Out think. Out perform.

AFFIN HWANG CAPITAL

Information Memorandum

Affin Hwang World Series - Global Quantum Fund

MANAGER
Affin Hwang Asset Management Berhad (429786-T)

TRUSTEE
CIMB Commerce Trustee Berhad (313031-A)

This Information Memorandum is dated 18 April 2018.
The Affin Hwang World Series – Global Quantum Fund is constituted on 18 January 2018.
The constitution date for the Fund is also the launch date of the Fund.

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 ADVISER.

This Information Memorandum has been seen and approved by the directors of Affin Hwang Asset Management Berhad and they collectively and individually accept full responsibility for the accuracy of all information contained herein and confirm, having made all enquiries which are reasonable in the circumstances, that to the best of their knowledge and belief, there are no other facts omitted which would make any statement herein misleading.

A copy of this Information Memorandum has been lodged with the Securities Commission Malaysia. The Securities Commission Malaysia will not be liable for any non-disclosure on the part of Affin Hwang Asset Management Berhad and takes no responsibility for the contents of this Information Memorandum, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the contents of this Information Memorandum.

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.

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CORPORATE DIRECTORY

The Manager/AHAM
Affin Hwang Asset Management Berhad (429786-T)
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@affinhwangam.com
Website : www.affinhwangam.com

Board of Directors of the Manager/AHAM

- Tan Sri Dato' Seri Che Lodin bin Wok Kamaruddin (Non-independent Director)
- Datuk Maimoonah binti Mohamed Hussain (Non-independent Director)
- YBhg Mej Jen Dato' Hj Latip bin Ismail (Independent Director)
- Mr Teng Chee Wai (Non-independent Director)
- Mr David Jonathan Semaya (Non-independent Director)
- Encik Abd Malik bin A Rahman (Independent Director)

The Trustee
CIMB Commerce Trustee Berhad (313031-A)
Registered Office
Level 13, Menara CIMB, Jalan Stesen Sentral 2
Kuala Lumpur Sentral, 50470 Kuala Lumpur
Tel No. : (603) 2261 8888
Fax No. : (603) 2261 0099
Business Address
Level 21, Menara CIMB, Jalan Stesen Sentral 2
Kuala Lumpur Sentral, 50470 Kuala Lumpur
Tel No. : (603) 2261 8888
Fax No. : (603) 2261 9889

Trustee's Delegate
CIMB Bank Berhad (13491-P)
Business Address
Level 21, Menara CIMB Jalan Stesen Sentral 2
Kuala Lumpur Sentral, 50470 Kuala Lumpur
Tel No. : (603) 2261 8888
Fax No. : (603) 2261 9892

ABBREVIATION

AUD	Australian Dollar.
CSSF	Commission de Surveillance du Secteur Financier.
EC	European Committee.
FiMM	Federation of Investment Managers Malaysia.
GBP	British Pound Sterling.
GST	Goods and Services Tax.
MYR	Ringgit Malaysia.
OTC	Over-the-Counter.
PHS	Product Highlights Sheet.
SC	Securities Commission Malaysia.
SGD	Singapore Dollar.
UCI	Undertakings for Collective Investments.
UK	United Kingdom.
US	United States of America.
USD	United States Dollar.

GLOSSARY

the Act	Means the Capital Markets and Services Act 2007 as may be amended from time to time.
AUD Class	Represents a Class issued by the Fund which is denominated in AUD.
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 the Bursa Malaysia is open for trading. The Manager may declare certain Business Days a non-Business Day when deemed necessary, such as in the event of market disruption.
Class(es)	Means any number of class(es) of Unit(s) representing similar interests in the assets of the Fund and a "Class" means any one class of Units.
Commencement Date	Means the date on which sale of Units of the Fund is first made. The Commencement Date is also the date of constitution of the Fund.
Communiqué	Refers to the notice issued by the Manager to the Unit Holders.
Community law	The law of the European Union as established by treaties and cases of the EU courts.
Company	Means Standard Life Investments Global SICAV II, which has been incorporated on 15 March 2016 under Luxembourg law as a "société d'investissement à capital variable" (SICAV).
Deed	Refers to the deed dated 4 January 2018, as modified by a supplemental deed dated 20 March 2018 relating to the Fund, both entered into between the Manager and the Trustee including any supplemental and variations thereto.
deposit(s)	Has the same meaning as the definition of "deposit" in the Financial Services Act 2013. For the avoidance of doubt, it shall exclude structured deposit.
Depositary	Means the Bank of New York Mellon SA/NV, Luxembourg Branch as appointed by the Company as depositary of the assets of the Company, which are held either directly by the depositary or through a correspondent bank or other agents as appointed from time to time.
Development Financial Institution	Means a development financial institution under the Development Financial Institutions Act 2002.

European Union or EU	Means a politico-economic union of 28 member states that are located primarily in Europe, operates through a system of supranational institutions and intergovernmental-negotiated decisions by the member states of the EU.
Financial Institution	Means (1) if the institution is in Malaysia – (i) Licensed Bank; (ii) Licensed Investment Bank; (iii) Development Financial Institution; or (iv) Licensed Islamic Bank; (2) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.
Forward Pricing	Means the method of determining the price of a Unit which is the NAV per Unit at the next valuation point after an application for purchase or repurchase request is received by the Manager.
Fund	Means Affin Hwang World Series – Global Quantum Fund.
G7	Refers to a group of 7 countries consisting of Canada, France, Germany, Italy, Japan, the UK and the US. The G7 serves as a forum for highly industrialised democracies to coordinate economic, security, and energy policy.
G-20	Refers to an international forum for the governments and central bank governors from 20 countries including the EU. The members of G-20 are: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, UK, US and EU.
GBP Class	Represents a Class issued by the Fund which is denominated in GBP.
Guidelines	Means the *Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework* issued by the SC and as may be amended from time to time.
Hedged Class	Means a particular Class issued by the Fund which aims to reduce the effect of exchange rate fluctuations between the Base Currency and the currency in which Unit Holders are exposed to having invested in that Class, also known as NAV hedging method. NAV hedging is undertaken regardless of whether the Base Currency is expected to increase or decline in value relative to the hedged currency.
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.
long term	Means a period of five (5) years and above.
Manager or AHAM	Means Affin Hwang Asset Management Berhad.
Management Company	Refers to Standard Life Investments (Mutual Funds) Limited, which has been appointed by the Company as its management company.
medium to long term	Means a period between three (3) years and five (5) years.
MYR Class	Represents a Class issued by the Fund which is denominated in MYR.
MYR-Hedged Class	Represents a Hedged Class issued by the Fund which is denominated in MYR.
NAV	Means the value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point; where the Fund has more than one Class, there shall be a net asset value of the Fund attributable to each Class.
NAV per Unit	Means the NAV of the Fund at a particular valuation point divided by the number of Unit in Circulation at the same valuation point; where the Fund has more than one Class, there shall be a NAV per Unit for each Class; the NAV per Unit of a Class at a particular valuation point shall be the NAV of the Fund attributable to that Class divided by the number of Units in Circulation of that Class at the same valuation point.

OECD	Refers to the Organisation for Economic Co-operation and Development. The 35 members of the OECD are: Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, South Korea, Spain, Sweden, Switzerland, Turkey, UK, US, Estonia and Latvia.
Prospectus of the Target Fund	Means the offering document of the Target Fund dated 24 November 2017, as updated and amended from time to time.
Reference Currency	Refers to the currency in which the Target Fund is denominated.
regulated market	Means a stock exchange or a regulated, recognised market which is a market that operates regularly and is open to the public and which in each case is in an EU member state, or if not in an EU member state.
Repurchase Charge	Means a charge imposed pursuant to a repurchase request.
Repurchase Price	Means NAV per Unit payable to a Unit Holder pursuant to a repurchase of a Unit; for the avoidance of doubt, the Repurchase Price of Units does not include any Repurchase Charge which may be imposed. *The Repurchase Price is equivalent to the initial offer price during the initial offer period and NAV per Unit after the initial offer period.*
Sales Charge	Means a charge imposed pursuant to a purchase request.
Selling Price	Means NAV per Unit payable by an applicant for a Unit pursuant to a successful application for Units; for the avoidance of doubt, the Selling Price of Units does not include any Sales Charge which may be imposed. The Selling Price is equivalent to the initial offer price during the initial offer period and NAV per Unit after the initial offer period.
Sophisticated Investor	Refers to – (1) an individual whose total net personal assets, or total net joint assets with his or her spouse, exceed RM3 million or its equivalent in foreign currencies, excluding the value of the individual's primary residence; (2) an individual who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies per annum in the preceding 12 months; (3) an individual who, jointly with his or her spouse, has a gross annual income exceeding RM400,000 or its equivalent in foreign currencies per annum in the preceding 12 months; (4) a corporation with total net assets exceeding RM10 million or its equivalent in foreign currencies based on the last audited accounts; (5) a partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies; (6) a unit trust scheme or prescribed investment scheme; (7) a private retirement scheme; (8) a closed-end fund approved by SC; (9) a company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding RM10 million or its equivalent in foreign currencies; (10) a corporation that is a public company under the Companies Act 2016 which is approved by the SC to be a trustee under the Act and has assets under management exceeding RM10 million or its equivalent in foreign currencies; (11) a statutory body established by an Act of Parliament or an enactment of any State; (12) a pension fund approved by the Director General of Inland Revenue under section 150 of the Income Tax Act 1967 [Act 53]; (13) central bank of Malaysia; (14) a holder of a capital markets services licence or an executive director or a chief executive officer of a holder of a capital markets services licence;

	(15) a licensed institution as defined in the Financial Services Act 2013; (16) an Islamic bank as defined in the Islamic Financial Services Act 2013; (17) an insurance company licensed under the Financial Services Act 2013; (18) a takaful operator registered under the Islamic Financial Services Act 2013; (19) a bank licensee or insurance licensee as defined under the Labuan Financial Services and Securities Act 2010 [Act 704]; (20) an Islamic bank licensee or takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010 [Act 705]; and (21) such other investor(s) as may be permitted by the SC from time to time and/or under the relevant guidelines for wholesale funds.
SGD Class	Represents a Class issued by the Fund which is denominated in SGD.
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 of the Unit Holders present and voting at the meeting in person or by proxy; for the avoidance of doubt, "three-fourths of the Unit Holders present and voting" means three-fourths of the votes cast by the Unit Holders present and voting; for the purposes of terminating the Fund or a Class, "Special Resolution" means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority in number holding not less than three-fourths of the value of the votes cast by the Unit Holders present and voting at the meeting in person or by proxy.
Target Fund	Refers to Standard Life Investments Global SICAV II Global Smaller Companies Fund.
Target Fund Manager	Refers to Standard Life Investments Limited, being an investment manager, which has been appointed by the Management Company to manage the Target Fund.
Trustee	CIMB Commerce Trustee Berhad.
UCITS	Refers to undertakings for collective investment in transferable securities.
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 and if the Fund has more than one Class, it means a Unit issued for each Class.
Units in Circulation	Means Units created and fully paid and which has not been cancelled. *It is also the total number of Units issued at a particular valuation point.*
Unit Holder, you	Means the person for the time being who, in full compliance to the relevant laws is a Sophisticated Investor pursuant to the Guidelines including a jointholder.
USD Class	Represents a Class issued by the Fund which is denominated in USD.
US Person	Means a US citizen or US tax resident individual, (including a green-card holder, an individual with substantial US presence and an individual who has US permanent or mailing address), a US corporation, US partnership, US trust or US estate for US federal income tax purposes.

