

Information Memorandum

AHAM World Series - US Dollar Liquidity Fund

(Formerly known as Affin Hwang World Series - US Dollar Liquidity 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 – US Dollar Liquidity Fund was constituted on 18 February 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.

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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 Office & Business Address

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

Tel No. : (603) 2075 7800 Fax No. : (603) 8894 2611

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

ABBREVIATION

EU European Union.

FiMM Federation of Investment Managers Malaysia.

MYRMalaysian Ringgit.OTCOver-the-Counter.

SC Securities Commission Malaysia.

UCITS Undertaking Collective Investment in Transferable Securities.

UK United Kingdom.

US United States of America.
USD United States Dollar.

GLOSSARY

2010 Law Means the Luxembourg law of 17 December 2010 on undertakings for collective

investment, implementing UCITS IV Directive 2009/65/EC into the Luxembourg law.

Act Means the Capital Markets and Services Act 2007 as may be amended from time to

time.

Base Currency Means the currency in which the Fund is denominated i.e. USD.

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 that day is declared as a non-Dealing Day for

the Target Fund.

communiqué Refers to the notice issued by the Manager to the Unit Holders.

Company Refers to HSBC Global Liquidity Funds plc.

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 15 January 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.

Dealing Day Means any day which is not a Securities Industry and Financial Markets Association

closing day (excluding Saturday and Sunday).

Depositary Refers to The Bank of New York Mellon SA/NV, Dublin Branch.

Development Financial

Institution

Means a development financial institution under the Development Financial

Institutions Act 2002.

ESG Means environmental, social and governance factors which can be considered non-

financial performance indicators which include ethical, sustainable and corporate

government issues.

Financial Institution Means (1) if the institution is in Malaysia -Licensed Bank: (ii) Licensed Investment Bank; (iii) Development Financial Institution; or (iv) Licensed Islamic Bank; or 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. Means AHAM World Series – US Dollar Liquidity Fund (formerly known as Affin Hwang Fund World Series – US Dollar Liquidity Fund). 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. **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 this Fund as may be replaced or amended from time to time. **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. Manager or AHAM Means AHAM Asset Management Berhad. **Management Company** Refers to HSBC Investment Funds (Luxembourg) S.A., which has been appointed by the Company as its management company. **Member State** Means a member state of the EU. **Money Market Fund** Means a money market fund which may be either a Short Term Money Market Fund or a Standard Money Market Fund authorised in accordance with the requirements of the Money Market Fund Regulation. Money Market Fund Means Regulation (EU) 2017/1131 of the European Parliament and of the Council of Regulation 14 June 2017 on money market funds amended, supplemented, consolidated, superseded or otherwise modified from time to time. Moody's Refers to Moody's Investor Service Inc. 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. **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. **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. **Sales Charge** Means a charge imposed pursuant to a purchase request. **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.

SFDR

Means the EU Sustainable Finance Disclosure Regulation (2019/2088) on sustainability-related disclosures in the financial services sector as amended, supplemented, consolidated, superseded or otherwise modified from time to time.

short term

Means a period of less than 3 years.

Short Term Money Market

Means a Money Market Fund which invests in eligible money market instruments referred to in Article 10(1) of the Money Market Fund Regulation and is subject to the portfolio rules set out in Article 24 of the Money Market Fund Regulation.

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, "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 Corporation.

Standard Money Market

Fund

Means a Money Market Fund which invests in eligible money market instruments referred to in Article 10(1) and (2) of the Money Market Fund Regulation and is subject to the portfolio rules set out in Article 25 of the Money Market Fund Regulation.

Target Fund Refers to HSBC US Dollar Liquidity Fund.

Target Fund Manager Refers to HSBC Global Asset Management (USA) Inc.

Target Fund Prospectus Means the offering document of the Target Fund dated 30 November 2022, as may

be updated and amended from time to time.

Trustee Refers to HSBC (Malaysia) Trustee Berhad.

UCITS Regulations Means the European Communities (Undertakings for Collective Investment in

> Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) as amended, supplemented, consolidated, superseded or otherwise modified from time to time including the Central Bank UCITS Regulations and any condition that may from time to time be imposed or derogations granted thereunder by the Central Bank of Ireland.

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.

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.
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), a US corporation, US partnership, US trust or US estate for US federal income tax purposes.
Yield	Means in respect of shares of the Target Fund or a class thereof, the percentage amount representing the net income and gains attributable to a share of the Target Fund divided by the net asset value per share of the Target Fund as at the valuation point for the relevant Dealing Day in respect of such shares.

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

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ABOUT AHAM WORLD SERIES - US DOLLAR LIQUIDITY FUND

FUND CATEGORY : Feeder (Wholesale) BASE CURRENCY : USD

FUND TYPE : Income FINANCIAL YEAR END : 31 May

DISTRIBUTION POLICY Subject to the availability of income, the Fund endeavours to distribute income on

a monthly basis.

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 investors with a regular income stream and high level of liquidity to meet cash flow requirement whilst maintaining capital preservation.

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 with Financial Institutions.

We may substitute the Target Fund with another fund that has a similar 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 changes are made.

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 may employ derivatives for investment purposes to enhance the return of the Fund by taking a view on the underlying asset or currency and establish a long position to gain a specific underlying exposure. The types of derivatives envisaged for investment purposes include forward contracts and swaps which are OTC or traded on centralised exchange.

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 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/Refinitiv at 4.00 p.m. (UK 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 below:

Unlisted Collective Investment Schemes

Valuation of investments in unlisted collective investment schemes shall be based on the 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.

The Fund may create new classes of Units without having to seek Unit Holders' prior approval. You will be notified of the issuance of the new classes of Units by way of communiqué and the prospective investors will be notified of the same by way of a supplemental/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

Nil.

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

ANNUAL MANAGEMENT FEE

The management fee is up to 0.40% 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:

USD 120 million x 0.40%

365 days = USD 1,315.07 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:

USD 120 million x 0.03%

365 days = 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 may be charged to the Fund. 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;
- Costs, fees and expenses incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent;
- 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, 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 (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);
- Costs and expenses incurred in relation to the distribution of income and/or capital (if any);
- 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; 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
Repurchase Charge	1.00% of the NAV per Unit
Annual Management Fee	3.00% per annum of the NAV of the Fund calculated and accrued daily
Annual Trustee Fee	0.10% per annum of the NAV of the Fund calculated and accrued daily (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 US DOLLAR LIQUIDITY FUND

BASE CURRENCY : USD

INCEPTION DATE OF THE TARGET FUND : 20 November 2000

COUNTRY OF ORIGIN : Ireland

REGULATORY AUTHORITY : Central Bank of Ireland

ABOUT HSBC GLOBAL LIQUIDITY FUNDS PLC ("the Company")

The Target Fund is a sub-fund of the Company. The Company was incorporated with limited liability as an open-ended umbrella investment company with variable capital and segregated liability between sub-funds of the Company under the laws of Ireland with registered number 306643 and authorised under the European Communities (Undertakings for Collective Investments in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) as amended or superseded.

The Company was incorporated under the laws of the Republic of Ireland on 13 May, 1999 as a variable capital company, and is authorised under the UCITS Regulations.

HSBC INVESTMENT FUNDS (LUXEMBOURG) S.A. ("the Management Company")

The Management Company serves as the Company's management company and is responsible on a day-to-day basis, under the supervision of the directors of the Company, for providing administration, marketing, investment management, global distribution and advice services in respect of the Target Fund.

The Management Company was incorporated on 26 September 1988 as a société anonyme under the laws of the Grand Duchy of Luxembourg and is registered with the register of commerce and companies under the number B28 888. Its articles of incorporation are deposited with the register of commerce and companies. The Management Company is authorised by the Commission de Surveillance du Secteur Financier, the Luxembourg supervisory authority as a management company subject to Chapter 15 of the 2010 Law. The share capital of the Management Company is British Pound Sterling 1,675,000.00 and will be increased to comply at all times with article 102 of the 2010 Law.

HSBC GLOBAL ASSET MANAGEMENT (USA) INC. (the "Target Fund Manager")

The Management Company has delegated the powers of determining investment policy and investment management of the Company in relation to the Target Fund to the Target Fund Manager pursuant to an investment management agreement.

