i) and (ii), proviso (A) to (C) to sub-paragraph 1(g) and sub-paragraph 2(b) above.

3.4 The financial derivative instruments invested by the Target Fund shall be either listed/quoted on a stock exchange or dealt in an OTC market and comply with the following provisions:

(a) the underlying assets consist solely of shares in companies, debt securities, money market instruments, units/shares of collective investment schemes, deposits with Substantial Financial Institutions, Government and other public securities, highly-liquid physical commodities (including gold, silver, platinum and crude oil), financial indices, interest rates, foreign exchange rates, currencies, or other asset classes acceptable to the SFC, in which the Target Fund may invest according to its investment objectives and policies;

(b) the counterparties to transactions of OTC financial derivative instruments or their guarantors are Substantial Financial Institutions or such other entity acceptable to the SFC;

(c) subject to sub-paragraphs 1(a) and (b) above, the Target Fund's net counterparty exposure to a single entity arising from transactions of OTC financial derivative instruments may not exceed 10% of its latest available net asset value provided that the exposure of the Target Fund to a counterparty of OTC financial derivative instruments may be lowered by the collateral received (if applicable) by the Target Fund and shall be calculated with reference to the value of collateral and positive mark to market value of the OTC financial derivative instruments with that counterparty, if applicable; and

(d) the valuation of the financial derivative instruments is marked-to-market daily, subject to regular, reliable and verifiable valuation conducted by the Trustee of the Target Fund (or such other valuation agent appointed by the Target Fund Manager) ("Valuation Agent") independent of the issuer of the financial derivative instruments through such measures as may be established from time to time. In the opinion of the Target Fund Manager, the financial derivative instruments can be sold, liquidated or closed by an off-setting transaction at any time at their fair value at the Target Fund's initiative. Further, the Target Fund Manager shall ensure that the Valuation Agent should be adequately equipped with the necessary resources to conduct independent marked-to-market valuation and to verify the valuation of the financial derivative instruments on a regular basis.

3.5 The Target Fund should at all times be capable of meeting all its payment and delivery obligations incurred under transactions in financial derivative instruments (whether for hedging or for investment purposes). The Target Fund Manager shall, as part of its risk management process, monitor to ensure that the transactions in financial derivative instruments in respect of the Target Fund are adequately covered on an ongoing basis. For the purposes of this sub-paragraph 3.5, assets that are used to cover the Target Fund's payment and delivery obligations incurred under transactions in financial derivative instruments shall be free from any liens and encumbrances, exclude any cash or near cash for the purpose of meeting a call on any sum unpaid on a security, and cannot be applied for any other purposes.

3.6 Subject to sub-paragraph 3.5, a transaction in financial derivative instruments which gives rise to a future commitment or contingent commitment of the Target Fund shall be covered as follows:

(a) in the case of financial derivative instruments transactions which will, or may at the Target Fund's discretion, be cash settled, the Target Fund shall at all times hold sufficient assets that can be liquidated within a short time frame to meet the payment obligation; and

(b) in the case of financial derivative instruments transactions which will, or may at the counterparty's discretion, require physical delivery of the underlying assets, the Target Fund shall hold the underlying assets in sufficient quantity at all times to meet the delivery obligation. If the Target Fund Manager considers the underlying assets to be liquid and tradable, the Target Fund may hold other alternative assets in sufficient quantity as cover, provided that such assets may be readily converted into the underlying assets at any time to meet the delivery obligation provided further that the Target Fund shall apply safeguard measures such as to apply haircut where appropriate to ensure that such alternative assets held are sufficient to meet its future obligations.

3.7 The requirements under sub-paragraphs 3.1 to 3.6 above shall apply to embedded financial derivative. For the purposes of the Target Fund Prospectus, an "embedded financial derivative" is a financial derivative instrument that is embedded in another security.

4. Securities Financing Transactions restrictions

The Target Fund Manager will not enter into Securities Financing Transactions (including Securities Lending, Repurchase Transactions or Reverse Repurchase Transactions or similar OTC transactions) in respect of the Target Fund. Prior approval will be obtained from the SFC and at least one (1) month's prior notice will be given to unit holders of the Target Fund if there is a change in such intention.

5. Counterparty policy and collateral policy

5.1 Counterparty policy

When transacting in OTC financial derivative instruments (or Securities Financing Transactions if permitted in future), the Target Fund Manager has counterparty selection policies and control measures to manage the credit risks of counterparties which shall include amongst other considerations, fundamental creditworthiness (e.g. ownership structure, financial strength) and commercial reputation of specific legal entities in conjunction with the nature and structure of proposed trading activities, external credit ratings of the counterparty, the regulatory supervision applied to the relevant counterparty, country of origin of the counterparty and legal status of the counterparty.

The counterparties will be entities with legal personality typically located in OECD jurisdictions (but may also be located outside such jurisdictions). The counterparties to OTC financial derivative instruments will be Substantial Financial Institutions. Whereas the counterparties to Securities Financing Transactions (if permitted in future) will be financial institutions which are subject to ongoing prudential regulation and supervision.

The counterparties must have a minimum credit rating of Baa1 or BBB+ or equivalent, or must be deemed by the Target Fund Manager to have an implied rating of Baa1 or BBB+ or equivalent assigned by an internationally recognised credit agency (e.g. Standard & Poor's or Moody's). Alternatively an unrated counterparty will be acceptable where the Target Fund Manager is indemnified or guaranteed against losses suffered as a result of a failure by the counterparty, by an entity which has and maintains a rating of Baa1 or BBB+ or equivalent assigned by an internationally recognised credit agency (e.g. Standard & Poor's or Moody's).

Transactions in OTC derivative transactions (or Securities Financing Transactions if permitted in future) will at all times be governed by approved HSBC Group standard documentation such as a legally enforceable bilateral International Swaps and Derivatives Association (“ISDA”) (and an accompanying Credit Support Annex ("CSA") where it has been agreed that collateral will form part of the transaction).

5.2. Collateral policy

Under the investment advisory agreements, the Investment Adviser has the authority to manage the investment and reinvestment of the assets of the Target Fund, including but not limited to agree the terms for collateral arrangements, duly advising the Target Fund Manager of what arrangements have been made, for purposes of managing counterparty risk where transactions in OTC financial derivative instruments have been executed (or Securities Financing Transactions if permitted in future). The Target Fund Manager and Investment Adviser have appropriate systems, operational capabilities and legal expertise for proper collateral management.

As of the date of the Target Fund Prospectus, the Target Fund may receive both non-cash collateral or cash collateral but cash collateral will not be reinvested. However, the criteria set out below applies to all assets received by the Target Fund as collateral including the reinvestment of cash collateral in the event that the Target Fund reinvest such cash collateral in future:

1) Nature: Collateral may include both cash and non-cash collateral.

   Cash collateral may include cash, cash equivalents and money market instruments. Non-cash collateral may comprise of government or corporate bonds whether long/short term bonds, listed or traded in any regulated markets.

   Collateral does not include (i) structured products whose payouts rely on embedded financial derivatives or synthetic instruments; (ii) securities issued by special purpose vehicles, special investment vehicles or similar entities; (iii) securitized products; or (iv) unlisted collective investment schemes.

2) Credit quality: the collateral is of high credit quality (i.e. at least rated A3 or A- or equivalent by an internationally recognised credit agency (e.g. Standard & Poor’s or Moody’s)). In the event the credit quality of the collateral or the issuer of the asset being used as collateral has deteriorated to such a degree that the Target Fund Manager reasonably believes would undermine the effectiveness of the collateral, the Target Fund Manager will take all practical steps to require the counterparty to replace such collateral as soon as practicable.

3) Liquidity: any collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a robust price that is close to pre-sale valuation.

4) Valuation: collateral is valued daily by an entity that is independent from the counterparty on a mark-to-market basis.

5) Haircut policy: the collateral is subject to a prudent haircut policy. Haircuts will take into account the characteristics of the assets such as the credit standing or the price volatility. Assets that exhibit high price volatility will not be accepted by the Target Fund as collateral unless suitably conservative haircuts are in place. Haircuts are reviewed by the Target Fund Manager on an ongoing basis to ensure that they remain appropriate for eligible collateral taking into account collateral quality, liquidity and price volatility.

6) Correlation: collateral received by the Target Fund is issued by an entity that is independent from the counterparty and is one that is expected not to display a high correlation with the performance of the counterparty such that the effectiveness of the collateral would be undermined.

7) Diversification: collateral must be sufficiently diversified so as to avoid concentrated exposure to any single entity and/or entities within the same group. The exposures of the Target Fund to the collateral issuers are monitored in accordance with the relevant restrictions on exposure to a single entity and/or entities within the same group as set out in this section.

8) Reinvestment of collateral: Non-cash collateral will not be sold, reinvested or pledged. Cash collateral may be reinvested. Reinvested cash collateral will remain sufficiently diversified subject to the applicable restrictions in respect of collateral set out in this section and shall comply with the requirements set out in 8.2(f) and 8.2(n) of the Code.

   Reinvested cash collateral may only be placed on short-term deposit, invested in high quality money market instruments and money market funds authorized under 8.2 of the Code or regulated in a manner generally comparable with the requirements of the SFC and acceptable to the SFC and subject to corresponding investment restrictions or limitations applicable to such investments or exposure as set out in this section. For this purpose, money market instruments refer to securities normally dealt in on the money markets, including government bills, certificates of deposit, commercial papers, short-term notes and bankers' acceptances, etc. In assessing whether a money market instrument is of high quality, the Target Fund Manager will take into account the credit quality, the liquidity profile of the money market instruments and such other factors as the Target Fund Manager considers relevant;

Cash collateral received is not allowed to be further engaged in any securities financing transactions. Further, when the cash collateral received is reinvested into other investments, such investments are not allowed to be engaged in any securities financing transactions.

9) Encumbrances and Enforceability: the collateral is free of prior encumbrances and collateral (subject to any net-off or set-off, if applicable) is capable of being fully enforced by the Target Fund Manager / Target Fund at any time without further recourse to the counterparty.

10) Safe-keeping of collateral: Any non-cash assets received by the Target Fund from a counterparty on a title transfer basis should be held by the Trustee of the Target Fund or a Correspondent. This is not applicable in the event that there is no title transfer in which case the collateral will be held by a third-party custodian which is unrelated to the provider of the collateral. A description of collateral holdings of the Target Fund will be disclosed in its semi-annual and annual reports as required under Appendix E of the Code. Assets provided by the Target Fund on a title transfer basis shall no longer belong to the Target Fund. The counterparty may use those assets at its absolute discretion. Assets provided to a counterparty other than on a title transfer basis shall be held by the Trustee of the Target Fund or a Correspondent.

6. Borrowing and leverage restrictions

The expected maximum level of leverage of Target Fund is as follows:

(a) Cash borrowing

No borrowing shall be made in respect of the Target Fund which would result in the principal amount for the time being of all borrowings made pursuant to the trust deed of HSBC Investment Funds Trust for the account of the Target Fund exceeding an amount equal to 10% of the net asset value of the Target Fund provided always that back-to-back loans do not count as borrowing. For the avoidance of doubt, Securities Lending transactions and Repurchase Transactions in compliance with the requirements as set out in the Code are not borrowings for the purpose of, and are not subject to the limitations in this paragraph.

The Trustee of the Target Fund shall be entitled on the instruction of the Target Fund Manager to charge or pledge in any manner all or any part of the Target Fund for the purposes of securing any borrowing and interest and expenses thereof.

(b) Leverage from the use of financial derivative instruments

The Target Fund may also be leveraged through the use of financial derivative instruments and its expected maximum level of leverage through the use of financial derivative instruments (i.e. expected maximum net derivative exposure) may be up to 50% of the Target Fund's latest available net asset value.

In calculating the net derivative exposure, derivatives acquired for investment purposes that would generate incremental leverage at the portfolio level of the Target Fund are converted into their equivalent positions in their underlying assets. The net derivative exposure is calculated in accordance with the requirements and guidance by the SFC which may be updated from time to time.

The actual level of leverage may be higher than such expected level in exceptional circumstances, for example when there are sudden movements in markets and/or investment prices.

7. Target Fund specific restrictions

Additional restrictions specific to the Target Fund may be disclosed in the "Investment Policy of the Target Fund" above.

8. Breaches

In the event that any of the above restrictions is breached, the Target Fund Manager shall as a priority objective take all steps as may be necessary to remedy such breach within a reasonable period of time, taking due account of the interests of unit holders of the Target Fund.

Liquidity risk management

The Target Fund Manager has established a liquidity risk management policy with the aim to enable it to identify, monitor, manage and mitigate the liquidity risks of the Target Fund and to ensure that the liquidity profile of the investments of the Target Fund will facilitate compliance with the Target Fund's obligation to meet redemption requests. Such policy, combined with the governance framework in place and the liquidity management tools of the Target Fund Manager, also seeks to achieve fair treatment of unit holders of the Target Fund and safeguard the interests of remaining or existing unit holders of the Target Fund in case of sizeable redemptions or subscriptions.

The Target Fund Manager's liquidity risk management policy takes into account the investment strategy; the dealing frequency; the underlying assets' liquidity (and whether they are priced at fair value); and the ability to enforce redemption limitations of the Target Fund.