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

ABOUT AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

Fund Category	:	Feeder (Wholesale)
Fund Type	:	Growth
Base Currency	:	USD
Financial Year End	:	30 April
Distribution Policy	:	The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate.

INVESTORS' PROFILE

The Fund is suitable for you, if you:

- seek capital appreciation through investments in global smaller company equities;
- have a long term investment horizon; and
- have a high risk tolerance.

INVESTMENT OBJECTIVE

The Fund seeks to achieve capital appreciation over medium to long term period.

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

PERFORMANCE BENCHMARK

MSCI AC World Small Cap Index

The risk profile of this Fund is different from the risk profile of the benchmark.

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, deposits and/or liquid assets.

INVESTMENT STRATEGY

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

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

We hold the discretion to 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 change is made.

Derivatives

We may employ derivatives, such as foreign exchange forward contracts and cross currency swaps, mainly for hedging purposes. Cross currency swaps and/or foreign exchange forward contracts may be used to hedge the principal and/or the returns of the foreign currency exposure of any of the Class(es) against the Base Currency. The employment of derivatives under these circumstances is expected to reduce the impact of foreign currency movements on the Fund's NAV, irrespective of the currency classes. While the hedging strategy will assist with 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 also employ derivatives for investment purposes to enhance the returns 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 forwards and swaps which are OTC or traded on centralised exchanges.

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 above, 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 are monitored by the Compliance Unit of the Manager, and reported to the AHAM's compliance and risk management committee, to avoid conflicts of interests and manipulation that could have a negative impact on investors.

PERMITTED INVESTMENT

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 will be valued at 11.00 a.m. on the next Business Day (or "T + 1"). All foreign assets are translated into the Base Currency i.e. USD, based on the latest available bid exchange rate quoted by Bloomberg/Reuters at 4.00 p.m. (United Kingdom time) which is equivalent to 11.00 p.m. or 12.00 midnight (Malaysian time) on the same day, or at such time as stipulated in the investment management standards issued by the FiMM. If the foreign market in which the Fund is invested therein is closed for business, the Manager will value the investment based on the latest available price as at the day the particular foreign market was last opened for business.

VALUATION OF ASSETS

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**

  Investments in unlisted collective investment schemes shall be valued based on the last published repurchase price.

- **Deposit**

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

- **Money Market Instruments**

  Valuation of money market instruments will be based on amortised costs.

- **Derivatives**

  Valuation of derivatives will be based on the rates provided by the respective issuers. For foreign exchange forward contracts ("FX Forwards"), we will apply interpolation formula to compute the value of the FX Forwards based on the rates provided by the Bloomberg. If the rates are not available on the Bloomberg, the FX Forwards will be valued by reference to the average indicative rate quoted by at least 3 independent dealers. In the case where we are unable to obtain quotation from 3 independent dealers, the FX Forwards will be valued in accordance to fair value as determined in good faith by us, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

- **Any Other Investment**

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

ABOUT THE CLASSES

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

Classes	USD Class	MYR Class	MYR-Hedged Class	SGD Class	AUD Class	GBP Class
Initial Offer Price	N/A[+]	N/A[+]	MYR 0.50[*]	N/A[+]	N/A[+]	N/A[+]
	[+]The price of Units for USD Class, MYR Class, SGD Class, AUD Class and GBP Class shall be based on the NAV per Unit. [*]The price of Units offered for purchase during the initial offer period.					
Initial Offer Period	The initial offer period for MYR-Hedged Class will be one (1) day commencing on the date of this Information Memorandum. The initial offer period for the existing USD Class, MYR Class, SGD Class, AUD Class and GBP Class has ended.					
Minimum Initial Investment[*]	USD 5,000	MYR 10,000	MYR 10,000	SGD 5,000	AUD 5,000	GBP 5,000
Minimum Additional Investment[*]	USD 1,000	MYR 5,000	MYR 5,000	SGD 1,000	AUD 1,000	GBP 1,000
Minimum Units Held[*]	10,000 Units	20,000 Units	20,000 Units	10,000 Units	10,000 Units	10,000 Units
	If the balance of your investment (i.e. total number of Units) is less than the minimum holding of Units, you will be required to make an additional investment in order to meet the required minimum balance of investment. Otherwise, we may withdraw all your holding of Units in the Fund and pay the proceeds to you.					
Minimum Units Per Switch*	10,000 Units	20,000 Units	20,000 Units	10,000 Units	10,000 Units	10,000 Units
Unitholdings in Different Classes	You should note that there are differences when purchasing Units of the USD Class and other Classes in the Fund. For illustration purposes, assuming you have USD 10,000 to invest:					

Class(es)	USD Class	MYR Class	MYR-Hedged Class	SGD Class	AUD Class	GBP Class
NAV per Unit	USD 0.50	MYR 0.50	MYR 0.50	SGD 0.50	AUD 0.50	GBP 0.50
Currency exchange rate	USD 1 = USD 1	USD 1 = MYR 4	USD 1 = MYR 4	USD 1 = SGD 2	USD 1 = AUD 2	USD 1 = GBP 0.75
Invested amount	USD 10,000 x USD 1 = USD 10,000	USD 10,000 x MYR 4 = MYR 40,000	USD 10,000 x MYR 4 = MYR 40,000	USD 10,000 x SGD 2 = SGD 20,000	USD 10,000 x AUD 2 = AUD 20,000	USD 10,000 x GBP 0.75 = GBP 7,500
Units received	USD 10,000 ÷ USD 0.50 = 20,000 Units	MYR 40,000 ÷ MYR 0.50 = 80,000 Units	MYR 40,000 ÷ MYR 0.50 = 80,000 Units	SGD 20,000 ÷ SGD 0.50 = 40,000 Units	AUD 20,000 ÷ AUD 0.50 = 40,000 Units	GBP 7,500 ÷ GBP 0.50 = 15,000 Units

Invested amount = USD 10,000 x currency exchange rate of the Class

Units received = Invested amount ÷ NAV per Unit of the Class

By purchasing Units in the USD Class, you will receive less Units for every USD invested in the Fund (i.e. 20,000 Units), similarly by purchasing Units of the GBP Class, you will also receive less Units for every GBP invested in the Fund (i.e. 15,000 Units), compared to purchasing Units in MYR Class (i.e. 80,000 Units), MYR-Hedged Class (i.e. 80,000 Units), SGD Class (i.e. 40,000 Units) or AUD Class (i.e. 40,000 Units). Upon a poll, the votes by

[*] Subject to the Manager's discretion, you may negotiate for a lower amount or value.

Classes	USD Class	MYR Class	MYR-Hedged Class	SGD Class	AUD Class	GBP Class
	every Unit Holder present in person or by proxy is proportionate to the value of Units held by him or her. Hence, holding more number of Units may not give you an advantage when voting at Unit Holders' meetings. You should note that in a Unit Holders' meeting to terminate or wind up the Fund, a Special Resolution will only be passed by a majority in number holding not less than three-fourths of the value of the votes cast by the Unit Holders present and voting at the meeting in person or by proxy.					

The Fund may create new Classes and/or new Hedged Classes in respect of the Fund in the future. You will be notified of the issuance of the new Classes and/or new Hedged Classes 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.

The fees, charges and expenses quoted in this Information Memorandum are exclusive of GST. We (including the Trustee and other service providers of the Fund) will charge GST at the prevailing rate of 6% on the fees, charges and expenses in accordance with the Goods and Services Tax Act 2014.

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

SALES CHARGE

Up to 5.50% of the initial offer price of a Class during the initial offer period, thereafter, on the NAV per Unit of a Class.

REPURCHASE CHARGE

Not applicable.

TRANSFER FEE

Not applicable.

SWITCHING FEE

Not applicable.

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

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

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

For Unit Holders of a Class other than USD Class, the management fee and trustee fee payable shall be reflected in MYR / SGD / AUD / GBP in the Fund's financial report.

ANNUAL MANAGEMENT FEE

The management fee is up to 1.80% per annum of the NAV of the Fund, and is calculated using the Fund's Base Currency (before deducting the management fee and trustee fee). The management fee is accrued daily and payable monthly.

Please note that the example below is for illustration only:

$$\frac{\text{USD 120 million} \times 1.80\%}{\text{365 days}} = \text{USD 5,917.81 per day}$$

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 0.04% per annum of the NAV of the Fund (excluding foreign custodian fees and charges), and is calculated using the Fund's Base Currency (before deducting the management fee and trustee fee). The trustee fee is accrued daily and payable monthly. 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:

$$\frac{\text{USD 120 million} \times 0.04\%}{365 \text{ days}} = \text{USD } 131.51 \text{ per day}$$

ADMINISTRATIVE FEE

Only fees and expenses that are directly related and necessary to the operation and administration of the Fund or each Class may be charged to the Fund or each Class respectively. These include the following:

- Commissions or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets of the Fund;
- Taxes and other duties charged on the Fund by the government and/or other authorities;
- Costs, fees and expenses properly incurred by the auditor appointed for the Fund;
- Costs, fees and expenses incurred for the valuation of any investment of the Fund by independent valuers for the benefit of the Fund;
- Costs, fees and expenses incurred for any modification of the Deed save where 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;
- Any tax such as GST and/or other indirect or similar 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 as stated in the Deed to increase the fees and charges.

Sales Charge	6.00% of the NAV per Unit of a Class
Repurchase Charge	1.00% of the NAV per Unit of a Class
Annual Management Fee	3.00% per annum of the NAV of the Fund 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)

FEES AND CHARGES OF THE TARGET FUND

Preliminary Charge	Not applicable
Redemption Fee	Not applicable
Management Fee	Up to 0.90% 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.***

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 should be directed to the account of the Fund.