Under the investment management agreement between the Management Company and the Target Fund Manager, the Target Fund Manager has agreed to provide the Target Fund with investment management and advisory services in relation to the assets of the Target Fund and to act with day to day authority, power and responsibility for the investment and reinvestment of such assets. The investment management agreement may be terminated by either party on not less than ninety days' or three months' written notice although in certain circumstances, the agreement may be terminated forthwith by notice in writing by either party to the other. The investment management agreement also contains certain indemnities in favour of the Target Fund Manager which are restricted to exclude matters arising by reason of the negligence, fraud or wilful misconduct of the Target Fund Manager in its performance of its duties.

The Target Fund Manager was incorporated under the laws of New York State, US on 29 January 1986, and is ultimately a wholly owned subsidiary of HSBC Holdings plc. The Target Fund Manager is authorised and regulated by the Securities and Exchange Commission and as at 31 December 2019 the Target Fund Manager had USD 102.7 billion of funds under discretionary management.

ABOUT THE TARGET FUND

The Target Fund is currently classified as Short Term Money Market Fund for the purposes of the Money Market Fund Regulation. It is structured as a "Low Volatility NAV Money Market Fund".

A "Low Volatility NAV Money Market Fund":

- seeks to maintain a stable net asset value per share; and
- values its assets using the amortised cost valuation methodology only where the residual maturity of the asset does not exceed 75 days and the mark-to-market (or mark-to-model) value of the asset does not deviate by more than 0.10% from its amortised cost value.

If the difference in net asset value calculated using the mark-to-market and/or mark-to-model valuation methodologies deviates by more than 0.20% from the net asset value calculated using the amortised cost method at a valuation point of the Target Fund, subsequent subscriptions and redemptions in the shares of the Target Fund on that Dealing Day shall be undertaken at the net asset value per share established using mark-to-market and/or mark-to-model methods rather than at a stable net asset value per share.

A) INVESTMENT OBJECTIVE OF THE TARGET FUND

The investment objective of the Target Fund is to provide investors with security of capital and daily liquidity together with an investment return which is comparable to normal USD denominated money market interest rates.

B) INVESTMENT POLICY OF THE TARGET FUND

To achieve its objective, the Target Fund intends to invest in a diversified portfolio of short-term securities, instruments and obligations which are of high quality at the time of purchase and are eligible for investment under the Money Market Fund Regulation and which meet the following criteria:

Maturity	The Target Fund, which is a "Low Volatility NAV Money Market Fund", will invest in fixed rate instruments which have a maximum maturity of 397 days. The Target Fund may also invest in floating rate notes and/or variable rate notes which have a maximum maturity of 397 days. The weighted average portfolio maturity of the Target Fund will not exceed 60 days. The weighted average portfolio life of the Target Fund will not exceed 120 days. For the purposes of calculating the weighted average portfolio
Credit quality	maturity, floating rate notes will be deemed to mature on the next coupon fixing date. The Target Fund proposes to invest in short-term securities, instruments and obligations which at the time of purchase are of high quality and have a favourable credit assessment under the Management Company's credit rating assessment procedure further details of which are included in section titled "Internal Credit Quality Assessment". Such investments will typically also have a rating of at least A-1 or P-1 (or its equivalent) from a recognised credit rating agency such as Standard & Poor's or Moody's.
Currency	The Target Fund may invest only in securities denominated in USD or that are fully hedged back into USD.
Permitted investments	The Target Fund may invest in short-term securities, instruments and obligations such as, but not limited to, certificates of deposit (CDs), commercial paper, medium term notes (MTNs), variable rate notes (VRNs), floating rate notes (FRNs), bankers acceptances, government bonds, treasury bills, Eurobonds, asset backed securities and corporate bonds which the Target Fund Manager considers to be of high credit quality at the time of purchase and which are consistent with the investment objective of the Target Fund and reverse repurchase agreements. The investments will be listed or traded on a recognised market.
	The Target Fund may also invest in financial derivative instruments for the purposes of hedging interest rate or currency risk. The Target Fund may enter into repurchase agreements for liquidity management purposes. Further details of which are set out in the section titled "Portfolio Management Techniques of the Target Fund".
SFDR classification	The Target Fund is classified as an Article 6 Fund under SFDR. The Target Fund integrates a consideration of sustainability risks in the investment decision-making process. The Target Fund Manager integrates sustainability risks by identifying ESG factors that could have a material financial impact on the performance of an investment. Exposure to sustainability risk does not necessarily mean that the Target Fund Manager will refrain from taking or maintaining a position in an investment. Rather, the Target Fund Manager will consider the assessments of sustainability risks together with other material factors in the context of the investee company or issuer and the investment objective and policy of the Target Fund.

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 may wish to note that the investment objective, investment strategy and risk profile of the Fund remain the same regardless the investment of the Fund in different share class of the Target Fund.

C) INVESTMENT AND BORROWING POWERS OF THE TARGET FUND

The Target Fund shall not undertake any of the following activities:

- a) investing in assets other than those permitted for investment by a money market fund in accordance with Article 11(1) of the Money Market Fund Regulation;
- b) undertaking a short sale of money market instruments, securitisations, asset-backed commercial papers ("ABCPs") and units or shares of other Money Market Funds;
- c) taking direct or indirect exposure to equity or commodities, including via derivatives, certificates representing them, indices based on them, or any other means or instrument that would give an exposure to them:
- d) entering into securities lending agreements or securities borrowing agreements, or any other agreement that would encumber the assets of the Target Fund; or
- e) borrow or lend cash for investment purposes, save that neither (i) repurchase agreements and reverse repurchase agreements; nor (ii) operational overdraft facilities (which, in accordance with the UCITS Regulations, will not exceed 10% of the net asset value of the Target Fund and will only be on a temporary basis) shall constitute borrowing or lending for this purpose.

The Company may not borrow money except insofar as is permitted under the UCITS Regulations and the Money Market Fund Regulation.

The Company, for the account of the Target Fund, may acquire foreign currency by means of a "back-to-back loan". Foreign currency obtained in this manner is not classified as borrowing for the purposes of the borrowing restrictions referred to above provided that the offsetting deposit (a) is denominated in the base currency of the UCITS and (b) equals or exceeds the value of the foreign currency outstanding. However, where foreign currency borrowings exceed the value of the back to back deposits, any excess is regarded as borrowing for the purposes of the above borrowing restrictions.

D) INVESTMENT RESTRICTIONS OF THE TARGET FUND

Eligible Assets

The Target Fund shall invest only in one or more of the following categories of financial assets and only under the conditions specified in the Money Market Fund Regulation ("MMFR"):

- 1. Money market instruments.
- 2. Eligible securitisations and ABCPs.
- 3. Deposits with credit institutions.
- Financial derivative instruments.
- 5. Repurchase agreements that fulfil the conditions set out in Article 14 of the MMFR.
- 6. Reverse repurchase agreements that fulfil the conditions set out in Article 15 of the MMFR.
- 7. Units or shares of other Money Market Funds.

> Investment Restrictions

- (1) The Target Fund shall invest no more than:
 - (i) 5% of its assets in money market instruments, securitisations and ABCPs issued by the same body;
 - (ii) 10% of its assets in deposits made with the same credit institution, unless the structure of the banking sector in the Member State in which the Target Fund is domiciled is such that there are insufficient viable credit institutions to meet that diversification requirement and it is not economically feasible for the Target Fund to make deposits in another Member State, in which case up to 15% of its assets may be deposited with the same credit institution.
- (2) The aggregate of all of the Target Fund's exposures to securitisations and ABCPs shall not exceed 15% of the assets of the Target Fund. As from the date of application of the delegated act referred to in Article 11(4) of the Money Market Fund Regulation, the aggregate of all of the Target Fund's exposures to securitisations and ABCPs shall not exceed 20% of the assets of the Target Fund,