The liquidity risk management policy involves monitoring the profile of investments held by the Target Fund on an on-going basis with the aim to ensure that such investments are appropriate to the redemption policy as stated under the sub-section headed "Redemptions" in the section headed "Unit dealing" in the Target Fund Prospectus and will facilitate compliance with the Target Fund's obligation to meet redemption requests. Further, the liquidity management policy includes details on periodic stress testing carried out by the Target Fund Manager to manage the liquidity risk of the Target Fund in times of exceptional market conditions.

The Target Fund Manager's risk management function is independent from the investment portfolio management function and is responsible for performing monitoring of the Target Fund's liquidity risk in accordance with the Target Fund Manager's liquidity risk management policy. Exceptions on liquidity risk related issues are escalated to the Target Fund Manager's Risk Management Committee with appropriate actions properly documented.

The Target Fund Manager may employ one or more tools to manage liquidity risks including, but not limited to:

- the Target Fund Manager may, with the approval of the Trustee of the Target Fund, limit the number of units of the Target Fund redeemed on any dealing day of the Target Fund to 10% of the total net asset value of the Target Fund;
- the Target Fund Manager may, if it considers it in the interest of unit holders of the Target Fund, when the net subscription or redemption requests in the Target Fund exceed a threshold determined by the Target Fund Manager, require the Trustee of the Target Fund to adjust the Issue Price/Redemption Price in order to mitigate the effects of transaction costs, in particular but not limited to, bid-offer spreads, brokerage, taxes and government charges; and/or
- the Target Fund Manager may suspend the redemption of units of the Target Fund and/or delay the payment of redemption proceeds during any period in which the determination of the net asset value of the Target Fund is suspended after consultation with the Trustee of the Target Fund.

FEES AND CHARGES OF THE TARGET FUND

Initial Charge	Up to 3.00% of the total subscription amount of the units of the Target Fund. ***Please note that the Fund will not be charged any initial charge when it invests into the Target Fund.***
Redemption Fee	Not applicable.
Management Fee	Up to 1.25% per annum of the net asset value of a class of units of the Target Fund. ***Please note that management fee will only be charged once at the Fund level. The management fee charged by the Target Fund will be paid out of the annual management fee charged by us at the Fund level. There is no double charging of management fee.***
Trustee Fee	0.07% per annum of the net asset value of the Target Fund.
Operating currency hedging fees	The Target Fund Manager will charge the currency hedged unit classes* a fee of up to 0.10% per annum of the net asset value of the relevant class of the Target Fund in relation to the administration of the hedge. This does not include the transaction costs incurred when entering into hedging contracts. **except class AM3H-AUD and class AM3H-EUR of the Target Fund to which no operating currency hedging fees apply.*

SUSPENSION OF CALCULATION OF NET ASSET VALUE OF THE TARGET FUND

The Target Fund Manager may, after consultation with the Trustee of the Target Fund, declare a suspension of the determination of the net asset value of the Target Fund for the whole or any part of any period during which (a) there is a closure of or the restriction or suspension of trading on any securities market on which a substantial part of the investments of the Target Fund is normally traded or a breakdown in any of the means normally employed by the Target Fund Manager in ascertaining the prices of investments or (b) for any other reason the prices of investments of the Target Fund cannot, in the opinion of the Target Fund Manager after consultation with the Trustee of the Target Fund, reasonably be ascertained or (c) circumstances exist as a result of which, in the opinion of the Target Fund Manager after consultation with the Trustee of the Target Fund, it is not reasonably practicable to realise any investments of the Target Fund or (d) the remittance or repatriation of funds which will or may be involved in the realisation of, or in the payment for, the investments of the Target Fund or the subscription or realization of units of the Target Fund is delayed or cannot, in the opinion of the Target Fund Manager after consultation with the Trustee of the Target Fund, be carried out promptly at normal rates of exchange. Such suspension shall take effect forthwith upon the declaration thereof and thereafter there shall be no determination of the net asset value of the Target Fund until the Target Fund Manager shall declare the suspension at an end, except that the suspension shall terminate in any event on the day following the first business day of the Target Fund on which (i) the condition giving rise to the suspension shall have ceased to exist and (ii) no other condition under which suspension is authorised shall exist. Whenever the Target Fund Manager shall declare such a suspension it shall, immediately after any such declaration and at least once a month during the period of such suspension, publish a notice on the Target Fund Manager's website www.assetmanagement.hsbc.com/hk.

This Information Memorandum describes the features of the Target Fund in accordance with the Target Fund Prospectus and we recommend that this Information Memorandum should be read in conjunction with the Target Fund Prospectus which is available at the business address of the Manager. We take all reasonable efforts to ensure the accuracy of the disclosure in this Information Memorandum in relation to the Target Fund, including obtaining the confirmation from the Target Fund Manager. However, in the event of any inconsistency or ambiguity in relation to the disclosure, including any word or phrase used in this Information Memorandum regarding the Target Fund as compared to the Target Fund Prospectus, the Target Fund Prospectus shall prevail.

UNDERSTANDING THE RISKS OF THE FUND AND THE TARGET FUND

Below are the risks associated with the investments of the Fund and the Target Fund.

It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not possible to protect investments against all risks. You are recommended to read the whole of this Information Memorandum to assess the risks associated to the Fund. If necessary, you should consult your professional adviser(s) for a better understanding of the risks.

	GENERAL RISKS OF THE FUND
Market risk	Market risk arises because of the factors that affect the entire market place. Factors such as economic growth, political stability and social environment are some examples of conditions that have an impact on businesses, whether positive or negative. Market risk cannot be eliminated but may be reduced through diversification. It stems from the fact that there are economy-wide perils, or instances of political or social instability which threaten all businesses. Hence, the Fund will be exposed to market uncertainties and fluctuations in the economic, political and social environment that will affect the market price of the investments either in a positive or negative way.
Fund management risk	This risk refers to the day-to-day management of the Fund by us which will impact the performance of the Fund. For example, investment decisions undertaken by us as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant laws or guidelines due to factors such as human error, fraud, dishonesty or weaknesses in operational process and systems, may adversely affect the performance of the Fund.
Performance risk	This Fund is a feeder fund which invests in another collective investment scheme, namely the Target Fund. The performance of the Fund very much depends on the performance of the Target Fund. If the Target Fund does not perform in accordance with its investment objective, the performance of the Fund will also be impacted negatively. The performance of the Target Fund and consequently of this Fund may go down as well as up, depending on the circumstances prevailing at a particular given time. On that basis, there is never a guarantee that investing in the Fund will produce a positive investment returns in accordance with its investment objective.
Inflation risk	This is the risk that your investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.
Loan / Financing risk	This risk occurs when you take a loan or financing to finance your investment. The inherent risk of investing with borrowed or financed money includes you being unable to service the loan or financing repayments. In the event Units are used as collateral, you may be required to top-up your existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower NAV per Unit as compared to the NAV per Unit at the point of purchase towards settling the loan or financing.
Operational risk	This risk refers to the possibility of a breakdown in the Manager's internal controls and policies. The breakdown may be a result of human error, system failure or fraud where employees of the Manager collude with one another. This risk may cause monetary loss and/or inconvenience to you. The Manager will review its internal policies and system capability to mitigate instances of this risk. Additionally, the Manager maintains a strict segregation of duties to mitigate instances of fraudulent practices amongst employees of the Manager.
Suspension of repurchase request risk	Having considered the best interests of Unit Holders, the repurchase requests by the Unit Holders may be subject to suspension due to exceptional circumstances, where the market value or fair value of a material portion of the Fund's assets cannot be determined, or such other circumstances as may be determined by the Manager, where there is good and sufficient reason to do so.

	GENERAL RISKS OF THE FUND
	The exceptional circumstances may include, amongst other, suspension of dealing by the Target Fund. In such case, Unit Holders will not be able to redeem their Units and will be compelled to remain invested in the Fund for a longer period of time. Hence, their investments will continue to be subject to the risks inherent to the Fund.
Related party transaction risk	The Fund may also have dealings with parties related to AHAM. Nevertheless, it is our policy that all transactions with related parties are to be executed on terms which are best available to the Fund and which are not less favourable to the Fund than an arm's length transaction between independent parties.

	SPECIFIC RISKS OF THE FUND
Concentration risk	This Fund is a feeder fund which invests in a single collective investment scheme. Any adverse effect on the Target Fund will inevitably affect the Fund as well. The performance of the Fund is also dependent on the performance of the Target Fund. This risk may be mitigated as we are allowed to take temporary defensive positions in response to adverse market conditions. We are also able to substitute the Target Fund with another fund with similar investment objective of the Fund if, in our opinion, the Target Fund no longer meets the Fund's investment objective subject to Unit Holders' approval. For better understanding of the risks associated with the Target Fund, please refer to the "*Risks of the Target Fund*" below.
Liquidity risk	This is the risk that the units of the Target Fund that are held by the Fund cannot be readily sold and converted into cash. This can occur when there is a restriction on realisation of units of the Target Fund. The Target Fund Manager may suspend the realisation of units of the Target Fund, or delay the payment of realisation proceeds in respect of any realisation request received, during any period in which the determination of the net asset value of the Target Fund is suspended. As a result, the Fund may not be able to receive the repurchase proceeds in a timely manner which in turn may delay the payment of repurchase proceeds to the Unit Holders. In managing liquidity risk, we will maintain sufficient liquidity level for the purposes of meeting repurchase requests. Please refer to the "*Suspension of Dealing in Units*" section of this Information Memorandum for more details.
Counterparty risk	Counterparty risk is the risk associated with the ongoing ability and willingness of the issuers to derivatives ("Investments") to fulfill their respective financial commitments to the Fund in a timely manner. Bankruptcy, fraud or regulatory non-compliance arising out of and/or in connection with the issuer may impair the operations and/or the performance of the Fund. However, we will conduct stringent credit selection process of the issuer of the Investments prior to commencement of Investments and monitoring mechanisms established by us may potentially mitigate this risk. If, we are of the opinion there is material adverse change to an issuer, we may consider unwinding the issuer's Investments to mitigate potential losses that may arise.
Country risk	Investments of the Fund in the Target Fund which is domiciled in Hong Kong may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of Hong Kong. For example, the deteriorating economic condition in Hong Kong may adversely affect the value of the investments undertaken by the Fund and in turn may cause the NAV of the Fund to fall.
Currency risk	As the investments of the Fund may be denominated in currencies other than the Base Currency, any fluctuation in the exchange rate between the Base Currency and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated (other than in USD) depreciate against

	SPECIFIC RISKS OF THE FUND
	the Base Currency, this will have an adverse effect on the NAV of the Fund in the Base Currency and vice versa. You should note that any gain or loss arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment. ***Currency risk at the Fund level*** The impact of the exchange rate movement between the Base Currency and the currency of the underlying investments of the Fund (other than in USD) may result in a depreciation of the value of the investments as expressed in the Base Currency. ***Currency risk at the Class level*** The impact of the exchange rate movement between the Base Currency and the currency of the respective Classes (other than USD Class) may result in a depreciation of your holdings as expressed in the Base Currency. ***Currency risk at the Hedged-class level*** Currency hedging reduces the effect of exchange rate movements for the Hedged-class, but it does not entirely eliminate currency risk between the Hedged-class and the Base Currency (not a perfect hedge). Hence, the unhedged portion of the respective Hedged-class will be affected by the exchange rate movements and it may cause fluctuation of NAV of the respective Hedged-class. You should note, however, that if the exchange rate moves favourably, the Hedged-class would not benefit from any upside in currency movement due to the hedging strategy. In addition, hedging is subject to a minimum investment size of entering into a forward contract and the cost of hedging which may affect returns of the respective Hedged-class.
Target Fund Manager risk	The Target Fund (which the Fund invests in) is managed by the Target Fund Manager. It is important to note that the Manager has no control over the investment management techniques and operational controls of the Target Fund. Thus, mismanagement of the Target Fund (i.e. breach of its prescribed investment restriction due to human error) may negatively affect the Fund (as an investor of the Target Fund). Should such a situation arise, the Manager may propose to invest in other alternative collective investment schemes that is consistent with the investment objective of the Fund provided always that the approval of the Unit Holders has been obtained.
Distribution out of capital risk	The Fund may distribute income out of capital. Such capital distributions represent a return or withdrawal of part of the amount of your original investment and/or capital gains attributable to the original investment and will result in a reduction in the NAV per Unit of each Class and reduce the capital available for future investment and capital growth. Future capital growth may therefore be constrained.

	RISKS OF THE TARGET FUND
Market Risk	Investors should be aware that the value of securities in which the Target Fund invests, and the return derived from it can fluctuate. The Target Fund invests in and actively trades securities utilising strategies and investment techniques with significant risk characteristics, including risks arising from the volatility of the market. Prices of investments may be volatile, and a variety of factors that are inherently difficult to predict, such as actions by various governmental agencies and domestic or international economic and political developments, may cause sharp market fluctuations, which could significantly and adversely affect the value of the Target Fund's investments.
Performance Risk	There is no guarantee that the investment objective of the Target Fund can be achieved. There is no express or implied assurance as to the likelihood of achieving the investment objective for the Target Fund.