The soft commission can be retained by us or our delegates provided that;-

- the goods and services are of demonstrable benefit to the Unit Holders in the form of research and advisory services that assist in the decision-making process relating to the Fund's investments; and
- any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund.

ABOUT THE TARGET FUND
- STANDARD LIFE INVESTMENTS GLOBAL SICAV II GLOBAL SMALLER COMPANIES FUND

NAME	:	Standard Life Investments Global SICAV II Global Smaller Companies Fund
BASE CURRENCY	:	USD
TYPE OF CLASS	:	Institutional accumulation (D share class)
INCEPTION DATE OF THE CLASS	:	10 January 2018
INCEPTION DATE OF THE TARGET FUND	:	10 January 2018
COUNTRY OF ORIGIN	:	Luxembourg
DEPOSITORY	:	The Bank of New York Mellon SA/NV, Luxembourg Branch
REGULATORY AUTHORITY	:	Commission de Surveillance du Secteur Financier ("CSSF")

The Target Fund is a sub-fund of the Company. The Company has been incorporated on 15 March 2016 under Luxembourg law as a "société d'investissement à capital variable" (SICAV). The minimum capital of the Company is EUR 1,250,000.

The Company's articles of incorporation have also been deposited with the Luxembourg Trade and Companies Register and have been published in the Mémorial, Recueil des Sociétés et Associations (the "Mémorial") on 8 April 2016. The Company has been registered under number B 204798 with the Luxembourg Trade and Companies Register.

The Company has appointed Standard Life Investments (Mutual Funds) Limited, incorporated in Scotland under the Companies Acts (registered number SC123322), to act as its management company with effect as of 1 June 2016. The Management Company is a management company governed by the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 ("UCITS Directive") and FSA Instrument 2003/47, and is authorised to perform in particular the functions of collective portfolio management within the meaning of the UCITS Directive, including without limitation the creation, administration, management and marketing of UCITS. The Management Company will perform its functions, duties and responsibilities in accordance with the provisions of the management company agreement and in compliance with the Prospectus of the Target Fund, articles of incorporation, the Part I of the Luxembourg law of 17 December 2010 on undertakings for collective investment ("UCI Law") (as further detailed in, but not limited to, article 122 of the UCI Law), the UCITS Directive, and any applicable CSSF regulations.

MANAGEMENT COMPANY

Pursuant to an agreement dated 1 June 2016 (the "Management Company Agreement"), the Company has appointed, as of 1 June 2016, Standard Life Investments (Mutual Funds) Limited, a company incorporated under the laws of Scotland, registered under number SC123322, and having its registered office at 1 George Street, Edinburgh EH2 2LL, Scotland as its dedicated management company in accordance with the provisions of article 119 (3) of the UCI Law.

The Management Company was incorporated on 27 February 1990 for an unlimited duration. The Management Company is approved by the Financial Conduct Authority ("FCA") to act as a management company in accordance with the UCITS Directive. The Management Company has a subscribed and paid-up capital of £10,000,000.

Pursuant to the Management Company Agreement, the Management Company has in particular the following duties in respect of the Company:
- portfolio management of the Target Fund;
- central administration, including the calculation of the net asset value, the subscription, registration, conversion and redemption of shares, and the general administration of the Company;
- compliance and risk management in respect of the Target Fund; and
- distribution and marketing of the shares of the Target Fund.

As outlined below, the Management Company has delegated these duties to the Target Fund Manager and to other appropriately qualified and experienced specialist delegates.

The rights and duties of the Management Company are governed by the UCITS Directive.

In accordance with the UCITS Directive and with the prior consent of the FCA, the Management Company is entitled to delegate, under its control and responsibility, all or part of its duties and powers to any person or entity, which it may consider appropriate, provided in each case that such delegates are qualified and capable of undertaking the functions in question.

THE TARGET FUND MANAGER

Pursuant to an investment management agreement dated 1 June 2016 and entered into between the Company, the Management Company and the Target Fund Manager, the Management Company appointed the Standard Life Investments Limited as the Target Fund Manager to manage the assets of the Target Fund. The Target Fund Manager is regulated by the UK Financial Conduct Authority.

Pursuant to the investment management agreement mentioned above, the Management Company has expressly delegated to the Target Fund Manager the discretion, on a daily basis but subject to the overall control and responsibility of the Management Company, to purchase and sell securities as agent for the Company and otherwise to manage the portfolio of the Target Fund for the account and in the name of the Company in relation to specific transactions.

The aforementioned investment management agreement gives the Target Fund Manager the discretion to appoint, at its own cost and in relation to the Target Fund with a geographical focus, external specialist asset management companies or specialist asset management companies from within its group as sub-investment managers, in order to benefit from their expertise and experience in particular markets. In case the appointed sub-investment manager does not form part of the Target Fund Manager's group, the existing shareholders of the Target Fund to be managed by it shall have the right to require, during a one-month notice period before the appointment of the external sub-investment manager becomes effective, the redemption by the Company of their shares free of charge. In addition, the Target Fund Manager may, inter alia and in accordance with the terms of that agreement and with the prior written consent of the Management Company, delegate the non-discretionary hedging services to one or more third parties being highly rated financial institutions specialised in these types of transactions. The Target Fund Manager's liability to the Management Company and the Company for all matters delegated shall not be affected.

INVESTMENT OBJECTIVE

The objective of the Target Fund is to achieve long-term growth in the share price through capital appreciation of the underlying portfolio. The Target Fund will achieve this objective predominately through investment in global smaller company equities and equity related securities of corporations registered on recognised stock exchanges.

The Target Fund may also invest in other transferable securities, money-market instruments, deposits, cash and near cash, derivatives and collective investment schemes.

The Target Fund typically holds a concentrated portfolio of stocks and is actively managed by the Target Fund Manager, who will select stocks to try to take advantage of opportunities they have identified. Due to the nature of the companies in which the Target Fund invests, investors must be willing to accept a relatively high degree of stock specific risk.

The Target Fund may use derivatives for efficient portfolio management (including hedging).

INVESTMENT POLICIES

The Management Company, on behalf of the Company, will use a risk-management process that enables it to monitor and measure at any time the risk of the Target Fund's portfolio positions and its contribution to the overall risk profile of the portfolio of the Company. It will also employ a process allowing for accurate and independent assessment of the value of financial derivative instruments dealt in over-the-counter ("OTC derivatives").

For the Target Fund, the global exposure is calculated using the commitment approach. The Management Company, on behalf of the Company, shall ensure that, for the Target Fund using the commitment approach, global exposure relating to derivative instruments does not exceed the total net value of the Company's portfolio. The risk 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 the positions.

INVESTMENT POWERS AND RESTRICTIONS

1. The Target Fund, may only invest in:
   a) transferable securities and money market instruments admitted to or dealt in on a regulated market, within the meaning of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments;
   b) transferable securities and money market instruments dealt in on another regulated market in a EU member state which operates regularly and is recognised and open to the public;
   c) transferable securities and money market instruments admitted to official listing on a stock exchange in a non-EU member state or dealt in on another regulated market in a non-EU member state which operates regularly and is recognised and open to the public located within any other country of Europe, Asia, Oceania, the American continents or Africa;
   d) recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or to another regulated market referred to under paragraphs (a) to (c) above and that such admission is secured within one year of issue;
   e) shares or units of UCITS authorised according to the UCITS Directive and/or other UCI within the meaning of the first and second indent of Article 1(2) of the UCITS Directive, should they be situated in a EU member state or not, provided that:
      i. such other UCI are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;
      ii. the level of guaranteed protection for unit-holders in such other UCI is equivalent to that provided for unit-holders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the UCITS Directive;
      iii. the business of the other UCI is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
      iv. no more than 10% of the UCITS or the other UCI assets, whose acquisition is contemplated, can be, according to its fund rules or instruments of incorporation, invested in aggregate in units of other UCITS or other UCIs;
      v. The Target Fund may acquire shares or units of UCITS and/or other UCIs, provided that no more than 20% of its assets are invested in a single UCITS or other UCI. For the purposes of applying this investment limit, the Target Fund with multiple sub-funds, within the meaning of Article 181 of the UCI Law, shall be considered as a separate entity, provided that the principle of segregation of commitments of the Target Fund is ensured in relation to third parties;
      vi. investments made in shares or units of UCIs other than UCITS may not exceed, in aggregate, 30% of the assets of the Target Fund.
   f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve (12) months, provided that the credit institution has its registered office in a EU member state or, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;
   g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market referred to in paragraphs (a), (b) and (c); and/or OTC derivatives, provided that:
      i. the underlying asset consists of instruments covered by paragraphs (a) to (h), financial indices, interest rates, foreign exchange rates or currencies, in which the Company may invest according to the investment objectives of Target Fund;
      ii. the counter-parties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF; and
      iii. the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair market value at the Company' s initiative;

h) money market instruments other than those dealt in on a regulated market and referred to in paragraphs (a) to (c) above, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

   i. issued or guaranteed by a central, regional or local authority, a central bank of a EU member state, the European Central Bank, the European Union or the European Investment Bank, a non-EU member state or, in the case of a federal state, by one of the members making up the federation, or by a public international body to which one or more EU member states belong; or

   ii. issued by an undertaking any securities of which are dealt in on regulated markets referred to in paragraphs (a), (b) or (c); or

   iii. issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law; or

   iv. issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount at least to ten million euros (EUR 10,000,000.00) and which presents and publishes its annual accounts in accordance with the Fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

2. However, the Company:

   a) may invest up to 10% of the net assets of Target Fund in transferable securities and money market instruments other than those referred to in section 1) above;

   b) may acquire movable and immovable property which is essential for the direct pursuit of its business;

   c) may not acquire either precious metals or certificates representing them; and

   d) may hold ancillary liquid assets.

Risk diversification

3. In accordance with the principle of risk diversification, Target Fund will invest no more than 10% of its net assets in transferable securities or money market instruments issued by the same body. Target Fund may not invest more than 20% of its assets in deposits made with the same body.

4. The risk exposure to a counterparty of Target Fund in OTC or exchange-traded derivative transactions whether entered into in order to achieve the Target Fund’s investment objective or for efficient portfolio management, net of collateral received by the Target Fund in compliance with the conditions laid down in the sub-section headed "Collateral Policy" below, may in aggregate not exceed 10% of its assets when the counterparty is a credit institution referred to in section 1)(f) above, or 5% of its assets in any other case.

5. Moreover, the total value of the transferable securities and money market instruments held by the Target Fund in the issuing bodies in each of which it invests more than 5% of its assets must not exceed 40% of the value of its assets. This limitation does not apply to deposits and OTC derivatives made with financial institutions subject to prudential supervision.