- whereby up to 15 % of the assets of the Target Fund may be invested in securitisations and ABCPs that do not comply with the criteria for the identification of Simple, Transparent and Standardised securitisations and ABCPs.
- (3) The aggregate risk exposure of the Target Fund to the same counterparty to OTC derivative transactions which fulfil the conditions set out in Article 13 of the Money Market Fund Regulation shall not exceed 5% of the assets of the Target Fund.
- (4) The cash received by the Target Fund as part of a repurchase agreement shall not exceed 10% of the Target Fund's assets.
- (5) The aggregate amount of cash provided to the same counterparty of the Target Fund in reverse repurchase agreements shall not exceed 15% of the assets of the Target Fund.
- (6) Notwithstanding paragraphs (1) and (3) above, the Target Fund shall not combine, where to do so would result in an investment of more than 15% of its assets in a single body, any of the following:
 - (i) investments in money market instruments, securitisations and ABCPs issued by that body;
 - (ii) deposits made with that body; and
 - (iii) OTC financial derivative instruments giving counterparty risk exposure to that body.
- (7) By way of derogation from the diversification requirement provided for in paragraph (6) above, where the structure of the financial market in the Member State in which the Target Fund is domiciled is such that there are insufficient viable financial institutions to meet that diversification requirement and it is not economically feasible for the Target Fund to use financial institutions in another Member State, the Target Fund may combine the types of investments referred to in paragraph (6)(i) to (iii) up to a maximum investment of 20% of its assets in a single body.
- (8) The Target Fund may invest up to 100% of its assets in different money market instruments issued or guaranteed separately or jointly by the EU, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong.
- (9) Paragraph (8) shall only apply where all of the following requirements are met:
 - (i) the Target Fund holds money market instruments from at least six different issues by the issuer;
 - (ii) the Target Fund limits the investment in money market instruments from the same issue to a maximum of 30% of its assets;
 - (iii) the Target Fund makes express reference, in its fund rules or instruments of incorporation, to all administrations, institutions or organisations referred to in item (i) that issue or guarantee separately or jointly money market instruments in which it intends to invest more than 5% of its assets;
 - (iv) the Target Fund includes a prominent statement in the Target Fund Prospectus and marketing communications drawing attention to the use of the derogation and indicating all administrations, institutions or organisations referred to in item (i) that issue or guarantee separately or jointly money market instruments in which it intends to invest more than 5% of its assets.
- (10) Notwithstanding the individual limits laid down in paragraph (1), the Target Fund may invest no more than 10% of its assets in bonds issued by a single credit institution that has its registered office in a Member State and is subject by law to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of those bonds shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

- (11) Where the Target Fund invests more than 5% of its assets in the bonds referred to in paragraph (10) issued by a single issuer, the total value of those investments shall not exceed 40% of the value of its assets.
- (12) Notwithstanding the individual limits laid down in paragraph (1), the Target Fund may invest no more than 20% of its assets in bonds issued by a single credit institution where the requirements set out in point (f) of Article 10(1) or point (c) of Article 11(1) of Delegated Regulation (EU) 2015/61 are met, including any possible investment in assets referred to in paragraph (10).
- (13) Where the Target Fund invests more than 5% of its assets in the bonds referred to in paragraph (12) issued by a single issuer, the total value of those investments shall not exceed 60% of the value of its assets, including any possible investment in assets referred to in paragraph (10), respecting the limits set out therein.
- (14) Companies which are included in the same group for the purposes of consolidated accounts under Directive 2013/34/EU of the European Parliament and of the Council or in accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits referred to in paragraphs (1) to (7).

Eligible units or shares of Money Market Funds

- (1) The Target Fund may acquire the units or shares of any other Money Market Fund ("targeted MMF") provided that all of the following conditions are fulfilled:
 - no more than 10% of the assets of the targeted MMF are able, according to its fund rules or instruments of incorporation, to be invested in aggregate in units or shares of other Money Market Funds;
 - (ii) the targeted MMF does not hold units or shares in the Target Fund.
- (2) A targeted MMF whose units or shares have been acquired shall not invest in the Target Fund during the period in which the Target Fund holds units or shares in it.
- (3) The Target Fund may acquire the units or shares of other Money Market Funds, provided that no more than 5% of its assets are invested in units or shares of a single Money Market Fund.
- (4) The Target Fund may, in aggregate, invest no more than 17.5% of its assets in units or shares of other Money Market Funds. Please refer to section 5.12 "Investment restrictions" of the Target Fund Prospectus for details on further restriction.
- (5) Units or shares of other Money Market Funds shall be eligible for investment by the Target Fund provided that all of the following conditions are fulfilled:
 - (i) the targeted MMF is authorised under the Money Market Fund Regulation;
 - (ii) where the targeted MMF is managed, whether directly or under a delegation, by the same manager as that of the Target Fund or by any other company to which the manager of the Target Fund is linked by common management or control, or by a substantial direct or indirect holding, the manager of the targeted MMF, or that other company, is prohibited from charging subscription or redemption fees on account of the investment by the Target Fund in the units or shares of the targeted MMF.
- (6) The Target Fund may only invest in units or shares of other Short Term Money Market Funds.

E) PORTFOLIO MANAGEMENT TECHNIQUES OF THE TARGET FUND

Financial Derivative Instruments

The financial derivative instruments in which the Target Fund may invest are forward foreign exchange contracts, foreign exchange swaps, total return swaps, exchange rate swap contracts, interest rate swap contracts, futures contracts and call and put options. The purpose of investing in these financial derivative instruments is to seek to hedge against exchange or interest rate risk inherent in other investments of the Target Fund. Where the Target Fund uses interest rate swaps or exchange rate swaps, it will be to alter the interest rate or currency exposure characteristics, respectively, of investments held by the Target Fund in accordance with the investment policy of the Target Fund. Investments in financial derivative instruments are made subject to the conditions and limits laid down by the Central Bank of Ireland and the Money Market Fund Regulation.

Where financial derivatives are used by the Target Fund, this will be disclosed in the section below. Financial derivatives may only be used when these are in line with the money market investment strategy of the Target Fund. The underlying of the financial derivative instruments shall consist of:

- interest rates;
- 2. foreign exchange rates;
- 3. currencies; or
- 4. indices representing one of the above categories.

Under the UCITS Regulations and the Money Market Fund Regulation, the Target Fund may invest in the foregoing financial derivative instruments subject to the following terms and conditions:

- 1. The global exposure of the Target Fund relating to derivative instruments must not exceed the total net asset value of its portfolio of assets;
- The position exposure to the underlying assets of financial derivative instruments, including embedded
 financial derivative instruments in transferable securities or money market instruments, when combined
 where relevant with positions resulting from direct investments, must not exceed in aggregate the
 investment limits specified in the Money Market Fund Regulation and the UCITS Regulations;
- 3. Investments in OTCs may be made provided that the counterparties to OTCs are institutions subject to prudential supervision and belonging to categories approved by the Central Bank of Ireland; and
- 4. OTC financial derivative instruments are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated and closed by an offsetting transaction at any time at their fair value at the Target Fund's initiative.

The Management Company employs a risk-management process which enables it to monitor and measure at any time the risk of the Target Fund's positions and their contribution to the overall risk profile of the portfolio of assets of the Target Fund. It employs a process for accurate and independent assessment of the value of OTC derivatives. A risk management process document has been filed with the Central Bank of Ireland in respect of the Target Fund which utilise financial derivative instruments and in accordance with particular requirements of the Central Bank of Ireland shall specify, for that purpose, the types of derivative instruments, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in any derivative instruments applicable to the Target Fund. The Management Company will ensure that the Target Fund's global exposure to financial derivative instruments does not exceed the total net asset value of its portfolio and that counterparty risk exposure to any OTC derivative transactions never exceeds the limits permitted under the Money Market Fund Regulation. Global exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate positions. The Target Fund will not therefore be leveraged in excess of 100% of its net asset value.

The Management Company will, on request, provide supplementary information to shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures contracts allow investors to hedge against market risk or gain exposure to the underlying market. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date. Frequently using futures to achieve a particular strategy instead of using the underlying or related security or index, results in lower transaction costs being incurred.

Options

There are two forms of options, put and call options. Put options are contracts sold for a premium that gives one party (the buyer) the right, but not the obligation, to sell to the other party (the seller) of the contract, a specific quantity of a particular product or financial instrument at a specified price. Call options are similar contracts sold for a premium that gives the buyer the right, but not the obligation, to buy from the seller of the option at a specified price. Options may also be cash settled.

Interest Rate Swaps

An interest rate swap is an agreement negotiated between two parties to exchange interest rate cash flows, calculated on a notional amount, at specified dates during the life of the swap. The notional amount is used only to determine the payments under the swap and is not exchanged. The payment obligation of each party is calculated using a different interest rate, typically with one party paying a fixed interest rate in return for receiving a floating interest rate, either at regular intervals during the life of the swap or at the maturity of the swap.