	RISKS OF THE TARGET FUND
	There is no guarantee that in any time period, particularly in the short term, the Target Fund's portfolio will achieve appreciation in terms of income or capital growth. The Target Fund's portfolio may be subject to market fluctuations and to all the risks inherent in all investments and markets. As a result, the price of units of the Target Fund may go down as well as up. Whilst the Target Fund Manager intends to implement strategies designed to minimise potential losses, there can be no assurance that these strategies will be successful. Making an investment in the Target Fund is not the same as making a deposit in a bank. An investor may lose a substantial proportion or all of its investments in the Target Fund. The prices of the units of the Target Fund depends on the market values of the Target Fund's investments and such prices as well as the income from units of the Target Fund can go down as well as up. Past performance of the Target Fund does not indicate future performance. Investment in the Target Fund is not capital guaranteed and is only suitable for investors who can leave their capital for medium to long-term investment. The Target Fund's performance is subject to the risks associated with its investments and cash exposure including, among others, market, interest rate, currency, exchange rate, economic, credit, liquidity, counterparty, foreign securities and political risks.
Foreign Exchange Risk	*Relative to the base currency of the Target Fund* The Target Fund's assets and liabilities and/or a class of units of the Target Fund may be denominated in currencies different from the base currency of the Target Fund. An investor's return (as measured in terms of the base currency of the Target Fund) may be affected unfavourably by exchange control regulations or changes in the exchange rates between the base currency of the Target Fund and other currencies. Changes in currency exchange rates may influence the value of the units of the Target Fund, the dividends or interest earned and the gains and losses realised by the Target Fund. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation and other economic and political conditions. If the currency in which a security is denominated appreciates against the base currency of the Target Fund, the value of the security will increase in terms of the base currency of the Target Fund. Conversely, a decline in the exchange rate of the currency in which a security is denominated would adversely affect the value of the security in terms of the base currency of the Target Fund. Depending on this, in terms of the base currency of the Target Fund, an investor (i) may suffer losses even if there are gains or no losses in the value of the non-base currency denominated underlying securities; or (ii) may suffer additional losses if the non-base currency denominated underlying investments of the Target Fund fall in value. Further, dividends/payouts will be paid in the relevant Class Currency, which may involve currency conversion of the proceeds obtained from realisation of the Target Fund's assets. Currency conversion involves foreign exchange risks as the exchange rates are subject to fluctuations. *Relative to the Class Currency* For those investors investing in a class with Class Currency other than the base currency of the Target Fund which is not a currency hedged unit class then the above disclosure should be read giving reference to Class Currency of the class instead of the base currency of the Target Fund.

	RISKS OF THE TARGET FUND
	Currency hedged unit classes For those investors investing in a currency hedged unit class of the Target Fund then any reference to an increase or decrease in the base currency of the Target Fund should be read as an equivalent increase or decrease in the Class Currency of the currency hedged unit class of the Target Fund insofar as the class is effectively hedged. *Currency conversion risks for RMB denominated classes and investments in RMB* The Target Fund will need to convert cash (at the applicable exchange rate and subject to the applicable spread) into or out of RMB in the following circumstances: (1) Conversion of RMB settled subscriptions into another currency for investment. (2) Conversion of cash in the Target Fund into RMB for the purposes of settling RMB settled redemptions. (3) Conversion of available RMB into another currency in the course of investing. (4) Conversion of available cash into RMB in the course of investing. Such transactions could incur considerable currency conversion costs. Further, as RMB is not freely convertible and is subject to exchange controls and restrictions, currency conversion is subject to availability of RMB at the relevant time. The Target Fund may not be able to invest according to its intended strategy in the event that there is insufficient RMB available to it. The Target Fund's payment of redemption proceeds or dividends/payouts may be delayed in the event that there is insufficient RMB available to it (for a period not exceeding one calendar month of receipt of a properly documented redemption request). The RMB is traded in both the onshore and offshore markets. While both onshore RMB ("CNY") and offshore RMB ("CNH") represent the same currency, they are traded in different and separate markets which operate independently. Therefore CNY and CNH do not necessarily have the same exchange rate and their movement may not be in the same direction. When calculating the net asset value of a unit class of the Target Fund with a RMB Class Currency (and hence the Issue Price/Redemption Price of such class), the Target Fund Manager will apply the CNH rate. Any divergence between CNH and CNY may adversely impact investors. For investors with a non-RMB home currency who invest in RMB currency hedged unit classes of the Target Fund, they will be exposed to the RMB and any associated foreign exchange risk. Currency hedged unit classes of the Target Fund are not recommended for such investors. There is no guarantee that the value of RMB against the investor's home currency will not depreciate. Any depreciation of RMB could adversely affect the value of such investors' investment in RMB denominated currency hedged unit classes of the Target Fund.
Liquidity Risk	Liquidity risk exists within most financial products including the investments held by the Target Fund. This means that a delay may occur in receiving sales proceeds from the investments held by the Target Fund, and those proceeds may be less than recent valuations used to determine the net asset value of the Target Fund. This risk is greater in exceptional market conditions or when large numbers of market participants are trying to sell their investments at the same time. In such cases, the Target Fund may also experience substantial redemptions of its units which could require the Target Fund Manager to liquidate investments of the Target Fund more rapidly than otherwise desirable in order to raise the necessary cash to fund the redemptions. This could adversely affect the Redemption Price and, in such circumstances, the receipt of sale proceeds may be delayed and/or take place at lower prices. Further, the Target Fund Manager is entitled under certain circumstances to suspend dealings in the units of the Target Fund. In this event, valuation of the net asset value of the Target Fund will be suspended, and any affected redemption applications and payment of redemption proceeds will be deferred. The risk of decline in net asset value of the units of the Target Fund during the period up to

	RISKS OF THE TARGET FUND
	the redemption of the units of the Target Fund will be borne by the redeeming unit holders of the Target Fund.
OTC Markets Risk	There are special risks associated with financial derivatives instruments, participation notes, structured products and other investments traded on OTC markets. In general, there is less governmental regulation and supervision of transactions in the OTC markets (in which many different kinds of financial derivatives instruments and structured products are generally traded) than of transactions entered into on organized exchanges. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearing house, may not be available in connection with transactions carried out on OTC markets. Therefore, the Target Fund entering into OTC transactions will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Target Fund will sustain losses. The Target Fund will only enter into transactions with counterparties which it believes to be creditworthy, and may reduce the exposure incurred in connection with such transactions through the receipt of letters of credit or collateral from certain counterparties. Regardless of the measures the Target Fund may seek to implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Target Fund will not sustain losses as a result. From time to time, the counterparties with which the Target Fund effects transactions may cease making markets or quoting prices in certain of the instruments. In such instances, the Target Fund may be unable to enter into a desired transaction or to enter into an off-setting transaction with respect to an open position, which may adversely affect its performance. Certain instruments traded on the OTC markets (such as customised financial derivatives and structured products) can be illiquid. Liquidity relates to the ability of the Target Fund to sell an investment in a timely manner. The market for relatively illiquid investments tends to be more volatile than the market for more liquid investments. Investment of the Target Fund's assets in relatively illiquid investments may restrict the ability of the Target Fund to dispose of its investments at a price and time that it wishes to do so. There is no regulated market for such transactions and the bid and offer prices will be established solely by dealers or counterparties in these transactions. In order to realize an investment in the OTC markets, the Target Fund may need to request the counterparties to quote a price for the relevant instrument. This price may depend on, among other things, the market liquidity condition and the size of the transactions.
Investor Risk	The Target Fund Manager may compulsorily redeem all or a portion of the unit holder of the Target Fund’s units in the Target Fund. Such compulsory redemption may create adverse tax and/or economic consequences to the unit holder of the Target Fund depending on the timing thereof. No person will have any obligation to reimburse any portion of an investor’s losses upon termination of the Target Fund, compulsory redemption or otherwise.
Valuation Risk	Valuation of the Target Fund’s investments may involve uncertainties and judgmental determinations, and independent pricing information may not at all times be available. If such valuations should prove to be incorrect, the net asset value of the Target Fund may be adversely affected.
Government or Central Banks’ Intervention Risk	Changes in regulation or government policy leading to intervention in the currency and interest rate markets (e.g. restrictions on capital movements or changes to the way in which a national/regional currency is supported such as currency de-pegging) may adversely affect some financial instruments and the performance of the Target Fund.
Early Termination Risk	In the event of the early termination of the Target Fund, the Target Fund would have to distribute to its unit holders their pro rata interest in the assets of the Target Fund. It is possible that at the time of such sale or distribution, certain

	RISKS OF THE TARGET FUND
	investments held by the Target Fund may be worth less than the initial cost of such investments, resulting in a substantial loss to the unit holders of the Target Fund.
Tax Risk	Investors should note that (i) the proceeds from the sale of securities in some markets or the receipt of any dividends or other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market including taxation levied by withholding at source and/or (ii) the Target Fund's investments may be subject to specific taxes or charges imposed by authorities in some markets.
Distribution/Payout Out of Capital Risk	Under the trust deed of the HSBC Investment Funds Trust, distributions/payouts of the Target Fund may be paid from capital (including capital gains) of the Target Fund. The Target Fund Manager may in its discretion distribute/make payouts from capital if the income generated from the Target Fund's investments attributable to the relevant class of units of the Target Fund during the relevant period is insufficient to pay distributions/payouts as declared. The Target Fund Manager may also at its discretion pay dividend/payouts out of gross income while charging/paying all or part of the Target Fund's fees and expenses to/out of the capital of the Target Fund (resulting in an increase in distributable income for the payment of dividends/payout by the Target Fund), and thereby effectively pay distributions/payouts out of capital of the Target Fund. In addition, for certain currency hedged unit classes of the Target Fund, the dividend distribution amount and the net asset value of the Target Fund may be adversely affected by differences in the interest rates of the Class Currency of the currency hedged unit classes of the Target Fund and the Target Fund's base currency. Also, for certain currency hedged unit classes of the Target Fund, differences in interest rates may result in an increase in the amount of dividend distribution paid out of capital and hence a greater erosion of capital than other non-hedged classes. Investors should note that the payment of distributions/payouts out of capital or effectively out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to the original investment. ***Any distributions/payouts involving payment out of the Target Fund's capital or effectively out of the Target Fund's capital will result in an immediate reduction in the net asset value per unit (or adjusted net asset value per unit) of the relevant class of units of the Target Fund (and hence the Issue Price/Redemption Price of the relevant class of units of the Target Fund).***
Hedging Risk	Hedging a risk typically attempts to preclude the Target Fund or class of units of the Target Fund from both benefitting and suffering from any return associated with the hedged risk (e.g. currency risk between non-base currency of the Target Fund assets and the base currency of the Target Fund). If there is positive return associated with a hedged risk then the Target Fund's performance will fare relatively poorer than if it had not hedged the risk. Conversely, if there is negative return associated with a hedged risk then the Target Fund's performance will fare relatively better than if it had not hedged the risk. In addition, for certain currency hedged unit classes of the Target Fund, the distribution amount and the net asset value of the Target Fund may be adversely affected by differences in the interest rates of the Class Currency of the currency hedged unit classes of the Target Fund and the Target Fund's base currency. Also, for certain currency hedged unit classes of the Target Fund, differences in interest rates may result in an increase in the amount of distribution paid out of capital and hence a greater erosion of capital than other non-hedged classes (see "Distribution/payout out of capital risks" above). There is no guarantee that the desired hedging instruments will be available or hedging techniques will achieve their desired result. There can be no assurance

	RISKS OF THE TARGET FUND
	that any currency hedging strategy will fully and effectively eliminate the currency exposure of the Target Fund. In adverse situations, the Target Fund's hedging technique may become ineffective and the Target Fund may suffer significant losses. Furthermore, the return of a hedge will be impacted by various factors including transaction costs and, for currency hedging, interest rate differentials between the currency being hedged and the currency it is being hedged into. These impacts may be significant depending on prevailing market conditions and they will be reflected in the net asset value of the Target Fund. This may adversely affect the returns of investors in the Target Fund. Hedging may involve the use of derivatives (e.g. forward contracts). Please refer to the "Derivatives Risk" below for the associated risks.
Investing in Underlying Funds Risk	The Target Fund may invest in shares or units in Underlying Funds and securities investment funds in Mainland China which are authorised by the China Securities Regulatory Commission for investment by the retail public in Mainland China, to obtain exposure to underlying assets, such as equity and bonds. Investors should note that such investment may involve another layer of fees charged at the Underlying Fund level. This is because, in addition to the expenses and charges payable by the Target Fund as disclosed in the Target Fund Prospectus, the Target Fund will bear indirectly the fees charged by the managers and other service providers of the Underlying Funds, or will incur charges in subscribing for or redeeming shares in the Underlying Funds. The Target Fund Manager will consider various factors in selecting the Underlying Funds, for example, the investment objective and strategy, level of fees and charges, the redemption frequency and liquidity of such funds. However, the Target Fund does not have control of the investments of the Underlying Funds and there is no assurance that the investment objective or strategy of an underlying fund will be successfully achieved. Where Underlying Funds are not able to meet redemption requests of the Target Fund, the Target Fund will be subject to liquidity risks, and may suffer losses as a result of delays in receiving redemption proceeds. Underlying Funds may include those managed by the Target Fund Manager, the Investment Adviser or other entities of the HSBC Group. Where potential conflicts of interest arise, the Target Fund Manager will endeavour to ensure that such conflicts are resolved fairly.
Cross-Class Liability Risk	Multiple classes of units of the Target Fund may be issued in relation to the Target Fund, with particular assets and liabilities of the Target Fund attributable to particular classes of units of the Target Fund. For instance, the Target Fund offering currency hedged unit classes will have assets and liabilities related to the hedge which are attributable to the relevant currency hedged unit classes. Moreover, these assets and liabilities may be denominated in various currencies, introducing currency risk. Where the liabilities of a particular class of units of the Target Fund exceed the assets pertaining to that class of units of the Target Fund, creditors pertaining to one class of units of the Target Fund may have recourse to the assets attributable to other classes of units of the Target Fund. Although for the purposes of internal accounting, a separate account will be established for each class of units of the Target Fund, in the event of an insolvency or termination of the Target Fund (i.e., when the assets of the Target Fund are insufficient to meet its liabilities), all assets will be used to meet the Target Fund's liabilities, not just the amount standing to the credit of any individual class of units of the Target Fund. However, the assets of the Target Fund may not be used to satisfy the liabilities of another sub-fund.