6. Notwithstanding the limits laid down in sections 3) and 4) above, the Target Fund may not combine, where this would lead to investment of more than 20% of its assets in a single body, any of the following:

   a) investments in transferable securities or money market instruments issued by that body;

   b) deposits made with that body; and/or

   c) exposures arising from OTC or exchange-traded derivatives transactions, whether entered into in order to achieve the Target Fund’s investment objective or for efficient portfolio management, net of collateral received by the Target Fund in compliance with the conditions laid down in the sub-section headed "Collateral Policy" below, undertaken with that body.

7. The following exceptions can be made:

   a) The aforementioned limit of 10% can be raised to a maximum of 25% for certain debt securities if they are issued by a credit institution whose registered office is situated in an EU member state and which is subject, by virtue of law, to particular public supervision for the purpose of protecting the holders of such debt securities. In particular, the amounts resulting from the issue of such debt securities must be invested, pursuant to the law in assets which sufficiently cover, during the whole period of validity of such debt securities, the liabilities arising therefrom and which are assigned to the preferential repayment of capital and accrued interest in the case of default by the issuer. If the Target Fund invests more than 5% of its net assets in such debt securities as referred to above and issued by the same issuer, the total value of such investments may not exceed 80% of the value of the Target Fund's net assets.

b) The aforementioned limit of 10% can be raised to a maximum of 35% for transferable securities or money market instruments issued or guaranteed by an EU member state, by its local authorities, by an eligible state (being any EU member state, any member state of the OECD, and any other state which the board of directors deem appropriate with regard to the investment objectives of Target Fund. Eligible states in this category include countries in Africa, the Americas, Asia, Australasia and Europe), or by public international bodies of which one or more EU member states are members.

c) The transferable securities referred to in exceptions (a) and (b) are not included in the calculation of the limit of 40% laid down in section 5) above.

d) The limits stated under sections 3) to 6) and 7)(a) and (b) above, may not be combined and, accordingly, investments in transferable securities or money market instruments issued by the same body or in deposits or derivatives instruments made with this body in accordance with sections 3) to 6) and 7)(a) and (b) above, may not, in any event, exceed a total of 35% of the Target Fund's net assets.

e) Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules are regarded as a single body for the purpose of calculating the limits contained in sections 3) to 7).

f) The Target Fund may invest in aggregate up to 20% of its assets in transferable securities and money market instruments with the same group.

8. The Company may further invest up to 100% of the net assets of the Target Fund, in accordance with the principle of risk spreading, in transferable securities and money market instruments issued or guaranteed by a EU member state, its local authorities, an OECD member country, a G-20 member country, or public international bodies of which one or more EU member state are members, provided that in such event the Target Fund must hold securities from at least six different issues, but securities from any one issue may not account for more than 30% of the total amount.

9. a) When the Target Fund has acquired shares or units of UCITS and/or other UCIs, the assets of the respective UCITS or other UCI do not have to be combined in the view of the limits laid down in sections 3) to 7).

   b) When the Target Fund invests in the shares or units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company to which the management company is linked by common management or control or by a substantial direct or indirect holding, that management company or other company may not charge any subscription or redemption fees on account of the UCITS' investment in the units of other UCITS and/or other UCI.

   c) When the Target Fund invests a substantial proportion of its assets in other UCITS and/or UCIs, the maximum level of the management fees that may be charged both to the Target Fund itself and to the other UCITS and/or UCIs in which it invests will be 3.0% per annum.

   The Target Fund has 6 months from its date of authorization to achieve compliance with sections 3) to 9).

10. The Company will not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

11. The Company may not acquire more than:
    - 10% of non-voting shares of the same issuer;
    - 10% of the debt securities issued by the same issuer;
    - 25% of the units of the same UCITS and/or other UCI; or
    - 10% of the money market instruments of the same issuer.

    The limits laid down in the second, third and fourth indents may be disregarded at the time of acquisition if at that time the gross amount of debt securities or money market instruments, or the net amount of the securities in issue, cannot be calculated.

12. The limits of sections 10) and 11) above are waived as to:

    a) transferable securities and money market instruments issued or guaranteed by an EU member state or its local authorities;

    b) transferable securities and money market instruments issued or guaranteed by an OECD member state;

c) transferable securities and money market instruments issued by public international bodies of which one or more EU member states are members;

d) shares held in the capital of a company incorporated in a non-EU member state and investing its assets mainly in securities of issuers having their registered office in that State, if under the legislation of that State such a holding represents the only way in which the Target Fund can invest in the securities of the issuers of that State. This derogation only applies if the company has an investment policy complying with sections 3) to 7) as well as sections 9) to 11) above. If the limits stated in sections 3) to 7) and 9) above are exceeded, the provisions laid down in 8) and 16) shall apply mutatis mutandis;

e) shares held by the Target Fund in the capital of one or more subsidiary companies carrying on only the business of management, advice or marketing in the country/state where the subsidiary is located, in regard to the repurchase of units at shareholders' request exclusively on its or their behalf.

13. The Target Fund may not borrow more than 10% of its total net assets, and then only from financial institutions and on a temporary basis. The Target Fund may, however, acquire foreign currency by means of a back to back loan. The Target Fund will not purchase securities while borrowings are outstanding in relation to it, except to fulfil prior commitments and/or exercise subscription rights. However, the Target Fund can borrow up to 10% of its net assets to make possible the acquisition of immovable property essential for the direct pursuit of its business. In this case, these borrowings and those referred to above (temporary borrowings) may not in any case in total exceed 15% of the Target Fund's net assets.

14. The Company may not grant credits or act as guarantor for third parties. This limitation does not prevent the Company from purchasing securities that are not fully paid up, nor to lend securities as further described thereunder. This limitation does not apply to margin payments on option deals and other similar transactions made in conformity with established market practices.

15. The Target Fund will not purchase any securities on margin (except that the Target Fund may obtain such short-term credit as may be necessary for the clearance of purchases and sales of securities) or make short sales of securities or maintain a short position. Deposits on other accounts in connection with option, forward or financial futures contracts, are, however, permitted within the limits provided for here below.

16. The board of directors of the Company is authorised to introduce further investment restrictions at any time in the interests of the shareholders provided these are necessary to ensure compliance with the laws and regulations of those countries in which the Company's shares are offered and sold. In this event the Prospectus of the Target Fund will be updated.

17. If any of the above limitations are exceeded for reasons beyond the control of the Company and/or the Target Fund or as a result of the exercise of subscription rights attaching to transferable securities or money market instruments, the Company and/or the Target Fund must adopt, as a priority objective, sales transactions for the remedying of that situation, taking due account of the interests of its shareholders.

Risk warning

18. The Company must not neglect that in relation to the investment in other open-ended and closed-ended UCI which are not linked to the Company in the manner described under section 9)(b) above, the Company must bear the usual commissions relating to the units of these UCI.

SPECIAL INVESTMENT, HEDGING TECHNIQUES AND INSTRUMENTS AND EFFICIENT PORTFOLIO MANAGEMENT

General provisions

For the purpose of efficient portfolio management or investment purposes and/or to protect its assets and commitments, the Management Company may arrange for the Target Fund to make use of techniques and instruments relating to transferable securities and money market instruments, and which include derivatives as well as securities lending and repurchase agreements. These transactions will be subject to the conditions and restrictions set out above in section headed "Investment Powers and Restrictions".

The Management Company on behalf of the Company defines efficient portfolio management as transactions which must have one of the following three aims:

1) the reduction of risk;
2) the reduction of cost; or
3) the generation of additional capital or income for the Target Fund with an acceptably low level of risk.

The Management Company will ensure that the Target Fund's global exposure relating to derivative instruments does not exceed the total net value of its portfolio. The risk 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 the positions.

In no case whatsoever must the recourse to transactions involving derivatives or other financial techniques and instruments cause the Management Company to depart from the investment objectives of the Target Fund.

Counterparties to stock lending and repurchase transactions and to OTC derivatives are institutions subject to prudential supervision and belonging to categories approved by the CSSF. All counterparties are approved by the Target Fund Manager prior to trading, with a variety of factors being considered in the approval process such as minimum credit ratings and the counterparty's procedures and capabilities.

Securities lending transactions

The Management Company, on behalf of the Company, with respect to the assets of the Target Fund, may engage in securities lending provided that these transactions comply with the following rules:

1) The Company is authorised to lend securities within a standardised system organised by a recognised securities clearing institution or a first rate financial institution specialised in this type of transaction.

2) When engaging in securities lending, and except when this is done through a recognised securities clearing institution, the Company must receive security of a value that, at the time of entering into the agreement, must be at least equal to the aggregate value of the securities lent.

    a) This collateral must be given in the form of cash and/or securities issued or guaranteed by a member state of the OECD or by the central, regional or local government agencies of these states, or by supranational institutions and organisations with EU, regional or worldwide scope, and must be blocked in favour of the Company until expiry of the lending agreement.

    b) Such collateral is not required when securities lending is arranged through the intermediary of Clearstream, Euroclear or any other institution whereby the lender is assured of receiving the value of the securities lent in application of a guarantee or otherwise.

3) Lending transactions may not extend beyond a period of 30 days, nor may they exceed 50% of the aggregate market value of the securities in the portfolio of the Target Fund. This restriction is not applicable if the Company has the right to terminate the agreement at any time and obtain restitution of the securities lent.

    The revenues achieved from securities lending transactions, net of operational costs, remain with the Company to be re-invested accordingly. Direct and indirect operational costs may be deducted from the revenues delivered to the Company.

    Information on direct and indirect operational costs that may be incurred in this respect, as well as the entities to which such costs and fees are paid, and any relationship they may have to the Management Company, Target Fund Manager or Depositary, will be available in the annual report of the Company.

    The securities lending agent may be an affiliate of the Management Company and/or the Target Fund Manager. The details of such transactions will be available in the annual report of the Company.

Repurchase and reverse repurchase agreements

On an ancillary basis and for the purpose of improving performances of the Target Fund, the Management Company on behalf of the Company may, with respect to the assets of the Target Fund, enter into repurchase agreements that consist of forward transactions at the maturity of which the Target Fund (seller) has the obligation to repurchase the assets sold and the counterparty (buyer) has the obligation to return the assets purchased under the transactions. The Target Fund may further enter into reverse repurchase agreements that consist of forward transactions at the maturity of which the counterparty (seller) has the obligation to repurchase the asset sold and the Target Fund (buyer) the obligation to return the assets purchased under the transactions.