Total Return Swaps

A total return swap is an agreement negotiated between two parties to exchange a fixed or variable payment for the return of an underlying asset – both the income it generates and any capital gains.

Exchange Rate Swap Contracts

An exchange rate swap contract is an agreement negotiated between two parties to exchange the return on cash for the return on varying currencies.

Forward Foreign Exchange Contracts

A forward contract locks-in the price at which an index or asset may be purchased or sold on a future date. In currency forward contracts, the contract holders are obligated to buy or sell the currency at a specified price, at a specified quantity and on a specified future date.

Forward foreign exchange contracts may be used for the most part for hedging purposes to seek to reduce foreign exchange risk where the assets of the Target Fund are denominated in currencies other than the base currency of the Target Fund but may also be used to take views on the direction of currency movements.

Foreign Exchange Swaps

A foreign exchange swap is a contract which simultaneously purchases (the "near leg") and sells (the "far leg") the same amount of the same currency. Usually the "near leg" will be a spot foreign exchange and the "far leg" will effectively be a forward foreign exchange contract.

Ancillary Liquid Assets

The Company on behalf of the Target Fund may hold or maintain ancillary liquid assets such as master time deposits, demand notes, variable rate demand notes, with a maturity of no longer than six months, or short term funding agreements and use the following techniques and instruments relating to the Target Fund. Any liquid assets acquired by the Target Fund will at the time of acquisition have a favourable credit assessment pursuant to the Management Company's internal credit assessment procedures, as further described under section titled "Internal Credit Quality Assessment" below, which will typically include the liquid asset having a short term credit rating of at least A-1 (or its equivalent) from a recognised credit rating agency such as Standard & Poor's or if not so rated must be considered by the Target Fund Manager to be of similar credit quality.

Repurchase Agreements and Reverse Repurchase Agreements

The Company, on behalf of the Target Fund, may enter into repurchase agreements or reverse repurchase agreements subject to the requirements of the Money Market Fund Regulation.

Under a repurchase agreement the Target Fund would sell a security to a counterparty (for example, to a bank or securities dealer) for cash and agrees, at the time of sale, to repurchase the security from the counterparty at a mutually agreed upon date and price. The Target Fund may only enter into a repurchase agreement on a temporary basis, for no more than 7 working days and shall only be used for liquidity management purposes and not for investment purposes save that cash received by the Target Fund as part of the repurchase agreement may be placed on deposit with an eligible credit institution or invested in liquid transferable securities or money market instruments of the type referred to in Article 15(6) of the Money Market Fund Regulation.

The counterparty receiving the assets transferred by the Target Fund as collateral under the repurchase agreement shall be prohibited from selling, investing, pledging or otherwise transferring those assets without the prior consent of the Target Fund. The cash received by the Target Fund as part of a repurchase agreement shall not exceed 10% of its assets. The Target Fund must have a right to terminate the agreement at any time upon giving prior notice of no more than 2 working days.

Under a reverse repurchase agreement the Target Fund would acquire a security from a seller (for example, a bank or securities dealer) and agree, at the time of purchase, that the seller will repurchase the security from

the Target Fund at a mutually agreed upon date and price. The resale price reflects the purchase price, plus an agreed upon market rate of interest, which is unrelated to the coupon rate or maturity of the purchased security.

The Depositary or sub-custodian will maintain custody of the purchased securities for the duration of the agreement, unless the Company uses tri-party collateral management services of International Central Securities Depositaries or relevant institutions which are generally recognised as specialists in this type of transaction, in which case the Depositary will be a named participant to the collateral arrangements. The value of the purchased securities, including accrued interest, will at all times equal or exceed the value of the reverse repurchase agreement. In the event of bankruptcy of the seller or failure of the seller to repurchase the securities as agreed, the Target Fund could suffer losses, including loss of interest on or principal of the security and costs associated with delay in enforcement of the agreement. In evaluating whether to enter into a reverse repurchase agreement, the Target Fund Manager will carefully consider the creditworthiness of the seller.

Transactions may only be effected in accordance with normal market practice. The Target Fund must at all times be in a position to meet the obligations imposed as a result of entering into the above. Securities which are the subject of such a contract cannot be sold, reinvested, pledged or otherwise transferred before the term has expired.

The Company, on behalf of the Target Fund, may utilise, either deliverable or tri-party, reverse repurchase agreements which are collateralised (subject to the conditions under the Money Market Fund Regulation). The underlying collateral may be denominated in either the base currency of the Target Fund or currencies that are in compliance with the guidelines of Moody's or Standard & Poor's and with the Money Market Fund Regulation. The collateral obtained under a reverse repurchase agreement must be in the form required by the Money Market Fund Regulation.

The Company, on behalf of the Target Fund, may enter into repurchase agreements or reverse repurchase agreements with counterparties which are credit institutions, investment firms and which satisfy approved counterparty requirements of the Target Fund Manager. Such entities will typically have at least a short term A-2 rating (or its equivalent) from a recognised credit rating agency such as Standard & Poor's or be deemed by the Management Company to have an implied rating of at least, short term A-2 rating (or its equivalent) from a recognised credit rating agency such as Standard & Poor's as evaluated by the Target Fund Manager. Alternatively, an unrated counterparty will be acceptable where the Company is indemnified against losses suffered as a result of failure by the counterparty by an entity which has and maintains a rating of at least short term A-2 rating (or its equivalent) from a recognised credit rating agency such as Standard & Poor's.

The proportion of assets under management in regard to securities in its portfolio subject reverse repurchase agreements may typically vary between 0% and 100%. The cash received by the Target Fund as part of a repurchase agreement shall not exceed 10% of its assets. However, it is anticipated that it is most likely to be within the range of:

	Typical range of reverse repurchase agreements	Typical range of repurchase agreements
HSBC US Dollar Liquidity Fund	0% to 25%	0% to 10%

Such variations may be dependent on, but are not limited to, factors such as total Target Fund's size and seasonal trends in the underlying market. All income generated from repurchase agreements or reverse repurchase agreements will accrue to the Target Fund.

When-Issued Securities and Forward Commitments

The Company, on behalf of the Target Fund, may purchase securities on a when-issued or forward commitment basis. When-issued transactions arise when securities are purchased on behalf of the Target Fund with payment and delivery taking place in the future in order to secure what is considered to be an advantageous price and yield to the Target Fund at the time of entering into the transaction. In a forward commitment transaction, the Company on behalf of the Target Fund contracts to purchase or sell securities for a fixed price at a future date beyond customary settlement time. Alternatively, the Target Fund Manager, on behalf of the Company and the Target Fund may enter into offsetting contracts for the forward sale of other securities.

Securities purchased or sold on a when-issued or forward commitment basis involve a risk of loss if the value of the security to be purchased declined prior to the date of settlement or if the value of the security to be sold increases prior to the date of settlement. Although the Company, on behalf of the Target Fund, will generally purchase securities on a when-issued or forward commitment basis with the intention of acquiring

securities for its portfolio, the Company, on behalf of the Target Fund may dispose of a when-issued security or forward commitment prior to settlement if the Target Fund Manager deems it appropriate to do so.

Hedging Transactions

Investments in securities denominated in currencies other than the base currency of the Target Fund offer potential benefits of diversification not available from investments solely in securities denominated in the base currency of the Target Fund. The Company on behalf of the Target Fund expects to employ simultaneous currency spot and forward transactions associated with the purchase of specific underlying assets in a currency other than the base currency of the Target Fund in order to invest in currency-hedged short term securities. The purchase and sale of forward contracts on currencies constitute contractual obligations to purchase and sell a specific currency for a fixed price at a stated time in the future. The Company will also enter into spot currency contracts, which are similar to forward contract, but generally provide for settlement within two days of the effective date of the contract. Forward and spot contracts are generally not entered into on regulated exchanges but are entered into OTC directly between two counterparties acting as principals, rather than through an exchange clearing house as is generally the case with futures contracts, discussed below. Participants in the forward and spot market typically establish internal requirements regarding the creditworthiness of their counterparties and may not be willing to enter into transactions with those counterparties which do not satisfy such standards. Such participants may also impose limits on the maximum sizes of the positions they will maintain with particular counterparties and may require certain counterparties to provide margin, letters of credit or other credit enhancements before agreeing to enter into transactions with such counterparties. In order to effect transactions in currencies through the forward and spot markets, the Target Fund is required to establish business relationships with counterparties, based on its net assets and other factors related to its creditworthiness, and could be required to deposit margin with such counterparties. The Company will not be able to enter into transactions on the basis of credit facilities established on behalf of HSBC Holding Plc or any of its affiliates.