	RISKS OF THE TARGET FUND
Prohibited Securities Risk	In accordance with the HSBC Group policy, the Target Fund will not invest in the securities of companies that are involved directly and indirectly in the use, development, manufacturing, stockpiling, transfer or trade of cluster munitions and/or anti-personnel mines. As this policy aims to prohibit investment in certain types of securities, investors should be aware that this reduces the investment universe and prevents the Target Fund from benefitting from any potential returns from these companies.
Custody Risk	Assets of the Target Fund are safe kept by the Trustee of the Target Fund and the unit holders of the Target Fund are exposed to the risk of the Trustee of the Target Fund not being able to fully meet its obligation to restitute in a short time frame all of the assets of the Target Fund in the case of bankruptcy of the Trustee of the Target Fund. The assets of the Target Fund will be identified in the Trustee of the Target Fund's books as belonging to the Target Fund. Securities held by the Trustee of the Target Fund will be segregated from other assets of the Trustee of the Target Fund which mitigates the risk of non-restitution in case of bankruptcy. However, no such segregation applies to cash which increases the risk of non-restitution in case of bankruptcy. Further, the Trustee of the Target Fund may appoint local Correspondents for the purpose of safekeeping assets in relevant local markets. Unit holders of the Target Fund are exposed to the risk of the Correspondents not being able to fully meet their obligation to restitute in a short time frame all of the assets of the Target Fund in the case of bankruptcy of the Correspondent. In extreme circumstances, such as fraud, the Target Fund may even be unable to recover all of its assets and the Trustee of the Target Fund may not be liable to make good any such loss. This risk may be greater where the Target Fund invests in markets where custody and settlement systems and controls are not fully developed.
Fixed Income Risk	*Debt securities risks* The principal factors that may affect the value of the Target Fund’s securities holdings include: (i) changes in interest rates, (ii) the credit worthiness of the issuers of securities, (iii) unanticipated prepayment, and (iv) the decline of bond prices in general in the relevant bond market. *Credit ratings risks and credit rating agency risks* Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times. The credit ratings assigned by credit rating agencies are a generally accepted barometer of credit risk of a fixed income security. They are, however, subject to certain limitations. For example, the rating of an issuer is heavily weighted by past developments and does not necessarily reflect probable future conditions. There is often a time lag in updating the credit ratings in response to recent credit events. In addition, the Target Fund may invest in securities the credit ratings of which are assigned by Mainland Chinese local credit rating agencies. However, the rating criteria and methodology used by such agencies may be different from those adopted by most of the established international credit rating agencies. Therefore, such rating system may not provide an equivalent standard for comparison with securities rated by international credit rating agencies. Investors should be cautious when they refer to ratings assigned by Mainland Chinese local credit agencies, noting the differences in rating criteria mentioned above. If assessments based on credit ratings do not reflect the credit quality of and the risks inherent in a security, investors may suffer losses, possibly greater than originally envisaged. *Downgrading risks* Fixed income securities may be subject to the risk of being downgraded (i.e. lowering of credit ratings assigned to the securities). In the event of downgrading in the credit ratings of a security or an issuer relating to a security, the Target Fund’s investment value in such security may be adversely affected. The Target

	RISKS OF THE TARGET FUND
	Fund Manager or Investment Adviser may or may not be able to dispose of the securities that are being downgraded. The risks disclosed in the below paragraphs in relation to low rated debt securities will generally apply. *Credit risks* Investment in fixed income securities is subject to the credit and default risk of the issuers which may be unable or unwilling to make timely payments on principal and/or interest. On the other hand, the value of the Target Fund may be affected if any of the financial institutions with which the cash is invested or deposited suffers insolvency or other financial difficulties. In the event that any issuer of such securities defaults, becomes insolvent or experiences financial or economic difficulties, the value of the securities will be adversely affected. The Target Fund may suffer losses in its investment in such securities. There is no certainty in the credit worthiness of issuers of debt securities. Unstable market conditions may mean there are increased instances of default amongst issuers. In case of default, the Target Fund may also encounter difficulties or delays in enforcing its rights against the issuers of securities as such issuers may be incorporated outside Hong Kong and subject to foreign laws. The fixed income securities that the Target Fund invests in may be offered on an unsecured basis without collateral. In such circumstances, the Target Fund will rank equally with other unsecured creditors of the relevant issuer. As a result, if the issuer becomes bankrupt, proceeds obtained from the liquidation of the issuer's assets will be paid to holders of the fixed income securities only after all secured claims have been satisfied in full. The Target Fund is therefore fully exposed to the credit/insolvency risk of issuers as an unsecured creditor. *High yield fixed income securities risk* The Target Fund may invest in higher yielding fixed income securities. These securities may be rated below "investment grade" and they may be subject to "non- investment grade and unrated bond risk" outlined below. These securities face ongoing uncertainties and exposure to adverse financial or economic conditions, which could lead to the issuer's inability to meet timely interest and principal payments. As such, they will be subject to a higher risk of the issuer's default. If the issuer defaults, the return from investment in such securities will be adversely affected. *Non-investment grade and unrated bond risks* The Target Fund may invest in securities which are rated below investment grade (in case of internationally recognised credit rating agencies) or rated BB+ or below (in case of Mainland China local credit rating agencies) or are unrated. Such securities are considered to have a higher risk exposure than securities which have a higher credit rating with respect to payment of interest and the return of principal, and may also have a higher chance of default. The amounts that may be recovered after any default may be smaller or zero and the Target Fund may incur additional expenses if it tries to recover its losses through bankruptcy or other similar proceedings. Low rated or unrated debt securities generally offer a higher current yield than higher grade issues. However, low rated or unrated debt securities involve higher risks and are more sensitive to adverse changes in general economic conditions and in the industries in which the issuers are engaged, as well as to changes in the financial condition of the issuers and changes in interest rates. Valuation of these securities is more difficult and thus the Target Fund's price may be more volatile. Additionally, the market for below investment grade (in case of internationally recognised credit rating agencies) or BB+ or below (in case of Mainland China local credit rating agencies) or unrated debt securities generally is less active than that for higher quality securities and the Target Fund's ability to liquidate its holdings in response to changes in the economy or the financial

	RISKS OF THE TARGET FUND
	markets may be further limited by such factors as adverse publicity and investor perceptions. *Volatility and liquidity risks* The fixed income instruments in which the Target Fund invests may not be listed on a stock exchange or a Securities Market where trading is conducted on a regular basis. The fixed income securities traded on such markets may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of securities traded in such markets may be subject to fluctuations. Even if the fixed income securities are listed, the market for such securities may be inactive and the trading volume may be low. In the absence of an active secondary market, the Target Fund may need to hold the fixed income securities until their maturity date. If sizeable redemption requests are received, the Target Fund may need to liquidate its investments at a substantial discount in order to satisfy such requests and the Target Fund may suffer losses in trading such securities. The price at which the fixed income securities are traded may be higher or lower than the initial purchase price due to many factors including the prevailing interest rates. Further, the bid and offer spreads of the price of fixed income instruments in which the Target Fund invests may be high, and the Target Fund may therefore incur significant trading costs and may even suffer losses when selling such investments. *Interest rate risks* Changes in market interest rates will affect the value of securities held by the Target Fund. Generally, the prices of debt instruments rise when interest rates fall, and vice versa. Long-term securities are generally more sensitive to changes in interest rates and, therefore, are subject to a greater degree of market price volatility. To the extent that the Target Fund holds long-term fixed income securities, its net asset value will be subject to a greater degree of fluctuation than if it held fixed income securities of a shorter duration. Fluctuations in interest rates may cause the Target Fund to suffer a loss in its investments if it disposes of such fixed income securities before their maturity.
Derivatives Risk	The Target Fund may make more extensive use of financial derivative instruments for investment purposes as well as for hedging purposes. The financial derivative instruments that may be used by the Target Fund include futures, forwards (including non-delivery forwards), and swaps (including total return swaps and inflation swaps) as well as other financial derivative instruments. Due to the inherent nature of financial derivative instruments, the use of the financial derivative instruments by the Target Fund as part of its investment strategies may involve risks different from, or possibly greater than, the risks associated with typical equity and bond funds. While the use of financial derivatives may aim to achieve return enhancement and investment objectives of the Target Fund, financial derivative instruments are subject to counterparty/credit risk, liquidity risk, valuation risk, volatility risk and OTC transaction risk. The leverage element/component of a financial derivative instrument may result in losses in excess of the amount invested in the financial derivative instruments by the Target Fund. Exposure to financial derivative instruments may lead to a high risk of significant loss by the Target Fund. The price of financial derivative instruments can be very volatile because a small movement in the price of the underlying security, index, interest rate or currency may result in a substantial movement in the price of the financial derivative instrument. In addition, financial derivative instruments are subject to a variety of other risks, including liquidity risk (e.g. when particular derivative instruments become difficult to purchase or sell), credit risk (e.g. when an issuer or counterparty fails to honour its obligations under the derivative contract, or a lowering of the credit rating of an instrument leading to decreased liquidity of the instrument) and the risk of non-performance by the counterparty, including risks

	RISKS OF THE TARGET FUND
	relating to the financial soundness and creditworthiness of the counterparty. The Target Fund may obtain collateral from the counterparty. Such collateral may include cash, securities issued or guaranteed by any OECD or EU government, government agencies or any other public or supranational bodies or organisations or any other issuer which is, in the opinion of the Target Fund Manager, of similar standing and certificates of deposit with maturity of no more than one year. *Swaps risks* The Target Fund may invest and trade in swaps, "synthetic" or derivative instruments, certain types of options and other customised financial instruments issued by banks, brokerage firms and other financial institutions. A swap is an agreement between the Target Fund and a financial intermediary whereby cash payments are periodically exchanged between the parties based upon changes in the price of an underlying asset (such as an equity security, an index of securities or another asset or group of assets with a readily determinable value). Swaps and other derivatives are subject to the risk of non-performance by the counterparty, including risks relating to the financial soundness and credit worthiness of the counterparty. Swaps and other forms of derivative instruments are not guaranteed by an exchange or clearing house or regulated by any governmental authority. It may not be possible to dispose of or close out a swap or other derivative position without the consent of the counterparty, and the Target Fund may not be able to enter into an offsetting contract in order to cover this risk. The Target Fund may enter into a total return swap in which one party receives interest payments on a reference asset plus any capital gains and losses over the payment period, while the other receives a specified fixed or floating cash flow unrelated to the credit worthiness of the reference asset, especially where the payments are based on the same notional amount. The reference asset may be any index or basket of assets. *Futures risks* Transactions in futures carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the investor. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. *Options risks* Transactions in options also carry a high degree of risk. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment, the risk may be reduced.
Collateral Management and Re-investment of Cash Collateral Risk	Where the Target Fund enters into an OTC derivative transaction, collateral may be received from or provided to the relevant counterparty. As of the date of the Target Fund Prospectus, the Target Fund may receive both non-cash or cash collateral but cash collateral will not be re-invested. In the event the Target Fund re-invests cash collateral in future, the Target Fund will be exposed to the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested. Notwithstanding that the Target Fund may accept non-cash collateral which is highly liquid, the Target Fund is subject to the risk that it will be unable to liquidate