The Target Fund Manager, as authorised by the Management Company on behalf of the Company may enter into repurchase, reverse repurchase, buy/sellback or sell/buyback agreements. However, when entering into agreements of this type, the Target Fund Manager shall comply with the following rules:

1) The Target Fund Manager, as authorised by the Management Company on behalf of the Company may purchase or sell securities in connection with a repurchase, reverse repurchase, buy/sellback or sell/buyback agreement

only if the counterparty is subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and a highly rated financial institution specialised in this type of transaction approved by the Target Fund Manager as derivative counterparties.

2) During the duration of a purchase with a repurchase option agreement, the Company may not sell the securities which are the subject of the contract, before the counterparty has exercised its option or until the deadline for the repurchase has expired, unless the Company has other means of coverage.
3) The Target Fund may only enter into repurchase, reverse repurchase, buy/sellback or sell/buyback transactions provided that it is able at any time to: (a) recall the full amount of cash or to terminate the reverse repurchase or buy/sellback agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase or buy/sellback agreement should be used for the calculation of the net asset value of the Target Fund; or (b) recall any securities subject to the repurchase or sell/buyback agreement or to terminate the repurchase agreement into which it has entered.

For these purposes fixed-term repurchase, reverse repurchase, buy/sellback or sell/buyback agreements that do not exceed seven days are considered as arrangements on terms that allow the assets to be recalled at any time by the Target Fund.

In all cases, the Target Fund Manager must be satisfied with the creditworthiness of the seller/buyer before entering into a repurchase, reverse repurchase, buy/sellback or sell/buyback agreement. In the event of the bankruptcy or other default of the seller/buyer of a repurchase, reverse repurchase, buy/sellback or sell/buyback agreement, the Target Fund could incur expenses and delays enforcing its rights under the agreement, and experience a decline in the value of the underlying securities and loss of income. The maturity of a security subject to repurchase may exceed one year.

All the revenues arising from repurchase, reverse repurchase, buy/sellback or sell/buyback transactions shall be returned to the Company following the deduction of any direct and indirect operational costs and fees arising. Information on direct and indirect operational costs that may be incurred in respect of repurchase, reverse repurchase, buy/sellback or sell/buyback transactions, as well as the entities to which such costs and fees are paid, and any relationship they may have to the Management Company, Target Fund Manager or Depositary, will be available in the annual report of the Company.

As part of its repurchase transactions, the Company will receive collateral of high quality to be given in the form and nature as detailed in the sub-section headed "Collateral Policy" below.

Use of Derivatives in Target Fund

The Target Fund may use derivatives for efficient portfolio management. These instruments may include:

- Stock futures; and/or
- Index futures; and/or
- Equity linked swaps; and/or
- Currency forwards; and/or
- Currency swaps and options; and/or
- Forward exchange contracts and swaps; and/or
- Index options; and/or
- Stock options; and/or
- Participatory notes; and/or
- Property total return swaps; and/or
- Other eligible instruments as per the UCI Law.

Derivatives and techniques

Options on securities

The Target Fund Manager, as authorised by the Management Company on behalf of the Company may deal in options on securities provided the following limitations are observed:

1) Purchases and sales of options on securities shall be limited so that, upon exercise thereof, none of the other limit percentages would be infringed.

2) No option on securities will be purchased or sold unless it is quoted on an exchange or dealt in on a regulated market. Total value of all options (in terms of premiums paid) held by the Target Fund will not exceed 30% of its net asset value.

It is not the Company's policy to write put or call options on securities in the Target Fund.

Stock index options

In order to hedge against the risk of fluctuations in the value of a securities portfolio, the Target Fund Manager, as authorised by the Management Company on behalf of the Company may sell call options on stock indices or acquire put options on stock indices provided:

1) The commitments deriving therefrom do not exceed the value of the relevant assets to be hedged; and
2) The total amount of such transactions does not exceed the level necessary to cover the risks relating to the fluctuation of the value of the assets concerned.

For the purpose of efficient portfolio management, the Company may acquire call options on stock indices mainly in order to facilitate changes in the allocation of the Target Fund's assets between markets or in anticipation of or in a significant market sector advance, provided the value of the underlying securities included in the relevant stock index options is covered by cash, short-term debt securities and instruments owned by the Target Fund or securities to be disposed of by the Target Fund at predetermined prices.

Provided however that:

1) All such options must either be listed on an exchange or dealt in on a regulated market; and
2) Total value of all options (in terms of premiums paid) held by Target Fund will not exceed 30% of its net asset value.

Currency hedging

The Company may for the purposes of hedging currency risks have outstanding commitments in respect of forward currency contracts, currency futures or currency swap agreements or currency options (sales of call options or purchases of put options) provided that:

1) The total amount of such transactions does not exceed the level necessary to cover the risks relating to the fluctuation of the value of the assets of the Target Fund concerned denominated in a particular currency or any other currency which will be deemed to have a sufficient correlation with that particular currency. The hedging of currency risk may involve the use of cross-currency contracts to alter the currency exposure of the Target Fund in case it is more advantageous to the Target Fund; and
2) The commitments deriving therefrom do not exceed the value of the relevant assets to be hedged and the duration of these transactions do not exceed the period for which the respective assets are held.

The Target Fund Manager may also use forward currency contracts to hedge back to the Reference Currency of the Target Fund those investments which are made temporarily in other currencies, if for market reasons the Target Fund Manager has decided to discontinue temporary investments denominated in such currency. Similarly, the Target Fund Manager may hedge through forward contracts or currency options the currency exposure of contemplated investments to be made in investment currencies, provided that these contracts are covered by assets denominated in the Reference Currency of the Target Fund.

Currency futures and currency options must either be quoted on an exchange or dealt in on a regulated market. The Target Fund Manager may, however, enter into currency forward contracts or swap arrangements with highly rated financial institutions specialised in this type of transaction.

Authorised derivative counterparties and repurchase counterparties

The Target Fund Manager maintains a list of authorised OTC derivative counterparties. Derivative transactions and repurchase transactions can only be undertaken with approved derivative counterparties, respectively approved repurchase counterparties, which have their registered office in a developed country (including but not limited to OECD countries) and these undergo ongoing internal credit assessment to ensure an acceptable level of credit worthiness. Internal credit assessments incorporate detailed credit analysis and utilise external information, such as credit rating agency ratings.

Before an institution can serve as a counterparty for any type of instrument or technique, the Target Fund Manager must assess and approve it, including its credit quality (using both ratings and internal analysis), its compliance with regulatory requirements and its fitness for the particular instrument or technique in question.

Interest rate transactions

In order to hedge against interest rate fluctuations, the Target Fund Manager may sell interest rate futures or write call options or purchase put options on interest rates or enter into interest rate swaps provided:

1) The commitments deriving therefrom do not exceed the value of the relevant assets to be hedged; and
2) The total amount of such transactions does not exceed the level necessary to cover the risks relating to the fluctuation of the value of the assets concerned.

Such contracts or options must be denominated in the currencies in which the assets of the Target Fund are denominated, or in currencies which are likely to fluctuate in a similar manner and must be either listed on an exchange or dealt in on a regulated market.

For the purpose of efficient portfolio management, the Target Fund Manager may also enter into interest rate futures purchase contracts or acquire call and put options on interest rate futures, mainly in order to facilitate changes in the allocation of the assets of the Target Fund between shorter or longer term markets, in anticipation of or in a significant market sector advance, or to give a longer term exposure to short term investments, provided always that sufficient cash, short dated debt securities or instruments or securities to be disposed of at a predetermined value exist to match the underlying exposure of both such futures positions and the value of the underlying securities included in call options on interest rate futures acquired for the same purpose and for the Target Fund.

Provided however that:

1) All such futures and options on interest rate futures must be either listed on an exchange or dealt in on a regulated market, whereas OTC interest rate swap transactions may be entered into with highly rated financial institutions specialised in this type of transaction as approved by the Target Fund Manager as derivative counterparties; and
2) Total value of all options (in terms of premiums paid) held by the Target Fund will not exceed 30% of its net asset value.

Dealing in financial and index futures

In order to hedge against the risk of fluctuations in the value of the portfolio securities of the Target Fund, the Company may have outstanding commitments in respect of financial and index futures sales contracts not exceeding the value of the corresponding assets to be hedged.

For the purpose of efficient portfolio management, the Target Fund Manager may also enter into financial and index futures purchase contracts, mainly in order to facilitate changes in the allocation of the Target Fund's assets between markets or in anticipation of or in a significant market sector advance provided that:

1) Sufficient cash, short term debt securities or instruments owned by the Target Fund concerned or securities to be disposed of by the Target Fund at a predetermined value exist to match the underlying exposure of both such futures positions and the value of the underlying securities included in call stock index options acquired for the same purpose; and
2) All such index futures must be listed on an exchange or dealt in on a regulated market.

Transactions made for a purpose other than hedging

The Target Fund Manager may, for a purpose other than hedging, purchase and sell futures contracts, options on any kind of financial instruments and equity swaps provided that:

1) The aggregate commitments in connection with the purchase and sale of futures contracts, options on any kind of financial instruments and equity swaps together with the amount of commitments relating to the writing of call and put options on transferable securities does not exceed at any time the value of the net assets of the Target Fund;
2) Total value of all options (in terms of premiums paid) held by the Target Fund will not exceed 30% of its net asset value.

The Target Fund Manager will only enter into equity swap transactions with highly rated financial institutions specialised in this type of transaction which it has approved as derivative counterparties.

Transactions in OTC options and swaps

By derogation to the restrictions set out above, but always within the other limits set forth therein, the Target Fund Manager may purchase or sell the OTC options if such transactions are more advantageous to the Target Fund or if quoted options having the required features are not available, provided such transactions are made with highly rated financial institutions specialised in this type of transaction which it has approved as derivative counterparties.

Credit default swaps

The Target Fund Manager may use credit default swaps. A credit default swap is a bilateral financial contract in which one counterpart (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a reference entity. The protection buyer must either sell to the protection seller particular obligations issued by the reference entity at their par value (or some other designated reference or strike price) when a credit event occurs or receive a cash settlement based on the difference between the market price of such reference obligation and par. A credit event is commonly defined as one of the following; failure to pay, obligation acceleration, obligation default, repudiation/moratorium or restructuring. The International Swaps and Derivatives Association ("ISDA") has produced standardised documentation for these transactions under the umbrella of its ISDA Master Agreement.

The Target Fund Manager may use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolios by buying protection.

In addition, the Target Fund Manager may, provided it is in the exclusive interest of the Company's shareholders, buy protection under credit default swaps without holding the underlying assets provided that the aggregate premiums paid together with the present value of the aggregate premiums still payable in connection with credit default swaps previously purchased and the aggregate premiums paid relating to the purchase of options on transferable securities or on financial instruments for a purpose other than hedging, may not, at any time, exceed 30% of the net assets of the Target Fund.