The Company may (but is not obliged to) enter into certain currency and/or interest rate related transactions in order to hedge the currency and/or interest rate exposure of the assets of the Target Fund attributable to a particular class of shares.

Forward and spot contracts are generally entered into on the basis of telephone negotiations between the parties, with the details of the transaction subsequently confirmed by facsimile. All principal terms of the transaction, including quantity, exchange rate, maturity and credit terms, are individually negotiated between the parties, although some standard terms and conditions might be used by market participants. Dealers in the OTC currency markets generally do not impose commissions on transactions entered into with counterparties, although the prices quoted by such dealers generally reflect a spread which represents the dealer's profit on the transaction. Currency transactions will be conducted through financial institutions specialising in these types of transactions, and whose unsecured senior debt or claims-paying ability is rated A or better by Standard & Poor's and Moody's.

OTC transactions entered into by the Company, will be subject to the Money Market Fund Regulation and the UCITS Regulations.

Investors should also refer to the section titled "Risks of the Target Fund".

F) COLLATERAL POLICY OF THE TARGET FUND

Non Cash Collateral

Non-cash collateral for the Target Fund must, at all times, meet with the following requirements as applicable:

- Liquidity: Non-cash collateral should be highly liquid such that it can be sold quickly at a price that
 is close to pre-sale valuation. Collateral received should comply with the provisions of Article 10 or
 Article 17(7) of the Money Market Fund Regulation in the case of collateral received under a reverse
 repurchase agreement;
- 2. Valuation: Collateral must be capable of being valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place. The market value of the assets received under a reverse repurchase agreement shall at all times at least equal the value of the cash paid out;
- 3. **Issuer credit quality**: Collateral received should be of high quality;

- 4. **Correlation:** Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty;
- 5. **Diversification (asset concentration):** Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 15% of the net asset value of the Target Fund. By way of derogation from this requirement, the Target Fund may be fully collateralised in different liquid transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong, provided that the Target Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of the net asset value of the Target Fund in accordance with the requirements of Article 17(7) of the Money Market Fund Regulation;
- 6. **Immediately available:** The Target Fund has the right to terminate the agreement at any time on giving prior notice of no more than two working days. Collateral received should be capable of being fully enforced by the Company at any time without reference to or approval from the relevant counterparty; and
- 7. Non-cash collateral received cannot be sold, pledged or reinvested by the Target Fund; and
- 8. Securitisations and ABCPs shall not be received by the Target Fund as part of a reverse repurchase agreement.

> Cash Collateral

Reinvestment of cash collateral must be in accordance with the following requirements:

- 1. cash received as collateral may only be invested in the following:
 - i. deposits with a credit institution authorised in the European Economic Area ("EEA") (Member States, Norway, Iceland, Liechtenstein), a credit institution authorised within a signatory state, other than a Member State or a member state of EEA, to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, US) or a credit institution in a third country deemed equivalent pursuant to Article 107(4) of Regulation (EU) 575/2013 (the Capital Requirements Regulation); or
 - ii. liquid transferable securities or money market instruments issued or guaranteed by the EU, a central authority or central bank of a Member State or third country, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility subject to a having received favourable credit assessment by the Target Fund Manager, but shall not otherwise be invested in eligible assets as referred to in Article 9 of the Money Market Fund Regulation, transferred or otherwise reused;
- the cash received as collateral by the Target Fund as part of a repurchase agreement shall not exceed 10% of its assets;
- 3. invested cash collateral must be diversified in accordance with the requirements in Article 17 of the Money Market Fund Regulation;
- 4. invested cash collateral may not be placed on deposit with the counterparty or a related entity.

Level of Collateral Required

Unless otherwise specified in this section "About the Target Fund – HSBC US Dollar Liquidity Fund", the levels of collateral required are as follows:

Reverse repurchase agreements	At least 100% of the exposure to the counterparty
Repurchase agreements	At least 100% of the exposure to the counterparty
OTC derivatives	Such collateral to ensure, in any event, that counterparty exposure is managed within the limits set out in Article 17 of the Money Market Fund Regulation for aggregate counterparty risk exposure

Haircut Policy

In advance of the Target Fund entering into OTC derivative transactions or reverse repurchase agreements, the Target Fund Manager will determine what, if any, haircut may be required and acceptable for each class of asset to be received as collateral, which will be set out in the agreement with the relevant counterparty or otherwise documented at the time of entering into such agreement. Such haircut will take into account the characteristics of the asset such as the credit standing or price volatility of the assets received as collateral and, where applicable, the outcome of any stress test performed in accordance with the requirements of the Money Market Fund Regulation.

G) INTERNAL CREDIT QUALITY ASSESSMENT

The Management Company, on the advice of the Target Fund Manager, has established an internal credit quality assessment procedure for determining the credit quality of money market instruments, securitisations and ABCPs in which the Target Fund invests ("the Credit Quality Assessment Procedure"). The Target Fund Manager applies the Credit Quality Assessment Procedure on behalf of the Management Company. The current procedure involves the following elements:

- Portfolio managers are only permitted to invest in issuers which are on an approved list (the "Approved Issuer List").
- For a new issuer to be added to the list the Credit Research Function, which is functionally independent from the portfolio managers, completes a Credit Quality Assessment ("CQA") on the issuer. The Credit Research Function makes a recommendation to approve or reject the issuer to the Liquidity Credit Approval Committee ("LCAC"). The recommendation also includes the proposed internal credit rating and 'size category'.
- The Credit Research Function operates under principles established in the Credit Assessment Policy which is set and governed by the LCAC.
- The Credit Research Function will consider risks arising from ESG activities as inputs to its Credit Quality Assessment to manage these risks and develop a sustainable investable universe. The credit analysts will utilise in-house ESG ratings for issuers and sector-specific weightings that reflect the materiality of ESG factors, which are built into the Target Fund Manager's ESG research platform and designated fixed income portfolio analytic tools. ESG factors play a role in the final credit quality assessment.
- If the issuer is approved by the LCAC it will be added to the Approved Issuer List and will be available investment within the guidelines established for the Target Fund by the Liquidity Credit and Investment Committee ("LCIC"). The LCIC sets the parameters by which investments will be considered eligible for the Target Fund. For example, minimum credit quality, maximum tenor and maximum exposure.
- Each issuer on the Approved Issuer List will be subject to an annual review by the Credit Research Function. Furthermore, the Credit Research Function performs on-going issuer monitoring through publicly available data sources such as financial statements, news announcements and external credit ratings. Any deterioration in the credit profile of an approved issuer which is deemed significant enough to lead to a downgrade of the internal credit rating can be initiated by the respective credit analyst. If the issuer's internal credit rating is downgraded below the minimum internal credit rating the issuer will be removed from the Approved Issuer List. Conversely, any improvement in the credit profile of an approved issuer which is deemed significant enough to lead to an upgrade of the internal credit rating must be escalated via the respective credit research analyst to the LCAC to determine whether the recommendation to upgrade the internal credit rating is approved.

H) LIQUIDITY MANAGEMENT PROCEDURES

The Management Company applies the following liquidity management procedures for the Target Fund in order to ensure that there is sufficient liquidity available in the Target Fund to meet the weekly liquidity thresholds applicable in accordance with the Money Market Fund Regulation. If the weekly liquidity thresholds are exceeded on a Dealing Day, the Target Fund Manager shall immediately inform the directors of the Company and Management Company. A documented assessment shall be completed of the situation to determine the appropriate course of action having regard to the interests of shareholders of the Target Fund together with the supporting rationale for that course of action. The directors of the Company shall, in conjunction with the Management Company, consider the appropriate course of action having regard to the available measures, which are summarised below.