	RISKS OF THE TARGET FUND
	collateral provided to it to cover a counterparty default. The Target Fund is also subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Where collateral is provided by the Target Fund to the relevant counterparty, in the event of the insolvency of the counterparty, the Target Fund may become subject to the risk that it may not receive the return of its collateral or that the collateral may take some time to return if the collateral becomes available to the creditors of the relevant counterparty.
Concentration Risk	The Target Fund’s investment may be concentrated in specific industry sectors, instruments, geographical location etc. The value of the Target Fund may be more volatile than that of a sub-fund having a more diverse portfolio of investments. In relation to the geographical concentration, the value of the Target Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the specific geographical market.
Emerging and Less Developed Markets Securities Risk	Emerging or developing markets may have relatively unstable governments, economies based on a less diversified industrial base and Securities Markets that trade a smaller number of securities. Companies in emerging markets may generally be smaller, less experienced and more recently organized than many companies in more developed markets. Prices of securities traded in the Securities Markets of emerging or developing countries/regions tend to be volatile. Furthermore, foreign investors are often subject to restrictions in emerging or developing markets. These restrictions may require, among other things, governmental approval prior to making investments or repatriating income or capital, or may impose limits on the amount or type of securities held by foreigners or on the companies in which the foreigners may invest. The economies of individual emerging markets may differ favourably or unfavourably from developed economies in such respects as growth of gross domestic product, rates of inflation, currency depreciation, capital reinvestment, resource self-sufficiency and balance of payment position and may be based on a substantially less diversified industrial base. Further, the economies of developing markets generally are heavily dependent upon international trade and, accordingly, have been, and may continue to be, adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries/regions with which they trade. These economies also have been, and may continue to be, adversely affected by economic conditions in the countries/regions with which they trade. Risks of emerging market securities may include: greater social, economic and political uncertainty and instability; greater settlement and custody risks; more substantial governmental involvement in the economy; less governmental supervision and regulation; unavailability of currency hedging techniques; companies that are newly organized and small; differences in auditing and financial reporting standards, which may result in unavailability of material information about issuers; and less developed legal systems. In addition taxation of interest and dividend and capital gains received by non-residents varies among emerging and less developed markets and, in some cases may be comparatively high. There may also be less well-defined tax laws and procedures and such laws may permit retroactive taxation so that the Target Fund could in the future become subject to local tax liabilities that had not been anticipated in conducting investment activities or valuing assets.
Mainland China Market Risk	Investing in the Mainland China market is subject to the risks of investing in emerging markets generally and the risks specific to the Mainland China market. Since 1978, the Chinese government has implemented economic reform measures which emphasise decentralisation and the utilisation of market forces in the

	RISKS OF THE TARGET FUND
	development of the Mainland Chinese economy. Such reforms have resulted in significant economic growth and social progress. However, many of the economic measures are experimental or unprecedented and may be subject to adjustment and modification. Any significant change in Mainland China's political, social or economic policies may have a negative impact on investments in the Mainland China market. The Mainland Chinese government's macro-economic policies and controls will have significant influence over the capital markets in Mainland China. Changes in fiscal policies, such as interest rates policies, may have an adverse impact on the pricing of debt instruments, and thus the return of the Target Fund.
RMB Currency Risk	Starting from 2005, the exchange rate of the RMB is no longer pegged to the USD. The RMB has now moved to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market would be allowed to float within a narrow band around the central parity published by the PBOC. As the exchange rates are based primarily on market forces, the exchange rates for RMB against other currencies, including USD and HKD, are susceptible to movements based on external factors. It should be noted that the RMB is currently not a freely convertible currency as it is subject to foreign exchange control policies and restrictions of the Chinese government. Trading in the RMB may be subject to possible delay in the settlement process. The possibility that the appreciation of RMB will be accelerated cannot be excluded. On the other hand, there can be no assurance that the RMB will not be subject to devaluation. Although the base currency of the Target Fund is not in RMB, the Target Fund may invest in RMB denominated investments. Any devaluation of the RMB could adversely affect the value of investors' investments in the Target Fund (as measured in terms of the base currency of the Target Fund).
Mainland China Tax Risk	Various tax reform policies have been implemented by the Mainland Chinese government in recent years, and existing tax laws and regulations may be revised or amended in the future (including abolishing, revising or amending tax exemptions currently offered to foreign institutional investors). There is a possibility that the current tax laws, regulations and practice in Mainland China will be changed with retrospective effect in the future and any such change may have an adverse effect on the net asset value of the Target Fund. In view of the details set out in the section of "Taxes on the Fund/Sub-Funds" in the Target Fund Prospectus, the Target Fund Manager, after taking professional tax advice, has decided to make provision for tax as follows:- • the Target Fund will make a Corporate Income Tax ("CIT") provision of 10% on interest from its investments in debt securities issued by Mainland China tax resident enterprises, if it was not withheld at source nor borne by the bond issuers (except (i) interests from investments in Mainland China onshore bonds received during the Tax Exempt Period and (ii) interest from Mainland China government bonds and local government bonds); • the Target Fund will not withhold any amount of realised or unrealised capital gains derived from the disposal of or investment in Mainland China debt securities; • the Target Fund will not withhold any amount for interest derived from bank deposits in Mainland China as CIT provision because CIT is withheld at source; • the Target Fund will not withhold (or will not request the issuers of equity linked notes and other similar equity linked securities and instruments (collectively referred to as "ELN") to withhold) any amount of realised or unrealised gains on its investments in ELNs as tax provisions;

	RISKS OF THE TARGET FUND
	• the Target Fund will not withhold any amount of realised or unrealised gains on its investments in China A-shares through the Stock Connect as tax provisions; and • the Target Fund will make a VAT provision at 6% plus surcharge (if applicable) on interest from its investment in the relevant bonds provided that such VAT is not borne by the bond issuers (except (i) interests from investments in Mainland China onshore bonds received during the Tax Exempt Period and (ii) interest from Mainland China government bonds and local government bonds).
China Interbank Bond Market Risk	The Target Fund may invest in bonds traded on the CIBM via the CIBM Initiative and/or the Bond Connect and/or other means as may be permitted by the relevant regulations from time to time. *Overview of the CIBM Initiative* Since February 2016, PBOC has permitted foreign institutional investors to invest in CIBM Initiative subject to meeting any other rules and regulations as promulgated by Mainland China authorities, i.e., the PBOC and the SAFE. As at the date of the Target Fund Prospectus, the rules and regulations that the Target Fund must abide by include: • Appointing an onshore settlement agent who will be responsible for making relevant filings and account opening with relevant authorities. • Generally only repatriating cash out of the Mainland China in a currency ratio approximately proportionate to the currency ratio of remitted cash into the Mainland China. There are currently no quota restrictions. Such rules and regulations may be amended from time to time. *Overview of the Bond Connect* Since July 2017, Bond Connect was established by China Foreign Exchange Trade System and National Interbank Funding Centre (“CFETS”) and Hong Kong Exchanges and Clearing Limited (amongst others). Bond Connect is governed by rules and regulations as promulgated by Mainland China authorities. As at the date of the Target Fund Prospectus, the rules and regulations that the Target Fund must abide by include: • Appointing CFETS or other institutions recognised by the PBOC as registration agents to apply for registration with the PBOC. • Transacting via an offshore custody agent recognised by the Hong Kong Monetary Authority (currently, the Central Moneymarkets Unit). There are currently no quota restrictions. Such rules and regulations may be amended from time to time. Trading through Bond Connect is performed through newly developed trading platforms and operational systems. There is no assurance that such systems will function properly or will continue to be adapted to changes and developments in the market. In the event that the relevant systems fails to function properly, trading through Bond Connect may be disrupted. The Target Fund’s ability to trade through Bond Connect (and hence to pursue its investment strategy) may therefore be adversely affected. In addition, where the Target Fund invests in the CIBM through Bond Connect, it may be subject to risks of delays inherent in the order placing and/or settlement systems. *Risks associated with investing in the CIBM* Market volatility and potential lack of liquidity due to low trading volume of certain debt securities in the CIBM may result in prices of certain debt securities traded on such market fluctuating significantly. The Target Fund investing in such market is therefore subject to liquidity and volatility risks. The bid and offer spreads of the prices of such securities may be large, and the Target Fund may therefore incur

	RISKS OF THE TARGET FUND
	significant trading and realisation costs and may even suffer losses when selling such investments. To the extent that the Target Fund transacts in the CIBM, the Target Fund may also be exposed to risks associated with settlement procedures and default of counterparties. There are various transaction settlement methods in the CIBM, such as the delivery of security by the counterparty after receipt of payment by the Target Fund; payment by the Target Fund after delivery of security by the counterparty, or simultaneous delivery of security and payment by each party. Although the Investment Adviser may endeavour to negotiate terms which are favourable to the Target Fund (e.g. requiring simultaneous delivery of security and payment), there is no assurance that settlement risks can be eliminated. The counterparty which has entered into a transaction with the Target Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value. For investments via the CIBM Initiative, since trading is via an onshore settlement agent, the Target Fund is subject to counterparty risks of the onshore settlement agent. For investments via either the CIBM Initiative or Bond Connect, since relevant filings, registration with PBOC and account opening has to be carried out by other third parties (e.g. settlement agent, offshore custody agent, registration agent, etc) then the Target Fund is subject to the risks of errors on their part. In addition, the CIBM is also subject to regulatory risks and the relevant rules and regulations on investment in the CIBM is subject to change which may have potential retrospective effect. In the event that the relevant Chinese authorities suspend account opening or trading on the CIBM, the Target Fund's ability to invest in the CIBM will be limited and, after exhausting other trading alternatives, the Target Fund may suffer substantial losses as a result.
Convertible Bonds Risk	Convertible bonds are a hybrid between debt and equity which give an investor an option to exchange the bond for a pre-determined number of shares at a given price and a specified future date. As such, convertibles will be exposed to equity movement and greater volatility than straight bond investments. Convertible bonds are subject to risks which typically apply to bonds including interest rate risk, credit risk, liquidity risk and prepayment risk associated with comparable straight bond investments. The value of convertible bonds tends to decline as interest rates increase and increase as interest rates decline. If the credit quality of the convertible bonds deteriorates or the issuer of the convertible bonds defaults, the performance of the Target Fund will be adversely affected. On the other hand, the prices of convertible bonds will be affected by the changes in the price of the underlying equity securities which, in turn, may have an unfavourable impact on the net asset value of the Target Fund.
"Dim Sum" Bond Risk	Dim Sum bonds are bonds issued outside Mainland China but denominated in RMB. The Dim Sum bond market is still a relatively small market which is more susceptible to volatility and illiquidity. The operation of the Dim Sum bond market as well as new issuances could be disrupted causing a fall in the net asset value of the Target Fund should there be any promulgation of new rules which limit or restrict the ability of issuers to raise RMB by way of bond issuances and/or reversal or suspension of the liberalization of the offshore RMB market by the relevant regulator(s).
Urban Investment Bonds Risk	The Target Fund may invest in bonds issued by Mainland China local government financing vehicles (LGFVs), i.e. also known as "Urban Investment Bonds". This may subject the Target Fund to additional risks. In view of limitations on directly raising funds, local governments in Mainland China have set up numerous entities known as "Local Government Financing

	RISKS OF THE TARGET FUND
	Vehicles" (LGFVs) to borrow and fund local development, public welfare investment and infrastructure projects. LGFV bonds have grown rapidly in size in recent years and have become a significant bond sector in Mainland China. Many LGFVs invest in urban development projects which involve substantial initial investment through high financial leverage and this causes cash flow mismatch for the LGFVs. In such cases LGFVs may not be able to service debts solely through their own operating revenue, and local governments may need to offer financial subsidies to the LGFVs to ensure on-going debt-servicing. However, a LGFV may not be able to get adequate subsidies from its local government (for example in regions of low local revenue and heavy debt burden) and its local government is not obligated to subsidise the LGFV. In some cases LGFVs will take on further borrowing to pay existing debts and this can result in liquidity risks if re-financing costs increase. Worsening financial conditions may lead to credit rating downgrade. Recent cases of downgrading have led to investor concerns that the financial conditions of some LGFVs may be deteriorating. Downgrading in turn leads to higher financing costs for the LGFVs, making it more difficult for the LGFVs to sustain their debts. Local governments may be seen to be closely connected to Urban Investment Bonds, as they are shareholders of the LGFVs issuing such bonds. However, Urban Investment Bonds are typically not guaranteed by the relevant local governments or the central government of Mainland China. As such, local governments or the central government of Mainland China are not obligated to support any LGFVs in default. The LGFVs' ability to repay debts depends on the financial condition of the LGFVs, and the extent to which the relevant local governments are prepared to support such LGFVs. However, slower revenue growth at some local governments may constrain their capacity to provide support, while regulatory constraints may also limit local governments' ability to inject land reserves into LGFVs. Further, local governments have taken on debt in various other forms, and recent analyses show that increased financing activities have posed a risk to local government finances. Although in some cases collateral such as land is provided, in case of default of a LGFV, it may be difficult for bond holders (such as the Target Fund) to enforce its right to the collateral. In most cases, collateral is not provided, and the bond holders will be fully exposed to the credit/insolvency risk of LGFVs as an unsecured creditor. In the event that the LGFVs default on payment of principal or interest of the Urban Investment Bonds, the Target Fund could suffer substantial loss and the net asset value of the Target Fund could be adversely affected. Though most LGFVs disclose basic financial information regularly (e.g. through audited annual report and credit rating report), timely disclosure of other relevant information, such as material asset allocation and capital injection, is still uncertain. Imperfect disclosure of financial information could lead to biased investment judgment, adding to the risks for investment in LGFV securities. Bonds issued by LGFVs normally have lower liquidity than other government issued fixed income instruments (such as central bank notes / bills and treasury bonds), and the Target Fund's investment in bonds issued by LGFVs is subject to liquidity risk as disclosed under "Liquidity Risk" below. LGFVs take on loans in a substantial amount from Mainland Chinese banks, and the total outstanding loans have risen rapidly in recent years. This has led the China Banking Regulatory Commission to require banks to limit their holdings of bonds sold by LGFVs. If LGFVs default on their repayment obligations, this may in turn pose a risk to the stability of the banking system in Mainland China. It was announced that the National Audit Office would start a nationwide assessment of government liabilities in order to address concerns about rising