Provided it is in the exclusive interest of the Company's shareholders, the Target Fund Manager may also sell protection under credit default swaps in order to acquire a specific credit exposure. In addition, the aggregate commitments in connection with such credit default swaps sold together with the amount of the commitments relating to the purchase and sale of futures and option contracts on any kind of financial instruments and the commitments relating to the sale of call and put options on transferable securities may not, at any time, exceed the value of the net assets of the Target Fund.

The Target Fund Manager will only enter into credit default swap transactions with highly rated financial institutions specialised in this type of transaction which it has approved as derivative counterparties; and only in accordance with the standard terms laid down by the ISDA. In addition, the use of credit default swaps must comply with the investment objectives and policies and risk profile of the Target Fund.

The aggregate commitments of all credit default swaps will not exceed 50% of the net assets of the Target Fund.

The total commitments arising from the use of credit default swaps together with the total commitments arising from the use of other derivative instruments may not, at any time, exceed the value of the net assets of the Target Fund.

As a general rule, the Target Fund Manager will ensure that, at any time, it has the necessary assets in order to pay redemption proceeds resulting from redemption requests and also meet its obligations resulting from credit default swaps and other techniques and instruments.

Transparency of Securities Financing Transactions and of Reuse (SFTR)

In accordance with Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse, the Prospectus of the Target Fund contains a general description of the total return swaps and repurchase transactions used.

A total return swap is an agreement in which one party makes payments based on the total return of an underlying asset, which includes both the income it generates and any capital gains or losses, in exchange for payments based on an interest rate, either fixed or variable, from the other party.

The Target Fund may only enter into repurchase transactions and/or total return swaps in respect of eligible assets under the UCI Law which fall within their investment policies (i.e. assets such as bonds, equities, cash and money market instruments).

As part of these repurchase transactions and/or total return swaps transactions, the Target Fund will receive cash and bonds collateral of minimum credit quality as assessed by the Company and as detailed in the sub-sections headed "Collateral Policy" and "Haircut Policy" below.
In case there are revenues arising from the repurchase transactions and/or total return swaps, they shall be returned to the Company following the deduction of any direct and indirect operational costs and fees arising. Information on costs and fees incurred by the Target Fund in this respect, as well as the identity of the entities to which such costs and fees are paid and any affiliation they may have with the Management Company, if applicable, will be available in the Company's semi-annual and annual reports.

All the assets of the Target Fund may be subject to the following securities financing transactions and total return swaps under the following proportions, with assets under management defined as the net asset value of the Target Fund:

Name of Target Fund	Total Return Swaps		Securities Financing Transactions by way of Repurchase Transactions	
	Maximum proportion of assets under management	Expected proportion of assets under management	Maximum proportion of assets under management	Expected proportion of assets under management
Standard Life Investments Global SICAV II Global Smaller Companies Fund	0%	0%	20%	0% - 20%

The assets subject to securities financing transactions, total return swaps and collateral received are safe-kept with the Depositary or third party depositary, as appropriate.

Collateral Policy

When the Company enters into OTC or exchange-traded financial derivative transactions, or repurchase or reverse repurchase transactions, whether entered into in order to achieve the Target Fund's investment objective or for efficient portfolio management, as the case may be, collateral may be used to reduce counterparty risk exposure subject to the following conditions:

- In accordance with section II b) of CSSF circular 08/356 only the following types of collateral may be used to reduce counterparty risk exposure:
  - liquid assets, including cash and short term bank certificates and money market instruments as defined in Directive 2007/16/EC; a letter of credit or a guarantee at first-demand given by a first class credit institution not affiliated to the counterparty are considered as equivalent to liquid assets;
  - bonds issued or guaranteed by a member state of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or world-wide scope;
  - shares or units issued by money market funds calculating a daily net asset value and being assigned a rating of AAA or its equivalent;
  - shares or units issued by UCITS investing mainly in bonds/shares mentioned in the following two bullet points;
  - bonds issued or guaranteed by first class issuers offering an adequate liquidity;
  - shares admitted to or dealt in on a regulated market of a member state of the EU or on a stock exchange of a member state of the OECD, on the condition that these shares are included in a main index.
- Any collateral received other than cash must be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received must also comply with the provisions of Article 48 of the UCI Law.

- Collateral received will be valued on at least a daily basis and subject to daily transfers (above minimum thresholds) to ensure that the Company is sufficiently collateralised. Assets that exhibit high price volatility will not be accepted as collateral unless suitably conservative haircuts are in place. Appropriate haircuts will be determined by the Target Fund Manager for each asset class based on its haircut policy. The haircut policy established in accordance with the CSSF circular 14/592 regarding guidelines of the European Securities and Markets Authority on ETFs and other UCITS issues, takes into account a variety of factors, depending on the nature of the collateral received, such as the issuer's credit standing, the maturity, currency and price volatility of the assets.
- Collateral received must be of minimum credit quality as assessed by the Management Company.
- The collateral received by the Company must be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- Collateral must be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Target Fund receives from a counterparty of OTC derivative and/or efficient portfolio management transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its net asset value. When the Target Fund is exposed to different counterparties, the different baskets of collateral must be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this 20% limit, the Target Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by an EU member state or a G-20 member country. The Target Fund must receive securities from at least six different issues, but securities from any single issue must not account for more than 30% of the Target Fund's net asset value.
- Where there is a title transfer, the collateral received must be held by the Depositary. The Depositary may delegate the custody of the collateral to a sub-depositary but it will retain overall responsibility for the custody of the collateral. For other types of collateral arrangement, the collateral can be held by a third party depositary which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
- Collateral received must be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.
- Non-cash collateral received must not be sold, re-invested or pledged.
- Reinvestment of cash collateral involves risks associated with the type of investments made. Reinvestment of collateral may create a leverage effect which will be taken into account for the calculation of the Company's global exposure. Cash collateral received shall only be:
  - placed on deposit with entities prescribed in Article 41 (1) (f) of the UCI Law;
  - invested in high-quality government bonds;
  - used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the Company is able to recall at any time the full amount of cash on accrued basis;
  - invested in short-term money market funds as defined in the Guidelines on a Common Definition of European Money Market Funds;
  - re-invested in accordance with the diversification requirements applicable to non-cash collateral.

The Company's exposure to a counterparty resulting from OTC or exchange-traded derivative transactions, or repurchase or reverse repurchase transactions, whether entered into in order to achieve the Target Fund's investment objective or for efficient portfolio management, shall be collateralised daily. FX transactions used in relation to hedged share classes may not be collateralised. The Target Fund will ensure that, after application of the appropriate haircuts as referred to above, the counterparty limits as set out in the "Investment Powers and Restrictions" above will not be exceeded.

Haircut Policy

The Company has implemented a haircut policy in respect of each class of assets received as collateral. A haircut is a discount applied to the value of a collateral asset to account for the fact that its valuation, or liquidity profile, may deteriorate over time. The haircut policy takes account of the characteristics of the relevant asset class, including the credit standing of the issuer of the collateral, the price volatility of the collateral and the results of any stress tests which may be performed in accordance with the collateral management policy. Subject to the framework of agreements in place with the relevant counterparty, which may or may not include minimum transfer amounts, it is the intention of the Company that any collateral received shall have a value, adjusted in light of the haircut policy, which equals or exceeds the relevant counterparty exposure where appropriate. There are no limits on the maturity of collateral.

The Company will value the assets received as collateral according to the below table (the two classes of assets listed below are the only classes of assets accepted as collateral by the Company):

Asset Description	Valuation Percentage
Cash in an eligible currency	100%
Negotiable debt obligations in any of the eligible currencies issued by the governments of selected G7 countries	60% - 100%

In case of unusual market volatility, the Company reserves the right to amend the valuation percentages it applies to collateral. As a consequence, the Company will receive more collateral to secure its counterparty exposure.

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 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 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. 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 money includes you being unable to service the loan 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 net asset value per unit as compared to the net asset value per unit at the point of purchase towards settling the loan.
Operational risk	Operational risk is the risk of loss due to the breakdown, deficiencies or weaknesses in the operational support functions resulting in the operations or internal control processes producing an insufficient degree of customer quality or internal control by the Manager. Operational risk is typically associated with human error, system failure, fraud and inadequate or defective procedures and controls.

	SPECIFIC RISKS OF THE FUND
Concentration risk	This Fund is a feeder fund which invests in a single collective investment scheme. Any adverse effect on the Target Fund will inevitably affect the Fund as well. The performance of the Fund is also dependent on the performance of the Target Fund. This risk may be mitigated as we are allowed to take temporary defensive positions in response to adverse market conditions. We also 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.
Liquidity risk	This is the risk that the units of the Target Fund that is held by the Fund cannot be readily sold and converted into cash. This can occur when there is a restriction on realisation of units of the Target Fund. The Target Fund Manager may suspend the realisation of units, 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.
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.
Currency risk	As the investments of the Fund may be denominated in currencies other than the Base Currency, any fluctuation in the exchange rate between the Base Currency and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated 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. ***Currency risk at the Fund level*** The impact of the exchange rate movement between the Base Currency and the currency of the underlying investments (other than in USD) may result in a depreciation of the value of the investments as expressed in the Base Currency. ***Currency risk at the Class level*** The impact of the exchange rate movement between the Base Currency and the currency of the respective Classes (other than USD Class) may result in a depreciation of your holdings as expressed in the Base Currency. ***Currency risk at the Hedged Class level*** Currency hedging reduces the effect of exchange rate movements for the Hedged Class, but it does not entirely eliminate currency risk between the Hedged Class and the Base Currency (not a perfect hedge). Hence, the unhedged portion of the respective Hedged Class will be affected by the exchange rate movements and it may cause fluctuation of NAV of the respective Hedged Class. You should note however, that if the exchange rate moves favourably, the Fund would not benefit from any upside in currency movement due to the hedging strategy. In addition, hedging is subject to a minimum investment size of entering into a forward contract and cost of hedging which may affect returns of the respective Hedged Class.
Target Fund Manager risk	As a feeder fund, the Fund invests into the Target Fund which is managed by the Target Fund Manager. We have no control over the investment technique and knowledge, operational controls and management of the Target Fund Manager. In the event of any mismanagement of the Target Fund, the NAV of the Fund, which invests substantially all of its assets into the Target Fund, would be affected adversely.