Trigger	Action
Weekly maturing assets of the Target Fund falls below 30% of the total assets	The directors of the Company may decide to take one or more of the following actions:
of the Target Fund and the net daily redemptions on a single Dealing Day exceed 10% of the total assets of the Target Fund.	a) apply a charge up to the level of the liquidity fee on any redemption requests so that the cost incurred by the Target Fund to achieve liquidity to settle that redemption request and to ensure that the shareholders remaining in the Target Fund are not unfairly disadvantaged when other shareholders redeem shares during the period that the weekly liquidity is exceeded; or
	b) limit the amount of shares to be redeemed on any one Dealing Day to not more than 10% of the shares in the Target Fund and this limit may be maintained for any period up to 15 Dealing Days; or
	c) suspend redemptions for any period up to 15 Dealing Days.
	The directors of the Company may also, if considered appropriate, take no immediate action other than fulfilling the obligations laid down in Money Market Fund Regulation.
Weekly maturing assets of the Target Fund falls below 10% of the total assets	The directors of the Company shall take either of the following actions:
of the Target Fund.	a) apply a charge up to the level of the liquidity fee on any redemption requests so that the cost incurred by the Target Fund to achieve liquidity to settle that redemption request and to ensure that the shareholders remaining in the Target Fund are not unfairly disadvantaged when other shareholders redeem shares during the period that the weekly liquidity is exceeded; or
	b) suspend redemptions for any period up to 15 Dealing Days.

FEES AND CHARGES OF THE TARGET FUND

Initial Charge	Not applicable
Redemption Fee	Not applicable
Management Fee	Up to 1.00% per annum of the net asset value 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.

CONDITIONS RELATING TO REPURCHASE OF SHARES OF TARGET FUND

The directors of the Company are entitled, under the articles of association of the Company, to limit the number of shares of the Target Fund repurchased by the Company, on any business day of the Target Fund, to 10% of the total number of shares in issue of the Target Fund. In such circumstances, the limitation will apply pro rata so that all shareholders applying to have their shares repurchased on that business day, after determination has been made to limit the number of shares repurchased, realise the same proportion of such shares. The balance of the shares not repurchased by the Company will be carried forward for repurchase to the business day immediately following. If requests for repurchase are so carried forward, the directors will inform the shareholders affected.

SUSPENSION OF DETERMINATION OF NET ASSET VALUE OF THE TARGET FUND

The Management Company, on behalf of the Company, may, at any time, on notification to the Depositary, temporarily suspend the calculation of the net asset value per share of the Target Fund and the issue or redemption of the shares of the Target Fund during (i) any period when dealing in the units/shares of any collective investment scheme in which the Target Fund may be substantially invested are restricted or suspended; (ii) any period when any stock exchange on which a substantial part of the investments of the Target Fund are quoted is closed or during which dealings thereon are restricted or suspended; (iii) any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the directors of the Company, disposal or valuation of investments of the Target Fund is not reasonably practicable without this being seriously detrimental to the interests of owners of shares or if, in the opinion of the directors of the Company, repurchase prices cannot fairly be calculated; (iv) any breakdown in the means of communication normally employed in determining the value of the investments of the Target Fund; (v) any period during which any transfer of the Target Fund involved in the realisation or acquisition of investments of the Target Fund cannot, in the opinion of the directors of the Company, be effected at normal prices or rates of exchange; (vi) any period during which the directors of the Company are unable to repatriate the Target Fund required for the purpose of making payments due on repurchase of shares or during which the transfer of the Target Fund involved in the acquisition or realisation of investments or payments due on repurchase cannot, in the opinion of the directors of the Company, be effected at normal prices or normal rates of exchange; (vii) any period when the directors of the Company consider it to be in the best interests of the Company; (viii) any period following the circulation to shareholders of the Target Fund of a notice of a general meeting at which a resolution proposing to wind up the Company or terminate the Target Fund is to be considered; (ix) when any other reason makes it impracticable to determine the value of a meaningful portion of the investments of the Company or the Target Fund; or (x) any period during which the directors of the Company, in their discretion, consider suspension to be required for the purposes of effecting a merger, amalgamation or restructuring of the Target Fund or of the Company.

Shareholders of the Target Fund who have requested repurchases of any shares will be notified of any such suspension and, unless withdrawn but subject to the limitation referred to above, their requests will be dealt with on the Dealing Day next following that on which the suspension is lifted.

Any such suspension will be notified to the Central Bank of Ireland and where the shares are listed on any exchange, Euronext Dublin or any other exchange without delay and in any event within the same Dealing Day on which such suspension occurs and will be notified to all shareholders if in the opinion of the directors of the Company it is likely to exceed 14 days. In addition, where possible all reasonable steps will be taken to bring any period of such suspension to an end at the earliest opportunity. The suspension will also be communicated as necessary to the competent authorities in any country in which the shares are registered for sale (if required).

Shareholders requesting repurchase will be notified of such suspension and, unless withdrawn, repurchase requests will be considered as at the next business day of the Target Fund following the end of such suspension. Following a period when the calculation of the net asset value of the Target Fund is suspended, the directors of the Company are entitled, under the articles of association of the Company, to limit the number of shares of the Target Fund repurchased by the Company, on any business day of the Target Fund, to 10% of the total number of shares in issue of the Target Fund. In such circumstances, the limitation will be applied pro rata so that all shareholders applying to have their shares repurchased on that business day realise the same proportion of such shares.

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 law 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 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 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/financing to finance your investment. The inherent risk of investing with borrowed/financed money includes you being unable to service the loan/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/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

	GENERAL RISKS OF THE FUND
	determined or such other circumstances as may be determined by the Manager, where there is good and sufficient reason to do so.
	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. We are able to substitute the Target Fund with another fund with similar objective of the Fund if, in our opinion, the Target Fund no longer meets the Fund's 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 shares 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 shares of the Target Fund. The Target Fund Manager may suspend the realisation of shares 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" of this Information Memorandum for more details.
Derivatives risk	Valuation of derivatives takes into account a multitude of factors such as movement of the underlying assets, volatility of underlying assets, the correlation of the underlying assets with the Fund, the implied future direction of the underlying assets and other factors. Any adverse changes of the factors mentioned above may result in a lower NAV price.
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 Luxembourg may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of Luxembourg. For example, the deteriorating economic condition of that country may adversely affect the value of the investments undertaken by the Fund and in turn may cause the NAV of the Fund to fall.

	SPECIFIC RISKS OF THE FUND
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 (other than in USD) may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated depreciate against 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.
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 the Fund and reduce the capital available for future investment and capital growth. Future capital growth may therefore be constrained.

	RISKS OF THE TARGET FUND
Contagion risk	The ability of the Target Fund to maintain principal value can be adversely affected by other money market funds. If any money market fund fails to maintain principal, or there is a perceived threat of such a failure, other money market funds, including the Target Fund, could be subject to increased redemption activity which could adversely affect the Target Fund's principal value.
Credit risk	An issuer that the Target Fund is exposed to may default and not make payments on all securities potentially leading to the Target Fund incurring a loss of principal. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell, which could adversely affect the Target Fund's principal value.
Changes in interest rates	The value of shares of the Target Fund may, notwithstanding the policy of the Company of investing in short-term instruments, be affected by substantial adverse movements in interest rates. This may result in the amount realised on the sale of shares of the Target Fund being less than the original amount invested.
Derivative risk	Derivatives (such as swaps) are highly specialised instruments that require investment techniques and risk analyses different from those associated with equities and debt securities. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into and the ability to assess the risk that a derivative transaction adds to a portfolio. In an environment of interest rate volatility, derivative instruments, such as interest rate swaps, may be used in order to hedge the Target Fund against large variations of the market value. These instruments will be used for hedging interest rate risks purpose only. There can be no guarantee or assurance that the use of derivatives will meet or assist in meeting the investment objectives of the Target Fund. Where the Target Fund enters into derivative techniques, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Target Fund could experience delays in liquidating the position and may incur significant losses. There is also a possibility that on-going derivative transactions will be terminated

RISKS OF THE TARGET FUND

unexpectedly as a result of events outside the control of the Target Fund Manager, for instance, bankruptcy, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated.

The swap market has grown substantially in recent years with a large number of banks and investment banking firms acting both as principals and as agents utilising standardised documentation. As a result, the swap market has become liquid but there can be no assurance that a liquid secondary market will exist at any specified time for any particular swap. Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, the Target Fund Manager's use of derivative techniques may not always be an effective means of, and sometimes could be counter-productive to the Target Fund's investment objective.

The Target Fund may utilise both exchange-traded and OTC derivatives, including, but not limited to, futures, forwards, swaps and options for hedging purposes. These instruments can be highly volatile and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited. In addition, daily limits on price fluctuations and speculative position limits on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses. Transactions in OTC contracts may involve additional risk as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk.