	RISKS OF THE TARGET FUND
	debts from local development projects. However, there is no assurance that the extent of local government debts can be comprehensively and accurately assessed.
Risks Associated with Investments in Debt Instruments with Loss-Absorption Features	The Target Fund may invest in instruments with loss-absorption features which are subject to greater risks when compared to traditional debt instruments as such instruments typically include terms and conditions which may result in them being partly or wholly written off, written down, or converted to ordinary shares of the issuer upon the occurrence of a pre-defined trigger event (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level). Such trigger events are likely to be outside of the issuer's control and commonly include a reduction in the issuer's capital ratio below a specified level or upon specific government or regulatory action being taken as a result of the issuer's ongoing financial viability. Trigger events are complex and difficult to predict and can result in a significant or total reduction in the value of such instruments, giving rise to consequential loss of the Target Fund. In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. Debt instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk. For example, the Target Fund may invest in contingent convertible securities, which are hybrid capital securities that absorb losses when the capital of the issuer falls below a certain level. Upon the occurrence of a predetermined event (known as a trigger event), contingent convertible securities can be converted into shares of the issuing company, potentially at a discounted price, or the principal amount invested may be lost on a permanent or temporary basis. Contingent convertible securities are risky and highly complex instruments. Coupon payments on contingent convertible securities are discretionary and may at times also be ceased or deferred by the issuer. Trigger events can vary but these could include the capital ratio of the issuing company falling below a certain level, or the share price of the issuer falling to a particular level for a certain period of time. Contingent convertible securities are also subject to additional risks specific to their structure including: *i.* *Trigger level risk* Trigger levels differ and determine exposure to conversion risk. It might be difficult for the Investment Adviser to anticipate the trigger events that would require the debt to convert into equity or the write down to zero of principal investment and/or accrued interest. Trigger events may include: (i) a reduction in the issuing bank's Core Tier 1/ Common Equity Tier 1 (CT1/CET1) ratio or other ratios, (ii) a regulatory authority, at any time, making a subjective determination that an institution is "non-viable", i.e. a determination that the issuing bank requires public sector support in order to prevent the issuer from becoming insolvent, bankrupt or otherwise carry on its business and requiring or causing the conversion of the contingent convertible securities into equity or write down, in circumstances that are beyond the control of the issuer or (iii) a national/regional authority deciding to inject capital. *ii.* *Coupon cancellation risk* Coupon payments on some contingent convertible securities are entirely discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time. The discretionary cancellation of payments is not an event of default and there are no possibilities to require re-instatement of coupon payments or payment of any passed missed payments. Coupon payments may also be subject to approval by the issuer's regulator and may be suspended in the event there are insufficient distributable reserves. As a result of uncertainty surrounding coupon payments, contingent convertible

	RISKS OF THE TARGET FUND
	securities may be volatile and their price may decline rapidly in the event that coupon payments are suspended. iii. *Capital structure inversion risk* Contrary to the classic capital hierarchy, investors in contingent convertible securities may suffer a loss of capital when equity holders do not, for example when the loss absorption mechanism of a high trigger/ write down of a contingent convertible security is activated. This is contrary to the normal order of the capital structure where equity holders are expected to suffer the first loss. iv. *Call extension risk* Some contingent convertible securities are issued as perpetual instruments and only callable at pre-determined levels upon approval of the competent regulatory authority. It cannot be assumed that these perpetual contingent convertible securities will be called on a call date. Contingent convertible securities are a form of permanent capital. The investor may not receive return of principal as expected on call date or indeed at any date. v. *Conversion risk* Trigger levels differ between specific contingent convertible securities and determine exposure to conversion risk. It might be difficult at times for the Investment Adviser to assess how the contingent convertible securities will behave upon conversion. In case of conversion into equity, the Investment Adviser might be forced to sell these new equity shares since the investment policy of the Target Fund may not allow the holding of equity securities. Given the trigger event is likely to be some event depressing the value of the issuer's common equity, this forced sale may result in the Target Fund experiencing some loss. vi. *Valuation and write-down risk* Contingent convertible securities often offer attractive yield which may be viewed as a complexity premium. The value of contingent convertible securities may need to be reduced due to a higher risk of overvaluation of such asset class on the relevant eligible markets. Therefore, the Target Fund may lose its entire investment or may be required to accept cash or securities with a value less than its original investment. vii. *Market value fluctuations due to unpredictable factors* The value of contingent convertible securities is unpredictable and will be influenced by many factors including, without limitation (i) creditworthiness of the issuer and/or fluctuations in such issuer's applicable capital ratios; (ii) supply and demand for the contingent convertible securities; (iii) general market conditions and available liquidity and (iv) economic, financial and political events that affect the issuer, its particular market or the financial markets in general. viii. *Liquidity risk* Contingent convertible securities are relatively new instruments and the outstanding amount and trading volume of contingent convertible securities tend to be small. In certain circumstances finding a buyer ready to invest in contingent convertible securities may be difficult and the seller may have to accept a significant discount to the expected value of the bond in order to sell it. ix. *Sector concentration risk* Contingent convertible securities are issued by banking and insurance institutions. The performance of the Target Fund which invests significantly in contingent convertible securities will depend to a greater extent on the overall condition of the financial services industry than for the Target Fund following a more diversified strategy.

	RISKS OF THE TARGET FUND
	x. Subordinated instruments Contingent convertible securities will, in the majority of circumstances, be issued in the form of subordinated debt instruments in order to provide the appropriate regulatory capital treatment prior to a conversion. Accordingly, in the event of liquidation, dissolution or winding-up of an issuer prior to a conversion having occurred, the rights and claims of the holders of the contingent convertible securities, such as the Target Fund, against the issuer in respect of or arising under the terms of the contingent convertible securities shall generally rank junior to the claims of all holders of unsubordinated obligations of the issuer. *xi. Unknown risk* The structure of contingent convertible securities is innovative yet untested. In a stressed environment, when the underlying features of these instruments will be put to the test, it is uncertain how they will perform.
Sovereign Debt Risk	The Target Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Target Fund to participate in restructuring such debts. The Target Fund may suffer significant losses when there is a default of sovereign debt issuers. In addition, the Target Fund may invest in securities issued or guaranteed by the government of a country with a sovereign credit rating below investment grade. The performance and value of the Target Fund could deteriorate should there be any adverse credit events in the sovereign and this impact may be particularly strong if a downgrade of the sovereign credit rating or a default or bankruptcy of a sovereign occurs.
Collateralised and/or Securitised Products Risk (such as asset-backed securities and mortgage-backed securities)	In general, asset-backed securities including asset-backed commercial papers (ABS) and mortgage-backed securities (MBS) are debt securities with interest and capital payments backed by a pool of financial assets such as mortgages and loans, with collateral backing often provided by physical assets such as residential or commercial property. Consequently, holders of ABS (such as the Target Fund) must rely solely on distributions on the underlying assets or proceeds thereof for payment. Investment in ABS and MBS is subject to greater credit risk and interest rate risk compared to other debt securities due to, for example, a debtor's or obligor's default in paying the loan or other debt obligations constituting the underlying assets. If distributions on the underlying assets are insufficient to make payments on the ABS and MBS, no other assets will be available for payment of the deficiency and following realisation of the underlying assets, and the obligations of the issuer of the related security to pay such deficiency will be extinguished. In addition, ABS and MBS are often exposed to extension and prepayment risks and risks that the payment obligations relating to the underlying assets are not met, which may adversely impact the returns of the securities. Underlying assets are usually illiquid and private in nature and are subject to risks including those relating to their liquidity and market value. Prices of ABS and MBS are volatile and will generally fluctuate due to a variety of factors that are difficult to predict, including but not limited to changes in interest rates, prevailing credit spreads, general economic conditions, and the financial condition of the debtors or obligors of the underlying assets. The Target Fund will be subject to fluctuations in its value insofar as investment is made in ABS and MBS.

DEALING INFORMATION

You are advised NOT to make payment in cash to any individual agent when purchasing Units of the Fund.

If you intend to invest in a Class other than MYR Class and MYR Hedged-class, you are required to have a foreign currency account with any Financial Institution as all transactions relating to any foreign currency will ONLY be made via telegraphic transfers.

WHO IS ELIGIBLE TO INVEST?

- You must be at least eighteen (18) years old and a Sophisticated Investor in order to invest in this Fund. Please refer to the "Glossary" chapter of this Information Memorandum for the definition of "Sophisticated Investor".
- Please note that if you are a US Person, you are not eligible to subscribe to the Units of the Fund. If we become aware that you are a US Person who holds Units of the Fund, we will issue a notice requiring you to:-
  - redeem your Units; or
  - transfer your Units to a non-US Person,

  within thirty (30) days from the date of the said notice.

HOW TO PURCHASE UNITS?

- You may submit the purchase request by completing an application form and returning it to us between 8.45 a.m. to 3.30 p.m. on a Business Day.
- You are required to provide us with the following completed forms and documents. However, we reserve the right to request for additional documentations before we process the purchase application.

Individual or Jointholder	Corporation
• Account opening form; • Suitability assessment form; • Personal data protection notice form; • Client acknowledgement form; • A copy of identity card or passport or any other document of identification; and • Foreign Account Tax Compliance Act ("FATCA") and Common Reporting Standard ("CRS") Self-certification Form.	• Account opening form; • Suitability assessment form; • Personal data protection notice form; • Certified true copy of memorandum and articles of association*; • Certified true copy of certificate of incorporation*; • Certified true copy of form 24 and form 49*; • Certified true copy of form 8, 9, 13, 20 and 44 (where applicable)*; • Latest audited financial statement; • Board resolution relating to the investment; • A list of the authorised signatories; • Specimen signatures of the respective signatories; and • Foreign Account Tax Compliance Act ("FATCA") and Common Reporting Standard ("CRS") Self-certification Form. ** or any other equivalent documentation issued by the authorities.*

HOW TO MAKE PAYMENT FOR PURCHASE APPLICATION?

- You may transfer the purchase payment into our bank account via telegraphic transfer or online transfer, and include your name in the transaction description for our reference. Payment must be made in the currency of the Class which you intend to invest into. You may obtain our bank account details from our online download center at www.aham.com.my.

  Bank charges or other bank fees, if any, will be borne by you.

WHAT IS THE PROCESS OF THE PURCHASE APPLICATION?

- If we receive your purchase application at or before 3.30 p.m. on a Business Day (or "T day"), the Units will be created in the following manner:

USD Class, MYR Hedged-class, SGD Hedged-class and AUD Hedged-class	Based on the NAV per Unit of a Class for that Business Day.
MYR Class	Based on the initial offer price of a Class during the initial offer period and thereafter, NAV per Unit of a Class for that Business Day.

- Any purchase request received or deemed to have been received by us after 3.30 p.m. will be transacted on the next Business Day (or "T + 1 day"), unless a prior arrangement is made to our satisfaction.
- Sale of Units will be honoured upon receipt of a complete set of documents together with the proof of payments.

HOW TO REPURCHASE UNITS?

- It is important to note that, you must meet the minimum holding of Units for a particular Class after a repurchase transaction.

  If you insist on making a repurchase request knowing that after the transaction you will hold less than the minimum holding of Units for that particular Class, we may withdraw all your holding of Units for that particular Class and pay the proceeds to you.

  We may, with the consent of the Trustee, reserve the right to defer your repurchase request if such transaction would adversely affect the Fund or the interest of the Unit Holders.

- You may submit the repurchase request by completing a transaction form and returning it to us between 8.45 a.m. to 3.30 p.m. on a Business Day.
- Payment of the repurchase proceeds will be made via bank transfer where proceeds will be transferred to your bank account. Where Units are held jointly, payment will be made to the person whose name appears first in the register of Unit Holders.
- Bank charges or other bank fees, if any, will be borne by us.

WHAT IS THE PROCESS OF REPURCHASE APPLICATION?

- For a repurchase request received or deemed to have been received by us at or before 3.30 p.m. on a Business Day (or "T day"), the Units will be repurchased in the following manner:

USD Class, MYR Hedged-class, SGD Hedged-class and AUD Hedged-class	Based on the NAV per Unit of a Class for that Business Day.
MYR Class	Based on the initial offer price of a Class during the initial offer period and thereafter, NAV per Unit of a Class for that Business Day.

  Any repurchase request received after 3.30 p.m. will be transacted on the next Business Day (or "T + 1 day").