	SPECIFIC RISKS OF THE TARGET FUND
Exchange rates	The Reference Currency of Target Fund is not necessarily the investment currency of the Target Fund. Investments are made in those currencies that best benefit the performance of the Target Fund in the view of the Target Fund Manager. Changes in foreign currency exchange rates will affect the value of shares held in the Target Fund. Shareholders investing in the Target Fund other than in its Reference Currency should be aware that exchange rate fluctuations could cause the value of their investment to diminish or increase, relative to the Reference Currency.
Warrants	With regard to investment in warrants, investors of the Target Fund should note that the gearing effect of investment in warrants and the volatility of warrant prices make the risk attached to the investment in warrants higher than in the case with investment in equities.
Investment in equity securities	The value of the Target Fund that invests in equity and equity related securities will be affected by changes in the stock markets, changes in the value of individual portfolio securities, as well as by economic, political, and issuer specific changes. At times, stock markets and individual securities can be volatile and prices can change substantially in short periods of time. The equity securities of smaller companies are more sensitive to these changes than those of larger companies. This risk will affect the value of the Target Fund, which will fluctuate as the value of the underlying equity securities fluctuates.
Investment in emerging markets	Potential investors should note that investments in emerging markets carry risks additional to those inherent in other investments. In particular, potential investors of the Target Fund should note that (i) investment in any emerging market carries a higher risk than investment in a developed market (e.g. investment and repatriation restrictions, currency fluctuations, government involvement in the private sector, investor disclosure requirements, possibility of limited legal recourse for the Company); (ii) emerging markets may afford a lower level of information and legal protection to investors; (iii) some countries may place controls on foreign ownership; and (iv) some countries may apply accounting standards and auditing practices which do not conform with the result that financial statements prepared in accordance with those which would have been prepared by accountants following internationally accepted accounting principles. In addition taxation of interest and capital gains received by non-residents varies among emerging and less developed markets and, in some cases may be comparatively high. There may also be less well-defined tax laws and procedures and such laws may permit retroactive taxation so that the Target Fund could in the future become subject to local tax liabilities that had not been anticipated in conducting investment activities or valuing assets.
Investment in initial public offerings (“IPOs”)	Subject to internal controls, the Target Fund may invest in IPOs. As new issues, such securities may be very volatile. Additionally, the Target Fund may hold such shares for a very short period, which may increase the Target Fund’s expenses. Some investments in IPOs may have an immediate and significant impact on the Target Fund’s performance.
Non-hedging transactions	The Target Fund is authorised to use the special investment and hedging techniques and instruments. The use of non-hedging transactions constitutes a higher risk than investments in transferable securities due to their greater volatility and less liquidity. Such transactions will be used in a manner that does not interfere with the investment objectives and policies of the Target Fund.
Securities lending transactions	The Management Company on behalf of the Company may lend the Target Fund’s portfolio securities to financial institutions of high standing, or through recognised clearing institutions. Although risks from such transactions are mitigated through collateral agreements, there is the risk that the stock borrower could default. Should

	SPECIFIC RISKS OF THE TARGET FUND
	the borrower of securities fail to return the securities lent by the Target Fund, there is a risk that the collateral received may be realised at a lower value than the securities lent, whether due to inaccurate pricing of the collateral, adverse market movements, decrease in the credit rating of the issuer of the collateral or the illiquidity of the market in which the collateral is traded, which could adversely impact the performance of the Target Fund. The Management Company on behalf of the Company may, with respect to the assets of the Target Fund, enter into repurchase transactions. In the event of failure of the counterparty with which cash of the Target Fund has been placed, there is a risk that collateral received may be realised at a lower value than the cash placed out, whether due to inaccurate pricing of collateral, adverse market movements, decrease in the credit rating of the issuer of the collateral or the illiquidity of the market in which the collateral is traded, which could adversely impact the performance of the Target Fund. Securities lending and repurchase transactions may be effected in which the Management Company, Target Fund Manager or Depositary has, either directly or indirectly, an interest that might result in a conflict of its obligation to the Company. In such circumstances, each of the Management Company, Target Fund Manager and Depositary has undertaken to use its reasonable endeavours to resolve any such conflict of interest fairly (having regard to its respective obligations and duties) and to ensure that the interests of the Company and the shareholders are not unfairly prejudiced.
Collateral management	Where the Management Company on behalf of the Company enters into OTC financial derivative and/or efficient portfolio management techniques, collateral may be used to reduce counterparty risk exposure. Collateral will be treated in accordance with the Company's collateral policy. The exchange of collateral involves certain risks, including operational risk related to the actual exchange, transfer and booking of collateral and legal risk. Collateral received under a title transfer arrangement will be held by the Depositary in accordance with the usual terms and provisions of the depositary agreement. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral. The use of such third party custodians may involve additional operational and clearing and settlement risk, as well as counterparty risk. Collateral received will consist of either cash or transferable securities that meet the criteria set out in the Company’s collateral policy. Transferable securities received as collateral are subject to market risk. The Management Company aims to manage this risk by applying appropriate haircuts, valuing collateral on a daily basis, and accepting only high quality collateral. However, some residual market risk must be expected to remain. Non-cash collateral must be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. However, in adverse market circumstances, the market for certain types of transferable securities may be illiquid and, in extreme cases, may cease to exist. Any non-cash collateral therefore involves a certain degree of liquidity risk. Cash collateral received may be re-used, re-invested or pledged, which may involve certain risk linked to the type of investments made. Risks linked to the management of collateral will be identified, managed and mitigated in accordance with the Management Company’s risk management process concerning the Company.
Repurchase or reverse repurchase agreements	The principal risk when engaging in repurchase or reverse repurchase transactions is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations to return securities or cash to the Target Fund as required by the terms of the transaction. Counterparty risk is mitigated by

	SPECIFIC RISKS OF THE TARGET FUND
	the transfer or pledge of collateral in favour of the Target Fund. However, repurchase or reverse repurchase transactions may not be fully collateralised. Fees and returns due to the Company under repurchase or reverse repurchase transactions may not be collateralised. In addition, the value of collateral may decline in between collateral rebalancing dates or may be incorrectly determined or monitored. In such a case, if a counterparty defaults, the Target Fund may need to sell non-cash collateral received at prevailing market prices, thereby resulting in a loss to the Target Fund. The Target Fund may also incur a loss in reinvesting cash collateral received. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Company to the counterparty as required by the terms of the transaction. The Target Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Company. Repurchase or reverse repurchase transactions also entail operational risks such as the non-settlement or delay in settlement of instructions and legal risks related to the documentation used in respect of such transactions. The Target Fund may enter into repurchase or reverse repurchase transactions with other companies in the same group of companies as the Management Company or Target Fund Manager. Affiliated counterparties, if any, will perform their obligations under any repurchase or reverse repurchase transactions concluded with the Target Fund in a commercially reasonable manner. In addition, the Management Company or Target Fund Manager will select counterparties and enter into transactions in accordance with best execution and at all times in the best interests of the Target Fund and its investors. However, investors of the Target Fund should be aware that the Management Company or Target Fund Manager may face conflicts between its role and its own interests or that of affiliated counterparties.
Transactions in options, futures and swaps	For the purpose of hedging, investment, efficient portfolio management, duration management and risk management of the portfolio, the Target Fund may seek to protect or enhance the returns from its underlying assets by using options, futures and swap contracts and by using special investment and hedging techniques and instruments. The ability to use these techniques and instruments may be limited by market conditions and regulatory limits and there can be no assurance that the objective sought to be attained from the use of these techniques and instruments will be achieved. Participation in the options or futures markets, in swap contracts and in foreign exchange transactions involves investment risks and transaction costs to which the Target Fund would not be subject if they did not use these techniques and instruments. If the Target Fund Manager's (or a sub-target fund manager's) predictions of movements in the direction of the securities, foreign currency and interest rate markets are inaccurate, the adverse consequences to the Target Fund may leave the Target Fund in a less favourable position than if such techniques and instruments were not used.
Counterparty risk	The Company will be exposed to credit risk on the counterparties with which it trades in relation to derivatives that are not traded on a recognised exchange. Such instruments are not afforded the same protection as may apply to those traded on organised exchanges, such as the performance of guarantee of an exchange clearing house. The Target Fund, therefore, will bear the risk of the counterparty's default or a delay in settlement due to a credit or liquidity problem affecting the counterparty. A downgrade of counterparty's credit rating may oblige the Target Fund to terminate the relevant contract in order to ensure compliance with the Target Fund's investment policy and/or the applicable regulations. The counterparty risk is however mitigated by the fact that the Target Fund will only enter into derivative transactions with highly rated financial institutions specialised in these types of transactions as approved by the Target Fund Manager as derivative counterparties. Collateral may be used to reduce counterparty risk exposure in accordance with the Company's collateral policy.

	SPECIFIC RISKS OF THE TARGET FUND
Foreign Account Tax Compliance Act	The Foreign Account Tax Compliance Act provisions of the Hiring Incentives to Restore Employment Act generally impose a new reporting regime and potentially a 30% withholding tax with respect to certain US source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce US source interest or dividends received by the Company. The Company will seek to comply with the requirements under applicable laws and regulations in connection with the Foreign Account Tax Compliance Act and, as a result of such compliance, the Company should not be subject to withholding tax under the Foreign Account Tax Compliance Act. However, there can be no assurance that the Company will be able to satisfy the applicable requirements. If the Company fails to comply with such requirements, the Company may be subject to the withholding tax under the Foreign Account Tax Compliance Act and the net asset value of the shares will be negatively impacted, which may result in a material loss to shareholders.

DEALING INFORMATION

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

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

WHO IS ELIGIBLE TO INVEST?

- You must be a Sophisticated Investor in order to invest in this Fund. Please refer to the "Glossary" chapter of this Information Memorandum for the details.

HOW TO PURCHASE UNITS?

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

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

- Bank Transfer

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

- Cheque, Bank Draft or Money Order

  Issuance of cheque, bank draft or money order should be made payable to "Affin Hwang Asset Management Berhad-CTA", crossed and drawn on a local bank. You are to write your name, identity card number or business registration number at the back of the cheque, bank draft or money order.

- 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 3.30p.m. on a Business Day ("or T day"), the pricing of Units will be created in the following manner:

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

  Any purchase request received or deemed to have been received by us after 3.30p.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 complete set of documents together with the proof of payments.

- 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:-
  - withdraw 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.

HOW TO REPURCHASE UNITS?

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

USD Class	MYR Class	MYR-Hedged Class	SGD Class	AUD Class	GBP Class
10,000 Units	20,000 Units	20,000 Units	10,000 Units	10,000 Units	10,000 Units

  If the balance of your investment (i.e. total number of Units) is less than the minimum holding of Units, you will be required to make an additional investment in order to meet the required minimum balance of investment. Otherwise, we may withdraw all your holding of Units in the Fund 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 of the Fund.