Conflicts of interest

The Management Company, the Target Fund Manager, the Depositary, the BNY Mellon Fund Services (Ireland) Designated Activity Company ("Administrator") and any associate or delegate of the Management Company, the Target Fund Manager, the Depositary or the Administrator (each a "Connected Party") may: -

- a) become the owner of shares in the Company and hold, dispose or otherwise deal with shares as if that person were not such a person subject to the restriction on voting rights which are set out in the section titled "Voting Rights" of the Target Fund Prospectus and in the articles of association of the Company; or
- b) deal in property of any description on that person's individual account notwithstanding the fact that property of that description is included in the property of the Company; or
- c) act as principal or agent in the sale or purchase of property to or from the Depositary for the account of the Company:

without that person having to account to any other such person, to the shareholders or to any of them for any profits or benefits made by or derived from or in connection with any such transaction, provided that such transactions are in the best interests of the shareholders and are conducted at arm's length and:

- a certified valuation of such transaction by a person approved by the Depositary (or the directors of the Company in the case of any transaction involving the Depositary) as independent and competent has been obtained; or
- 2. such transaction has been executed on best terms on an organised investment exchange under their rules; or
- 3. where 1 and 2 are not practical, such transaction has been executed on terms which the Depositary (or the directors of the Company in the case of any transaction involving the Depositary) is satisfied conform with the principle that such transactions be conducted at arm's length.

The Target Fund Manager may purchase shares of any class at not less than the repurchase price for shares of the class in question at the time when such purchase is made. All such transactions will be carried out on normal commercial terms negotiated at arm's length. Any shares thus acquired by the Target Fund Manager and for the time being outstanding may be sold by the Target Fund Manager in satisfaction of the whole or any part of any application for shares of the class in question at a price which shall

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	RISKS OF THE TARGET FUND		
	not exceed the offer price. Any profits may be retained by the Target Fund Manage for its absolute benefit.		
	A Connected Party may, in the course of its business, have potential conflicts of interest with the Company. Each Connected Party will, however, have regard in such event to its obligations under its agreement and, in particular, to its obligations to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients when undertaking any investments where conflicts of interest may arise and will use best efforts to resolve such conflicts fairly.		
	As the fees of the Target Fund Manager are usually based on the net asset value of the Target Fund, if the net asset value of the Target Fund increases so do the fees payable and accordingly there is a potential conflict of interest for the Target Fund Manager in cases where the Target Fund Manager or a Connected Person is responsible for or involved in the determination of the valuation price of any of the Target Fund's investments.		
Legal risk	Legal risk is the risk of loss due to unexpected application of a law or regulation, or because contracts are not legally enforceable or documented correctly in the context of financial derivative instruments.		
Reverse repurchase agreements	In the event of a bankruptcy or other default of a seller of a reverse repurchase agreement, the Company could experience both delays in liquidating the underlying securities and losses, including a possible decline in the value of the underlying securities during the period when the Company seeks to enforce its rights thereto, reduced levels of income and lack of access to income during this period and the expenses of enforcing its rights.		
Counterparty and settlement risk	Settlement risk occurs when a transaction is not completed as duly agreed between the parties. This may be due to an error or omission in the necessary settlement, clearing or registration processes or due to the lack of creditworthiness of one of the parties to the transaction. Counterparty risk occurs when a party to a contract fails to honour and defaults on its obligations thereunder. The Target Fund which is party to these risks can incur considerable losses.		
Market and liquidity risk	Trading counterparties may from time to time refrain from making a market in a particular financial contract or instrument, with the result that those persons already holding such a contract or instrument are unable to liquidate their exposure. Such characteristics can lead to considerable losses being incurred by those exposed to such instruments.		
Correlation risk	The Target Fund may utilise forward contracts and currency options to seek to hedge against fluctuations in the relative values of the Target Fund's portfolio positions as a result of changes in currency exchange rates and market interest rates. Hedging against a decline in the value of portfolio positions does not eliminate fluctuations in the values of portfolios positions nor does it prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the positions' value. Such hedge transactions also limit the opportunity for gain if the value of the portfolio positions should increase. Moreover, it may not be possible for the Target Fund to hedge against any exchange rate or interest rate fluctuation which is so generally anticipated that the Target Fund is not able to enter into a hedging transaction at a price sufficient to protect the Target Fund from the decline in value of the portfolio position anticipated as a result of such a fluctuation.		
Currency transactions	The Target Fund may engage in currency transactions in order to hedge instruments not denominated in its base currency. In this regard, spot transactions and forward contracts are subject to the risk that counterparties will default on their obligations. Since a forward contract is not guaranteed by an exchange or clearing house, a default on the contract would deprive the Target Fund of the hedging benefits of the contract and force the Target Fund to cover its purchase or sale commitments, if any, at the current market price. The Company, on behalf of the Target Fund will not enter into such transactions unless the credit quality of the unsecured senior debt or the claims-		

	RISKS OF THE TARGET FUND		
	paying ability of the spot or forward contract counterparty thereto is rated A or better by both Standard & Poor's and Moody's.		
Currency of reference	Depending on the investor's currency of reference, currency fluctuations may adversely affect the value of an investment.		
Changes to net asset value	Although the directors of the Company will seek to stabilise the net asset value per share of the Target Fund, there can be no assurance that the Company will be able to attain this objective. The price of shares of the Target Fund as well as the income therefrom may go down as well as up to reflect changes in the net asset value per share of the Target Fund and there may be delays in normal processing cycles.		
Negative yield	Market conditions, including but not limited to a reduction in interest rates may have a material impact on the Yield payable on a class of shares in the Target Fund. Either the Yield will be so low that following the deduction of the charges and expenses applicable to the shares of the Target Fund, it will be a negative number ("Negative Net Yield") or the yield will already be a negative number before the charges and expenses have been deducted ("Negative Gross Yield"). Such market conditions, together with any actions taken by financial institutions in response thereto (such as, for example, by way of reducing interest rates and therefore income payable on investments of the Target Fund), are outside the control of the directors of the Company. A Negative Net Yield and/or Negative Gross Yield environment creates potential issues for the Target Fund which seeks to maintain the distributing classes of shares in the Target Fund at a constant net asset value per share in that the Yield of the Target Fund may not be sufficient to pay a distribution or cover charges or expenses or other liabilities of the Target Fund, such as the fees of the Management Company, the Target Fund Manager fee or other operating costs. Investors should also note that although the directors of the Company will seek to stabilise the net asset value per share in a distributing class of shares of the Target Fund, there can be no assurance that the Company will be able to attain this objective.		
Changes to settlement	Although the directors of the Company will seek to stabilise the net asset value per share of the Target Fund, there can be no assurance that the Company will be able to attain this objective. The price of shares as well as the income therefrom may go down as well as up to reflect changes in the net asset value per share of the Target Fund and may delay normal processing cycles.		
Suspension of valuation	The ability to subscribe for, or redeem shares of the Target Fund may be affected by a temporary suspension of the determination of the net asset value of the Target Fund which may take place upon the occurrence of certain events as described in the section titled "Suspension of Determination of Net Asset Value of the Target Fund" in this Information Memorandum.		
Segregated liability between the sub-funds of the Company	Liabilities of the Target Fund will not impact on nor be paid out of the assets of another sub-fund of the Company. While the provisions of the Companies Act 2014 provide for segregated liability between the sub-funds of the Company, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors' claims. Accordingly, it is not free from doubt that the assets of the Target Fund may be exposed to the liabilities of other sub-funds of the Company. As of the date of the Target Fund Prospectus, the directors of the Company are not aware of any existing or contingent liability relating specifically to any sub-fund of the Company which might lead to contagion liability for another sub-fund of the Company.		
Political and/or regulatory risks	The value of the assets of the Target Fund may be adversely affected by uncertainties such as international political and economic developments and change in market conditions, government policies and in legal, regulatory and tax requirement.		
Foreign Account Tax Compliance Act (FATCA)	Sections 1471 through 1474 of the US Internal Revenue Code ("FATCA") impose a 30% withholding tax on certain payments to a foreign financial institution ("FFI") if that FFI is not compliant with FATCA. The Company is a FFI and thus, subject to FATCA. This withholding tax applies to payments to the Company that constitute interest, dividends and other types of income from US sources (such as dividends paid by a US corporation) and beginning on 1 January 2019, this withholding tax is extended to the		

RISKS OF THE TARGET FUND

proceeds received from the sale or disposition of assets that give rise to US source dividend or interest payments.