- Processing is subject to receipt of a complete transaction form and such other documents as may be required by us.

WHAT IS THE REPURCHASE PROCEEDS PAYOUT PERIOD?

- You will be paid within ten (10) Business Days from the day the repurchase request is received by us, provided that all documentations are completed and verifiable ("Payment Period"). Please note that such Payment Period may be extended in the event of a temporarily suspension of dealing in Units or the calculation of the net asset value of the Target Fund and/or its class of units is deferred or the payment period of the Target Fund is extended.

WHAT IS THE PRICING OF UNITS?

- During the initial offer period, the Selling Price and Repurchase Price for all Classes are equivalent to the initial offer price of the Class. After the initial offer period, Forward Pricing will be used to determine the Selling Price and the Repurchase Price of the respective Class, i.e. the NAV per Unit of each Class as at the next valuation point after we receive the purchase request or repurchase request.
- Any applicable Sales Charge and Repurchase Charge are payable separately from the Selling Price and Repurchase Price.

WHERE TO PURCHASE AND REPURCHASE UNITS?

- Units can be purchased and repurchased at any of the location listed in the "Directory of Sales Offices" section of this Information Memorandum or with our authorised distributors.

  You may obtain a copy of this Information Memorandum, the product highlights sheet and application forms from the abovementioned location. Alternatively, you may also visit our website at www.aham.com.my.

WHAT IS COOLING-OFF RIGHT?

- You have the right to apply for and receive a refund for every Unit that you have paid for within six (6) Business Days from the date we received your purchase application.
- You will be refunded for every Unit held based on the prices mentioned below and the Sales Charge of the particular Class imposed on the day those Units were purchased.
  - (i) If the price of a Unit on the day the Units were first purchased ("original price") is higher than the price of a Unit at the point of exercise of the cooling-off right ("market price"), you will be refunded based on the market price at the point of cooling-off; or
  - (ii) If the market price is higher than the original price, you will be refunded based on the original price at the point of cooling-off.
- You will be refunded within ten (10) Business Days from our receipt of the cooling-off application.

  Please note that the cooling-off right is applicable to you if you are an individual investor and are investing in any of our funds for the first time. However, if you are a staff of AHAM or a person registered with a body approved by the SC to deal in unit trust funds, you are not entitled to this right.

WHAT IS THE PROCESS OF COOLING-OFF APPLICATION?

- We will process your cooling-off request if your request is received or deemed to have been received by us at or before 3.30 p.m. on a Business Day (or "T day"). Any cooling-off request received after 3.30 p.m. will be transacted on the next Business Day (or "T+1 day").

  Processing is subject to receipt of a complete transaction form and such other documents as may be required by us.

WHAT ARE THE SWITCHING OPTIONS?

You are able to switch:

- between Classes; or
- into any of our funds (or its classes), provided that the fund (or its class) is denominated in the same currency as the Class that you intend to switch out of, and it is subject to the terms and conditions applicable for the respective funds.

However, you must meet the minimum holding of Units requirements of the Class that you switched out from and the minimum investment amount of the fund (or its class) that you intend to switch into.

You are also to note that we reserve the right to reject any switching requests that are regarded as disruptive to efficient portfolio management, or requests that we deem to be contrary to the best interests of the Fund and/or the existing Unit Holders of a particular Class.

The process of the switching application is as below:

- **Switching between Classes of the Fund**

  You must complete a switching transaction form and submit it to us together with relevant supporting documents, if any. If we receive your switching request at or before the cut-off time of 3.30 p.m. on a Business Day, we will process it using the NAV per Unit of a Class for that Business Day (or "T Day"). If we receive your switching request after 3.30 p.m., we will process it using the NAV per Unit of a Class calculated at the end of the next Business Day (or "T + 1 Day").

➢ **Switching from the Classes of this Fund into other funds (or its class) managed by AHAM**

You must complete a switching transaction form and submit it to us at or before the cut-off time of 3.30 p.m. on a Business Day (or "T Day") together with relevant supporting documents, if any. If we receive your switching request after 3.30 p.m., we will process your request on the next Business Day (or "T + 1 Day").

You should note that the pricing day of a fund (or its class) may not be on the same day as when we receive your switching application. Please see below the pricing policy of switching for all our funds:

Switching Out Fund	**Switching In Fund**	**Pricing Day**	
		Switching Out Fund	**Switching In Fund**
Money market fund	Non-money market fund	T Day	T Day
Non-money market fund	Non-money market fund		
Money market fund	Money market fund	T Day	T + 1 Day
Non-money market fund	Money market fund	T Day	At the next valuation point, subject to clearance of payment and money received by the intended fund

CAN I TRANSFER MY UNITS TO ANOTHER PERSON?

➢ You are allowed to transfer your Units, whether fully or partially, to another person by completing the transfer transaction form and returning it to us on a Business Day. The transfer must be made in terms of Units and not in terms of USD, MYR, SGD or AUD value. There is no minimum amount of Units required to effect a transfer except that the transferor and transferee must hold the minimum holding of Units to remain as a Unit Holder of a Class.

➢ It is important to note that we are at liberty to disregard or refuse to process the transfer application if the processing of such instruction will be in contravention of any law or regulatory requirements, whether or not having the force of law and/or would expose us to any liability.

➢ Please note that the person who is in receipt of the Units must be a Sophisticated Investor as well.

DISTRIBUTION POLICY

➢ Subject to the availability of income, the Fund endeavours to distribute income on a monthly basis, after the end of its first financial year.

➢ At our discretion, the Fund may distribute (1) realised income, (2) realised capital gains (3) unrealised income, (4) unrealised capital gains, (5) capital or (6) a combination of any of the above. The rationale for distribution out of capital is to allow the Fund the ability to distribute income on a regular basis in accordance with the income distribution policy of the Fund.

Having the option to tap into the additional sources of income from (3) unrealised income, (4) unrealised capital gains and/or (5) capital (collectively known as "distribution out of capital") would give the Manager the flexibility to increase the amount of income distributable to Unit Holders after taking the distribution out of capital risk into consideration.

Distribution out of capital has a risk of eroding the capital of the Fund. Payment of distribution out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distribution involving any payment out of capital of the Fund will result in an immediate reduction of the NAV per Unit. As a result, the value of future returns would be diminished.

➢ Income distribution, if any, will be paid out in the currencies in which the Classes are denominated. You may elect the mode of distribution in cash payment or additional Units by way of reinvestment by ticking the appropriate column in the application form. You may also inform us, at any time before the income distribution date of your wish of receiving cash payment or additional Units via reinvestment. All distribution will be automatically reinvested into additional Units if you do not select the mode of distribution in the application form.

Any distribution payable which is less than or equal to the amount of USD/MYR/SGD/AUD 300.00 would be automatically reinvested.

Cash Payment Process

Income distribution by way of cash payment will be paid via telegraphic transfer. Income will be transferred to your bank account within seven (7) Business Days after the distribution date.

Reinvestment Process

We will create the Units based on the NAV per Unit of the Class at the income payment date which is within two (2) Business Days after the distribution date. There will not be any cost for reinvestments of those additional Units, i.e. no Sales Charge will be imposed on such reinvestment.

SUSPENSION OF DEALING IN UNITS

The Manager may, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the dealing in Units due to exceptional circumstances or such other circumstances as may be determined by the Manager, where there is good and sufficient reason to do so. The Manager will cease the suspension as soon as practicable after the exceptional circumstances have ceased, and in any event, within twenty-one (21) days from the commencement of suspension.

The period of suspension may be extended if the Manager satisfies the Trustee that it is in the best interest of the Unit Holders for the dealing in Units to remain suspended, subject to a weekly review by the Trustee.

The Trustee may suspend the dealing in Units, if the Trustee, on its own accord, considers that exceptional circumstances have been triggered. In such a case, the Trustee shall immediately call for a Unit Holders' meeting to decide on the next course of action.

RELATED PARTIES TO THE FUND

ABOUT THE MANAGER - AHAM

AHAM was incorporated in Malaysia on 2 May 1997 and began its operations under the name Hwang–DBS Capital Berhad in 2001. AHAM has more than 20 years' experience in the fund management industry. In 2022, AHAM's ultimate major shareholder is CVC Capital Partners Asia Fund V, a private equity fund managed by CVC Capital Partners ("CVC"), which has approximately 68.35% controlling interest in AHAM. CVC is a global private equity and investment advisory firm with approximately USD125 billion of assets under its management. AHAM is also 20% owned by Nikko Asset Management Co. Ltd., a Tokyo-based asset management company, and 7% owned by Lembaga Tabung Angkatan Tentera.

Our Role as the Manager

We are responsible for the investment management and marketing of the Fund; servicing Unit Holders' needs; keeping proper administrative records of Unit Holders and the Fund; ensuring compliance with stringent internal procedures and guidelines of relevant authorities.

Our Investment Team

Our investment team comprises a group of portfolio managers who possess the necessary expertise and experience to undertake the fund management of our unit trust funds. The investment team will meet at least once a week or more should the need arise. The designated fund manager of the Fund is Ms. Esther Teo and you may obtain her profile from our website at www.aham.com.my.

ABOUT THE TRUSTEE - HSBC (MALAYSIA) TRUSTEE BERHAD

HSBC (Malaysia) Trustee Berhad (Registration No.: 193701000084 (1281-T)) (the "Trustee") is a company incorporated in Malaysia since 1937 and registered as a trust company under the Trust Companies Act 1949, with its registered address at Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur.

Experience in Trustee Business

Since 1993, the Trustee has acquired experience in the administration of unit trusts and has been appointed as trustee for unit trust funds, exchange -traded funds, wholesale funds and funds under private retirement scheme.

Duties and Responsibilities of the Trustee

The Trustee's main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit Holders. In performing these functions and duties, the Trustee has to exercise all due care and vigilance and is required to act in accordance with the provisions of the Deed, all relevant laws and the Guidelines. Apart from being the legal owner of the Fund's assets, the Trustee is also responsible for ensuring that the Manager performs its duties and obligations in accordance with the provisions of the Deed, all relevant laws and the Guidelines.

In respect of monies paid by an investor for the application of Units, the Trustee's responsibility arises when the monies are received in the relevant account of the Trustee for the Fund and in respect of redemption, the Trustee's responsibility is discharged once it has paid the redemption amount to the Manager. The Trustee is not liable for the acts, omissions or failure of any third party depository including central securities depositories or clearing and/or settlement systems in any circumstances. Subject to any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unit Holder or enter into any contract or transaction with each other, the Fund or any Unit Holder or retain for its own benefit any profits or benefits derived from any such contract or transaction or act in the same or similar capacity in relation to any other scheme.

Trustee's Delegate

The Trustee has appointed the Hongkong and Shanghai Banking Corporation Ltd as custodian of both the local and foreign assets of the Fund. For quoted and unquoted local investments of the Fund, the assets are held through HSBC Nominees (Tempatan) Sdn Bhd and/or HSBC Bank Malaysia Berhad. The Hongkong and Shanghai Banking Corporation Ltd is a wholly owned subsidiary of HSBC Holdings Plc, the holding company of the HSBC Group. The custodian's comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing. All investments are registered in the name of the Trustee or to the order of the Trustee. The custodian acts only in accordance with instructions from the Trustee.

The Trustee shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.

However, the Trustee is not liable for the acts, omissions or failure of third party depository such as central securities depositories, or clearing and/or settlement systems and/or authorised depository institutions, where the law or regulation of the relevant jurisdiction requires the Trustee to deal or hold any asset of the Fund through such third parties.

Particulars of the Trustee’s delegate
For foreign asset:
The Hongkong and Shanghai Banking Corporation Limited (as global custodian)
6/F, Tower 1, HSBC Centre, 1 Sham Mong Road, Hong Kong
Telephone No: (852)2288 1111

For local asset:
The Hongkong and Shanghai Banking Corporation Limited (as sub-custodian) and assets held through HSBC Nominees (Tempatan) Sdn Bhd
(Registration No.: 199301004117 (258854-D))
Level 21, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur, Malaysia
Telephone No: (603)2075 3000 Fax No: (603)8894 2588

The Hongkong and Shanghai Banking Corporation Limited (as sub-custodian) and assets held through HSBC Bank Malaysia Berhad (Registration No.: 198401015221 (127776-V))
Level 21, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur, Malaysia
Telephone No: (603)2075 3000 Fax No: (603)8894 2588

Related Party Transactions

As the trustee and service provider for the Fund, there may be related party transactions involving or in connection with the Fund in the following events:

1) where the Fund invests in instrument(s) offered by the related party of the Trustee (e.g. placement of monies, transferable securities etc);
2) where the Fund is being distributed by the related party of the Trustee as institutional unit trust scheme adviser;
3) where the assets of the Fund are being custodised by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (i.e. Trustee’s delegate); and
4) where the Fund obtains financing as permitted under the SC’s guidelines, from the related party of the Trustee.

The Trustee has in place policies and procedures to deal with any conflict-of-interest situation. The Trustee will not make improper use of its position as the owner of the Fund's assets to gain, directly or indirectly, any advantage or cause detriment to the interests of Unit Holders. Any related party transaction is to be made on terms which are best available to the Fund and which are not less favourable to the Fund than an arms-length transaction between independent parties.