- You may submit the repurchase request by completing a transaction form and returning it to us between 8.45 a.m. to 3.30p.m. on a Business Days.

- In the transaction form, you may choose to receive the repurchase proceeds in the manner of a cheque (for MYR Class and MYR-Hedged Class only) or bank transfer (for all Classes). If cheque is your option, we will issue the cheque in your name. If bank transfer is your option, 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.

- Any incurred bank charges and other bank fees due to a bank transfer or other special arrangement method will be borne by you.

WHAT IS THE PROCESS OF REPURCHASE APPLICATION?

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

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

  Any repurchase request received after 3.30p.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 fourteen (14) days from the day the repurchase request is received by us, provided that all documentations are completed and verifiable.

WHAT IS THE PRICING OF UNITS?

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

WHERE TO PURCHASE AND REPURCHASE UNITS?

- Units can be purchased and repurchased at any of the location listed in the "Directory of Sales Office" section.
- You may obtain a copy of the Information Memorandum, PHS and application forms from the abovementioned location. Alternatively, you may also visit our website at www.affinhwangam.com.

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 NAV per Unit and the Sales Charge of the particular Class, on the day those Units were first purchased and you will be refunded within ten (10) days from the receipt of the cooling-off application.

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

WHAT ARE THE SWITCHING OPTIONS?

You are able to switch:

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

However, you must meet the Fund's minimum holding of Units requirements and the minimum investment amount of the fund (or its class) that you intend to switch into.

The process of the switching application is as below:

- **Switching between Classes of the Fund**

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

- **Switching from the Fund into other funds managed by AHAM**

  You must complete a switching transaction form and submit it to us at or before the cut-off time of 3.30 p.m. on a Business Day (or "T day") together with relevant supporting documents, if any.

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

Switching Out Fund	Switching In Fund	Pricing Day	
		Switching Out Fund	Switching In Fund
Money market fund	Money market fund	T Day	T Day
Money market fund	Non-money market fund		
Non-money market fund	Non-money market fund		
Money market fund	Money market fund (which adopts historical pricing policy)	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. There is no minimum amount of Units required to effect a transfer except that the transferor and transferee must hold the minimum holdings of Units to remain as a Unit Holder of a Class.
- It is important to note that we are at the 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.

HOW DO I RECEIVE THE INCOME DISTRIBUTION?

- Income distribution, if any, will be paid out in the currencies which the Classes are denominated. You have the option to receive the income distribution in cash payment or additional Units (by way of reinvestment) by ticking the appropriate column in the application form. 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/MYR/SGD/AUD/GBP 300.00 would be automatically reinvested.

  Cash Payment Process

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

  Reinvestment Process

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

RELATED PARTIES TO THE FUND

ABOUT THE MANAGER - AHAM

AHAM was incorporated in Malaysia on 2 May 1997 and began operations under the name Hwang–DBS Capital Berhad in 2001. In early 2014, AHAM was acquired by the Affin Banking Group ("Affin") and hence, is now supported by a home-grown financial services conglomerate. Affin has over 39 years of experience in the financial industry which focuses on commercial, Islamic and investment banking services, money broking, fund management and underwriting of life and general insurance business. Meanwhile, AHAM has more than 15 years' experience in the fund management industry. Additionally, AHAM is also 30% owned by Nikko Asset Management International Limited, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co. Ltd, an Asian investment management franchise. AHAM offers a wide range of products, comprising conventional equity, balanced, bond, money market, capital guaranteed, capital protected, global, structured and feeder funds, as well as Shariah-compliant equity, Islamic money market and Islamic fixed income funds.

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 its 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:-

Mr. David Ng Kong Cheong – Chief Investment Officer

Mr David joined AHAM in 2002 as Head of Equities and assumed the role of Chief Investment Officer in September 2006. He has been responsible for successfully steering AHAM's investments through a tumultuous decade of multiple crisis. His astute and decisive guidance on broad investment strategies which include interpreting market signals and making timely asset allocation calls have allowed AHAM to remain ahead of its peers. A decade later, he has built the investment team from just four (4) fund managers to a 40 strong group featuring an impressive resume across different investment specialties, coverage and geographies. Under his foresight and vision, the team has evolved from being equity-heavy to encompass strong local and regional multi-asset and sector investment capabilities. His absolute return investment philosophy and bottom-up stock selection technique has garnered recognition for AHAM with its multiple award wins, having been voted "CIO of the Year" for Malaysia by Asia Asset Management 2013 awards. Mr David's philosophy of subscribing to the long-term, not taking excessive risk, and investing into quality throughout all the portfolios has set the blueprint for AHAM's investments in years to come. He is well-known in the industry for his discipline, prudence and reasonable attitude to investing. He graduated with a double degree in Bachelor of Commerce (Accounting) and Bachelor of Law from Monash University in Melbourne, Australia and is also a Chartered Financial Analyst (CFA) charterholder.

ABOUT THE TRUSTEE – CIMB COMMERCE TRUSTEE BERHAD

CIMB Commerce Trustee Berhad was incorporated on 25 August 1994 and registered as a trust company under the Trust Companies Act, 1949 and having its registered office at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral 50470, Kuala Lumpur, Malaysia. The Trustee is qualified to act as a trustee for collective investment schemes approved under the Act.

Duties and Responsibilities of the Trustee

The Trustee's functions, duties and responsibilities are set out in the Deed. The general functions, duties and responsibilities of the Trustee include, but are not limited to, the following:

(a) Take into custody the investments of the Fund and hold the investments in trust for the Unit Holders;

(b) Ensure that the Manager operates and administers the Fund in accordance with the provisions of the Deed, SC guidelines and acceptable business practice within the fund management industry;

(c) As soon as practicable notify the SC of any irregularity or breach of the provisions of the Deed, SC guidelines and any other matters which in the Trustee's opinions may indicate that the interests of Unit Holders are not served;

(d) Exercise reasonable diligence in carrying out its functions and duties, actively monitoring the operation and management of the Fund by the Manager to safeguard the interests of Unit Holders;

(e) Maintain or cause the Manager to maintain, proper accounting records and other records as are necessary to enable a complete and accurate view of the Fund to be formed and to ensure that the Fund is operated and managed in accordance with the Deed, Information Memorandum, the SC guidelines and securities law; and

(f) Require that the accounts of the Fund to be audited at least annually.

The Trustee has covenanted in the Deed that it will exercise all due diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of Unit Holders.

RELEVANT INFORMATION

SALIENT TERMS OF THE DEED

Your Rights and Liabilities

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

(a) To receive the distributions of income (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 under 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 its 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 in accordance with the Deed at the time the Units were purchased and any charges payable in relation thereto; or

(b) For any obligation to indemnify the Trustee and/or the Manager in the event that the liabilities incurred by the Trustee and the Manager in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the NAV 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

The quorum required for a meeting of the Unit Holders shall be five (5) Unit Holders (irrespective of the Class), whether present in person or by proxy, provided that if the Fund or a Class has five (5) or less Unit Holders (irrespective of the Class), the quorum required for a meeting of the Unit Holders of the Fund or a Class shall be two (2) Unit Holders (irrespective of the Class), whether present in person or by proxy; if the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty five per centum (25%) of the Units in Circulation (irrespective of the Class) of the Fund or the particular Class, as the case may be, at the time of the meeting.

Unit Holders' Meeting convened by the Unit Holders

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

(a) sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders or Unit Holders of a particular Class, as the case may be; 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; or

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 of the Fund or the Unit Holders of a particular Class, whichever is less.

Unit Holders' Meeting convened by the Manager or Trustee

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.

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 6.9.1 of the Deed; and

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

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

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

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

Termination of the Fund

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

Termination of a Class

The Manager may terminate a particular Class via the passing of a Special Resolution by the Unit Holders of such Class at a meeting of such Unit Holders, and subject to and in accordance with the relevant laws. The Manager may only terminate a particular Class if the termination of that Class does not prejudice the interests of Unit Holders of any other Class. For the avoidance of doubt, the termination of a Class shall not affect the continuity of any other Class of 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 (if any) and/or Repurchase Charge (if any) at a rate higher than that disclosed in a prevailing information memorandum unless:-

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

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

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 a prevailing information memorandum unless:

(a) both the Trustee and the Manager have come to an agreement on the higher rate;

(b) we have 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.

GOODS AND SERVICES TAX

The Royal Malaysian Customs Department has announced the implementation of GST with effect from 1 April 2015 onwards pursuant to the Goods and Services Tax Act 2014. Collective investment schemes are generally exempted from GST. However, some fees, charges and expenses of the Fund are subject to GST which includes:

- Sales Charge;
- Repurchase Charge;
- Switching fee;
- Transfer fee;
- Management fee;
- Trustee fee; and
- Any other expenses of the Fund that may be subject to GST.

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 or its foreign currency equivalent, if applicable. An incorrect valuation and/or pricing not considered to be of minimal significance by the Trustee will result in reimbursement of moneys in the following manner:

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

POLICY ON GEARING AND MINIMUM LIQUID ASSETS REQUIREMENTS

The Fund is not permitted to borrow cash or other assets (including the borrowing of securities within the meaning of the SC's on 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. In structuring the portfolio of the Fund, we will maintain sufficient liquid assets to ensure short term liquidity in the Fund to meet operating expenses.

UNCLAIMED MONIES

Any monies payable to you which remain unclaimed after twelve (12) months from the date of payment will be paid to the Registrar of Unclaimed Monies by the Manager 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.affinhwangam.com. The daily prices are based on information available one (1) Business Day 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@affinhwangam.com.

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 Capital Market Intermediaries, 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 failed 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 OFFICE

AFFIN HWANG 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@affinhwangam.com
Website: www.affinhwangam.com

PENANG
No. 10-C-23 & 10-C-24, Precinct 10
Jalan Tanjung Tokong
10470 Penang
Tel : 04 – 899 8022
Fax : 04 – 899 1916

PERAK
13A Persiaran Greentown 7
Greentown Business Centre
30450 Ipoh, Perak
Tel: 05 - 241 0668
Fax: 05 – 255 9696

JOHOR
1st Floor, No. 93,
Jalan Molek 1/29
Taman Molek
81100 Johor Bahru, Johor
Tel : 07 – 351 5677 / 5977
Fax : 07 – 351 5377

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

SABAH
Lot No. B-2-09, 2nd Floor
Block B, Warisan Square
Jalan Tun Fuad Stephens
88000 Kota Kinabalu, Sabah
Tel : 088 - 252 881
Fax : 088 - 288 803

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
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