Ireland has entered into an Intergovernmental Agreement ("IGA") with the US to facilitate FATCA compliance and reporting. Under the terms of the IGA, the Company is required to report to the Irish tax authorities certain information about US investors (including indirect investments held through certain passive investment entities) as well as non-US financial institutions that do not comply with FATCA. Such information will be onward reported by the Irish tax authorities to the US Internal Revenue Service. The Company intends to comply with the terms of the IGA and relevant implementing legislation in Ireland. Therefore the Company expects to be treated as a compliant financial institution and does not expect any FATCA withholding to apply on payments made to it.

If a shareholder or an intermediary fails to provide the Company, its agents or authorised representatives with any correct, complete and accurate information that may be required for the Company to comply with FATCA, the shareholder may be subject to withholding on amounts payable to them, or may be compelled to sell their interest in the Company or, in certain situations, the shareholder's interest in the Company may be sold involuntarily (in doing so the Company will observe relevant legal requirements and will act in good faith and on reasonable grounds). The Company may at its discretion enter into any supplemental agreement without the consent of shareholders to provide for any measures that the Company deems appropriate or necessary to comply with FATCA.

Shareholders in the Company should consult their own tax advisors regarding the FATCA requirements with respect to their own situation. In particular, shareholders who hold their shares through intermediaries should confirm the FATCA compliance status of those intermediaries to ensure that they do not suffer FATCA withholding tax on their investment returns.

Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the FATCA withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of the FATCA regime, the value of the shares held by shareholders may suffer material losses.

No investment guarantee equivalent to deposit protection

Investment in the Target Fund is not in the nature of a deposit in a bank account and is not protected by any government, government agency or other guarantee scheme which may be available to protect the holder of a bank deposit account.

Asset-backed and receivables-backed securities

Asset-backed securities such as ABCPs are created by the grouping of certain governmental, government-related and private loans, receivables and other lender assets into pools. Interests in these pools are sold as individual securities. Payments from the asset pools may be divided into several different tranches of debt securities, with some tranches entitled to receive regular instalments of principal and interest, other tranches entitled to receive regular instalments of interest, with principal payable at maturity or upon specified call dates, and other tranches only entitled to receive payments of principal and accrued interest at maturity or upon specified call dates. Different tranches of securities will bear different interest rates which may be fixed or floating.

Because the loans held in the asset pool often may be prepaid without penalty or premium, asset-backed securities are generally subject to higher prepayment risks than most other types of debt instruments. Prepayment risks on mortgage securities tend to increase during periods of declining mortgage interest rates because many borrowers re-finance their mortgages to take advantage of the more favourable rates. Depending upon market conditions, the yield that the Target Fund receives from the re-investment of such prepayments, or any scheduled principal payments may be lower than the yield on the original mortgage security. As a consequence, mortgage securities may be a less effective means of "locking in" interest rates than other types of debt securities having the same stated maturity and may also have less potential for capital appreciation. For certain types of asset pools, such as collateralised mortgage

	RISKS OF THE TARGET FUND	
	obligations, prepayments may be allocated to one tranche of securities ahead of other tranches, in order to reduce the risk of prepayment for the other tranches. The credit characteristics of asset-backed securities also differ in a number of respects from those of traditional debt securities. The credit quality of most asset-backed securities depends primarily upon the credit quality of the assets underlying such securities, how well the entity issuing the securities is insulated from the credit risk of the originator or any other affiliated entities, and the amount and quality of any credit enhancement to such securities.	
Legal requirements	Persons interested in purchasing shares of the Target Fund should inform themselves as to (a) the legal requirements within their own countries for the purchase of shares of the Target Fund, (b) any foreign exchange restrictions which may be applicable, and (c) the income and other tax consequences of purchase, switching and redemption of shares of the Target Fund.	
Pandemic risk	An outbreak of an infectious disease, pandemic or any other serious public health concern could occur in any jurisdiction in which the Target Fund may invest, leading to changes in regional and global economic conditions and cycles which may have a negative impact on the Target Fund's investments and consequently its net asset value. Any such outbreak may also have an adverse effect on the wider global economy and/or markets which may negatively impact the Target Fund's investments more generally. In addition, a serious outbreak of infectious disease may also be a force majeure event under contracts relating to the Company thereby relieving a counterparty of the timely performance of the services such counterparties have contracted to provide to the Target Fund (the nature of the services will vary depending on the agreement in question).	
ESG scoring risk	The Company and the Target Investment Manager may rely on third parties to provide ESG scoring data where relevant. Therefore, the Company is subject to certain operational and data quality risks associated with reliance on third party service providers and data sources. ESG data provided by third parties may not always be reliable, consistent or available and this may impact on the Target Fund's ability to accurately assess sustainability risks and effectively promote environmental and social characteristics, where relevant.	

DEALING INFORMATION

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

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 of the Fund; or
 - transfer your Units to a non-US Person, within thirty (30) days from the date of the said notice.

WHAT ARE THE MINIMUM INITIAL INVESTMENT, MINIMUM ADDITIONAL INVESTMENT, MINIMUM REPURCHASE AMOUNT AND MINIMUM HOLDING OF UNITS?

Minimum Initial Investment*	USD 10,000	
Minimum Additional Investment*	USD 5,000	
Minimum Repurchase Amount*	10,000 Units	
Minimum Holding of Units*	10,000 Units	
Minimum Units Per Switch*	10,000 Units	

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

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	
 Individual or Jointholder 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 	 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*; 	
Foreign Account Tax Compliance Act ("FATCA") and Common Reporting Standard ("CRS") Self-certification Form.	 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. You may obtain our bank account details from our online download center at www.aham.com.mv.
- 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"), we will create your Units based on the NAV per Unit 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?

- You must meet the minimum holding of Units 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, we may withdraw all your holding of Units 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"), Units will be repurchased based on the NAV per Unit 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 share class is deferred or the payment period of the Target Fund is extended.

WHAT IS THE PRICING OF UNITS?

- The Selling Price and the Repurchase Price are equivalent to the NAV per Unit. Any applicable Sales Charge and Repurchase Charge are payable separately from the Selling Price and Repurchase Price.
- Forward Pricing will be used to determine the Selling Price and the Repurchase Price i.e. the NAV per Unit as at the next valuation point after we receive the purchase request or repurchase request.

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 the 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 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 unit trust 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 into any of our funds (or its classes), provided that the fund (or its class) is denominated in the same currency as the fund (or its 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 Fund's minimum holding of Units 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.

The process of the switching application is as below:

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 Out Fund	Switching In Fund
Money market fund	Non-money market fund		
Non-money market fund	Non-money market fund	T Day	T Day
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 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.
- 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.

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.

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 in the Fund 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 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 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, the 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/or 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 shall be five (5) Unit Holders, whether present in person or by proxy; however, if the Fund has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders shall be two (2) Unit Holders, 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 at the time of the meeting.
- (c) If the Fund 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.

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), of all the Unit Holders, whichever is less, summon a meeting of the Unit Holders 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 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.

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 shall 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.

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.

Procedures to be taken to increase the Fees and Charges from the current amount stipulated in the 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 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 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 unless the total impact on your account is less than MYR 10.00. 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	АНАМ	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 in the Fund.

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:

HEAD OFFICE

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

PERAK

1, Persiaran Greentown 6 Greentown Business Centre 30450 Ipoh, Perak

Tel: 05 - 241 0668 Fax: 05 – 255 9696

JOHOR

Unit 22-05, Level 22 Menara Landmark No. 12, Jalan Ngee Heng 80000 Johor Bahru

Johor

Tel : 07 – 227 8999 Fax : 07 – 223 8998

MELAKA

Ground Floor No. 584 Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel: 06 -281 2890 Fax: 06 -281 2937

SARAWAK

Ground Floor, No. 69 Block 10, Jalan Laksamana Cheng Ho 93200 Kuching, Sarawak Tel: 082 – 233 320

Fax: 082 – 233 663

1st Floor, Lot 1291 Jalan Melayu, MCLD 98000 Miri, Sarawak Tel: 085 - 418 403 Fax: 085 - 418 372

SABAH

Unit 1.09(a), Level 1, Plaza Shell 29, Jalan Tunku Abdul Rahman 88000 Kota Kinabalu, Sabah

Tel: 088 - 252 881 Fax: 088 - 288 803