Subject to any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unit Holder or enter into any contract or transaction with each other, the Fund or any Unit Holder or retain for its own benefit any profits or benefits derived from any such contract or transaction or act in the same or similar capacity in relation to any other scheme.

Anti-money Laundering Provisions

The Trustee has in place policies and procedures across the HSBC Group, which may exceed local regulations. Subject to any local regulations, the Trustee shall not be liable for any loss resulting from compliance of such policies, except in the case of negligence, wilful default or fraud of the Trustee.

Statement of Disclaimer

The Trustee is not liable for doing or failing to do any act for the purpose of complying with law, regulation or court orders.

Consent to Disclosure

The Trustee shall be entitled to process, transfer, release and disclose from time to time any information relating to the Fund, Manager and Unit Holders for purposes of performing its duties and obligations in accordance to the Deed, the Act, Guidelines and any other legal and/or regulatory obligations such as conducting financial crime risk management, to the Trustee's parent company, subsidiaries, associate companies, affiliates, delegates, service providers, agents and any governing or regulatory authority, whether within or outside Malaysia (who may also subsequently process, transfer, release and disclose such information for any of the above mentioned purposes) on the basis that the recipients shall continue to maintain the confidentiality of information disclosed, as required by law, regulation or directive, or in relation to any legal action, or to any court, regulatory agency, government body or authority.

RELEVANT INFORMATION

SALIENT TERMS OF THE DEED

Your Rights and Liabilities

You have the right, among others, to the following:-

(a) To receive the distribution of income and/or capital (if any), to participate in any increase in the value of the Units and to enjoy such other rights and privileges as are provided for in the Deed;

(b) To call for Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through a Special Resolution; and

(c) To receive quarterly and annual reports.

However, you would not have the right to require the transfer to you of any of the assets of the Fund. Neither would you have the right to interfere with or question the exercise by the Trustee or the Manager on the Trustee's behalf, of the rights of the Trustee as the registered owner of such assets.

You are not liable to the following:-

(a) For any amount in excess of the purchase price paid for the Units as determined pursuant to the Deed at the time the Units were purchased and any charges payable in relation thereto; or

(b) For any obligation to indemnify the Trustee and/or the Manager in the event that the liabilities incurred by the Trustee and the Manager in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the assets of the Fund, and any right of indemnity of the Trustee and/or the Manager shall be limited to recourse to the Fund.

Provisions Regarding Unit Holders' Meetings

Quorum Required for Convening a Unit Holders' Meeting

(a) The quorum required for a meeting of the Unit Holders of the Fund or a Class, as the case may be, shall be five (5) Unit Holders (irrespective of the Class), whether present in person or by proxy; however, if the Fund or a Class, as the case may be, has five (5) or less Unit Holders (irrespective of the Class), the quorum required for a meeting of the Unit Holders of the Fund or a Class, as the case may be, shall be two (2) Unit Holders (irrespective of the Class), whether present in person or by proxy.

(b) If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty-five per centum (25%) of the Units in Circulation (irrespective of the Class) of the Fund or a particular Class, as the case may be, at the time of the meeting.

(c) If the Fund or a Class, as the case may be, has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders of the Fund or a Class, as the case may be.

Unit Holders' Meeting convened by the Unit Holders

Unless otherwise required or allowed by the relevant laws, the Manager shall, within twenty-one (21) days of receiving a direction from not less than fifty (50) or one-tenth (1/10), whichever is less, of all the Unit Holders or the Unit Holders of a particular Class, as the case may be, summon a meeting of the Unit Holders or the Unit Holders of that Class by:

(a) sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders of the Fund or the Unit Holders of a particular Class, as the case may be, at the Unit Holders' last known address or, in the case of jointholders, to the jointholder whose name stands first in the records of the Manager at the jointholder's last known address; and

(b) publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

The Unit Holders may direct the Manager to summon a meeting for any purpose including, without limitation, for the purpose of:-

(a) requiring the retirement or removal of the Manager;

(b) requiring the retirement or removal of the Trustee;

(c) considering the most recent financial statements of the Fund; or

(d) giving to the Trustee such directions as the meeting thinks proper,

provided always that the Manager shall not be obliged to summon such a meeting unless a direction has been received from not less than fifty (50) or one-tenth (1/10), whichever is less, of all the Unit Holders or the Unit Holders of a particular Class.

Unit Holders' Meeting convened by the Manager

The Manager may for any purpose whatsoever summon a meeting of the Unit Holders by sending by post at least fourteen (14) days before the date of the proposed meeting, or such other time as may be prescribed by the relevant laws, a notice of the proposed meeting to all the Unit Holders. All such notices and advertisement to the Unit Holders shall specify the place, time and terms of the resolutions to be proposed.

Unit Holders' Meeting convened by the Trustee

The Trustee may summon a Unit Holders' meeting where:

(a) the Manager is in liquidation;

(b) in the opinion of the Trustee, the Manager has ceased to carry on business; or

(c) in the opinion of the Trustee, the Manager has, to the prejudice of Unit Holders, failed to comply with the Deed or contravened any of the provisions of the Act.

The Trustee may also summon a Unit Holders' meeting for any purpose including, without limitation, for the purpose of:

(a) requiring the retirement or removal of the Manager;

(b) giving instructions to the Trustee or the Manager if the Trustee considers that the investment management policies of the Manager are not in the interests of Unit Holders;

(c) securing the agreement of the Unit Holders to release the Trustee from any liability;

(d) deciding on the next course of action after the Trustee has suspended the sale and repurchase of Units pursuant to Clause 5.9.3 of the Deed; and

(e) deciding on the reasonableness of the annual management fee charged to the Fund or each Class.

Unless otherwise required or allowed by the relevant laws, a meeting of the Unit Holders summoned by the Trustee pursuant to the aforesaid shall be summoned by:

(a) sending by post at least twenty-one (21) days before the date of the proposed meeting a notice of the proposed meeting to each of the Unit Holders at the Unit Holder's last known address or, in the case of jointholders, to the jointholder whose name stands first in the records of the Manager at the jointholder's last known address; and

(b) publishing at least twenty-one (21) days before the date of the proposed meeting an advertisement giving notice of the meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

Termination of the Fund

The Fund may be terminated or wound up subject to a Special Resolution being passed at a Unit Holders' meeting to terminate or wind up the Fund.

The Manager may determine the trust created and wind up the Fund without having to obtain the prior approval of the Unit Holders upon the occurrence of any of the following events:

(a) if any new law shall be passed which renders it illegal; or

(b) if in the reasonable opinion of the Manager it is impracticable or inadvisable to continue the Fund and the termination of the Fund is in the best interests of the Unit Holders.

Notwithstanding the aforesaid, if the Fund is left with no Unit Holder, the Manager shall also be entitled to terminate the Fund.

Termination of a Class

The Manager may terminate a particular Class via the passing of a Special Resolution by the Unit Holders of such Class at a meeting of Unit Holders of such Class, and subject to and in accordance with the relevant laws. The Manager may only terminate a particular Class if the termination of that Class does not prejudice the interests of Unit Holders of any other Class. For the avoidance of doubt, the termination of a Class shall not affect the continuity of any other Class.

The Manager may terminate a particular Class without having to obtain the prior approval of the Unit Holders upon the occurrence of any of the following events:

(a) if any new law shall be passed which renders it illegal; or

(b) if in the reasonable opinion of the Manager it is impracticable or inadvisable to continue the Class and the termination of the Class is in the best interests of the Unit Holders.

Notwithstanding the aforesaid, if the Class is left with no Unit Holder, the Manager shall also be entitled to terminate the Class.

Procedures to be taken to increase the Fees and Charges from the current amount stipulated in this Information Memorandum

We may not charge a Sales Charge and/or Repurchase Charge (if any) at a rate higher than that disclosed in this Information Memorandum unless:-

(a) we have notified the Trustee in writing of the higher charge and the effective date for the higher charge; and

(b) a supplemental/replacement information memorandum in respect of the Fund setting out the higher charge is lodged and issued.

We or the Trustee may not charge an annual management fee and/or an annual trustee fee at a rate higher than that disclosed in this Information Memorandum unless:

(a) the Manager has come to an agreement with the Trustee on the higher rate;

(b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective; and

(c) a supplemental/replacement information memorandum stating the higher rate is lodged and issued thereafter.

INCORRECT PRICING

We will take immediate action to rectify any incorrect valuation and/or pricing of the Fund and/or the Units and to notify the Trustee and the SC of the same unless the Trustee considers the incorrect valuation and/or pricing of the Fund and/or the Units is of minimal significance.

The Trustee will not consider an incorrect valuation and/or pricing of the Fund and/or the Units to be of minimal significance if the error involves a discrepancy of 0.5% or more of the NAV per Unit attributable to a Class unless the total impact on your account of each Class is less than MYR 10.00 or in the case of a foreign currency Class, less than 10.00 denominated in the foreign currency denomination of the Class. An incorrect valuation and/or pricing not considered to be of minimal significance by the Trustee will result in reimbursement of moneys in the following manner:

	Reimbursement by:	Receiving parties:
Over valuation and/or pricing in relation to the purchase and creation of Units	Fund	Unit Holder
Over valuation and/or pricing in relation to the repurchase of Units	AHAM	Fund
Under valuation and/or pricing in relation to the purchase and creation of Units	AHAM	Fund
Under valuation and/or pricing in relation to the repurchase of Units	Fund	Unit Holder or former Unit Holder

FINANCING AND SECURITIES LENDING

The Fund is not permitted to borrow cash or other assets (including the borrowing of securities within the meaning of the SC's Securities Borrowing and Lending Guidelines [SBL Guidelines]) in connection with its activities.

Except for securities lending as provided under the SBL Guidelines, none of the cash or investments of the Fund may be lent. Further, the Fund may not assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.

UNCLAIMED MONIES

Any monies payable to you which remain unclaimed after twelve (12) months from the date of payment will be dealt as follows:-

(a) we may reinvest the unclaimed distribution proceeds provided that you still have an account with us; or

(b) we will pay to the Registrar of Unclaimed Monies in accordance with the requirements of the Unclaimed Moneys Act 1965.

INVESTORS INFORMATION

How can I keep track of my investments?

You may obtain the daily Fund price from our website at www.aham.com.my. As the Fund has exposure to investments in foreign jurisdiction, the daily prices are based on information available two (2) Business Days prior to publication.

We will provide you with an annual report and a quarterly report within two (2) months after the end of the financial period the report covers. In addition, we will also send you a monthly statement confirming the current Unit holdings and transactions relating to your Units.

Who should I contact if I need additional information of the Fund?

You can seek assistance from our customer service personnel at our toll free number 1-800-88-7080 between 8.45 a.m. to 5.30 p.m. on a Business Day. Alternatively, you can e-mail us at customercare@aham.com.my.

ANTI-MONEY LAUNDERING POLICIES AND PROCEDURES

Pursuant to the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLATFPUAA") and the SC's Guidelines on Prevention of Money Laundering and Terrorism Financing for Reporting Institutions in the Capital Market, it is our responsibility to prevent AHAM from being used for money laundering and terrorism financing activities. To this end, we have established an Anti-Money Laundering/Counter-Financing of Terrorism Framework (AML/CFT Framework) and put in place anti-money laundering process and procedures to combat such activities. This includes a robust due diligence process and procedures for client on-boarding (such as know-your-client procedures and customer due diligence) as well as ongoing monitoring of clients' transactions to detect any suspicious transactions.

To meet our regulatory obligations to verify the identity of our clients and to verify the source of funds, we may request for additional information from you. Information requested may include, but not limited to, supporting documents, documentary evidence to support information given and could extend to documents regarding identity of beneficial owners (if applicable). We reserve the right to reject an application to invest in the Fund should clients fail to provide the information required. Furthermore, where a particular transaction is deemed suspicious, we have an obligation under the AMLATFPUAA to notify the relevant authority of the transaction.

DIRECTORY OF SALES OFFICES

AHAM ASSET MANAGEMENT BERHAD:

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Ground Floor, Menara Boustead
69 Jalan Raja Chulan
50200 Kuala Lumpur
Tel : 03 – 2116 6000
Fax : 03 – 2116 6100
Toll Free No : 1-800-88-7080
Email: customercare@aham.com.my
Website: www.aham.com.my

PENANG
No.123, Jalan Macalister
10450 Georgetown, Penang
Toll Free No : 1800-888-377

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1, Persiaran Greentown 6
Greentown Business Centre
30450 Ipoh, Perak
Tel: 05 - 241 0668
Fax: 05 – 255 9696

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80000 Johor Bahru
Johor
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Fax : 07 – 223 8998

MELAKA
Ground Floor
No. 584 Jalan Merdeka
Taman Melaka Raya
75000 Melaka
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Fax : 082 – 233 663

1st Floor, Lot 1291
Jalan Melayu, MCLD
98000 Miri, Sarawak
Tel : 085 - 418 403
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Unit 1.09(a), Level 1, Plaza Shell
29, Jalan Tunku Abdul Rahman
88000 Kota Kinabalu, Sabah
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Fax : 088 - 288 803