Out think. Out perform.

AFFIN HWANG CAPITAL
Asset Management

Information Memorandum

Affin Hwang World Series - Global Brands Fund

MANAGER
Affin Hwang Asset Management Berhad
199701014290 (429786-T)

TRUSTEE
TMF Trustees Malaysia Berhad
200301008392 (610812-W)

This Information Memorandum is dated 2 March 2020.
The Affin Hwang World Series – Global Brands Fund is constituted on 2 March 2020.
The constitution date of 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.

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

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 199701014290 (429786-T)
Registered Office
27th Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur
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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

- Raja Tan Sri Dato' Seri Aman bin Raja Haji Ahmad (Chairman, Non-independent Director)
- Mr Teng Chee Wai (Non-independent Director)
- Ms Eleanor Seet Oon Hui (Non-independent Director)
- Mr Yip Kit Weng (Non-independent Director)
- Encik Faizal Sham bin Abu Mansor (Independent Director)
- Maj. Gen. Dato' Zulkiflee bin Mazlan (R) (Independent Director)

The Manager's Delegate
(fund valuation & accounting function)
TMF Trustees Malaysia Berhad 200301008392 (610812-W)
Business Address
10th floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur
Tel No. : (603) 2382 4288
Fax No. : (603) 2026 1451

The Trustee
TMF Trustees Malaysia Berhad 200301008392 (610812-W)
Registered & Business Address
10th floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur
Tel No. : (603) 2382 4288
Fax No. : (603) 2026 1451

Trustee's Delegate (Local and Foreign Custodian)
Standard Chartered Bank Malaysia Berhad 198401003274 (115793-P)
Business Address
Level 26, Equatorial Plaza, Jalan Sultan Ismail, 50250 Kuala Lumpur
Tel No. : (603) 2117 7777
Fax No. : (603) 7682 0617

ABBREVIATION

AUD	Australian Dollar.
ADR	American Depositary Receipts.
CSSF	Commission de Surveillance du Secteur Financier.
EC	European Community.
EDR	European Depositary Receipts.
EU	European Union.
EUR	Euro.
ESMA	European Securities and Markets Authority.
FiMM	Federation of Investment Managers Malaysia.
FTSE	Financial Times Stock Exchange.
GBP	British Pound Sterling.
GDR	Global Depositary Receipts.
MBS / ABS	Mortgage-backed and asset-backed securities.
MYR	Malaysia Ringgit.
NYSE	New York Stock Exchange.
OECD	Organisation for Economic Co-operation and Development.
OTC	Over-the-Counter.
PHS	Product Highlights Sheet.
PRC	People's Republic of China.
RMB	Renminbi Yuan.
SC	Securities Commission Malaysia.
SGD	Singapore Dollar.
UCITS	Undertaking Collective Investment in Transferable Securities.
UK	United Kingdom.
USD	United States Dollar.
USA	United States of America.

GLOSSARY

2010 Law	Means the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time.
Act	Means the Capital Markets and Services Act 2007 as may be amended from time to time.
Australasia	Means Australia, New Zealand, and a few neighbouring islands.
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 (i) in the event of market disruption; (ii) if the jurisdiction of the Target Fund declares a non-business day; and/or (iii) if the Target Fund Manager declares a non-dealing day.
China A-Shares	Refers to shares denominated and traded in RMB on the Shanghai Stock Exchange or the Shenzhen Stock Exchange and issued by Chinese companies.

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.
Company	Refers to Morgan Stanley Investment Funds.
Community law	Refers to the law of the EU.
Deed	Refers to the deed dated 10 February 2020 entered into between the Manager and the Trustee and includes any subsequent amendments and variations to the deed.
deposits	Has the same meaning as per the definition of "deposit" in the Financial Services Act 2013. For the avoidance of doubt, it shall exclude structured deposit.
Depositary	Refers to JP Morgan Bank Luxembourg S.A.
Development Financial Institution	Means a development financial institution under the Development Financial Institutions Act 2002.
emerging markets	Also known as emerging economies or developing countries, are nations that are investing in more productive capacity. They are moving away from their traditional economies that have relied on agriculture and the export of raw materials.
EU Member State	Refers to a member state of the EU.
Eurozone	Refers to those member states of the EU which have adopted the Euro as their national currency.
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.
frontier markets	Refers to a type of developing country which is more developed than the least developing countries, but too small, risky, or illiquid to be generally considered an emerging market.
Fund	Means Affin Hwang World Series – Global Brands Fund.
G20	Means the "Group of Twenty", the central forum for international cooperation on financial and economic issues, which comprises: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, UK, USA and the EU.
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 that aims to reduce the effect of exchange rate fluctuations between the Base Currency and the currency in which Unit Holders are exposed to having invested in that Class, also known as NAV hedging method. NAV hedging is undertaken regardless of whether the Base Currency is expected to increase or decline in value relative to the hedged currency.
Information Memorandum	Means this offer document in respect of this Fund as may be replaced or amended from time to time.
Licensed Bank	Means a bank licensed under the Financial Services Act 2013.
Licensed Investment Bank	Means an investment bank licensed under the Financial Services Act 2013.

Licensed Islamic Bank	Means an Islamic bank licensed under the Islamic Financial Services Act 2013.
Manager or AHAM	Means Affin Hwang Asset Management Berhad.
Management Company	Refers to MSIM Fund Management (Ireland) Limited.
medium to long term	Means a period of between three (3) to five (5) years.
NAV	Means the value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point.
NAV per Unit	Means the NAV of the Fund at a particular valuation point divided by the number of Unit in Circulation at the same valuation point.
Oceania	Refers to the geographic region that consists of the islands of the Pacific Ocean and the seas around them.
Prospectus of the Target Fund	Means the offering document of the Target Fund dated 18 November 2019, as updated and amended from time to time.
Recognised Exchange	Means any of a recognised investment exchange within the meaning of Article 41(1) of the 2010 Law.
Reference Currency	Means the reference currency of the Target Fund (or a Share Class thereof, if applicable) folio.
Repurchase Charge	Means a charge imposed pursuant to a repurchase request.
Repurchase Price	Means the NAV per Unit payable to a Unit Holder pursuant to a repurchase of a Unit; for the avoidance of doubt, the Repurchase Price 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. As such, any Repurchase Charge applicable is excluded from the calculation of the Repurchase Price.*
Sales Charge	Means a charge imposed pursuant to a purchase request.
Selling Price	Means the 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 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. As such, any Sales Charge applicable is excluded from the calculation of the Selling Price*.
Shanghai Stock Connect	Means the Shanghai-Hong Kong Stock Connect program.
Share Class	A class of share of the Target Fund.
Shenzhen Stock Connect	Means the Shenzhen-Hong Kong Stock Connect program.
Sophisticated Investor	Refers to – (1) an individual whose total net personal assets, or total net joint assets with his or her spouse, exceed MYR 3 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 MYR 300,000 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 MYR 400,000 or its equivalent in foreign currencies per annum in the preceding 12 months; (4) a corporation with total net assets exceeding MYR 10 million or its equivalent in foreign currencies based on the last audited accounts; (5) a partnership with total net assets exceeding MYR 10 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 MYR 10 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 MYR 10 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 bank as defined in the Financial Services Act 2013; (16) a licensed Islamic bank as defined in the Islamic Financial Services Act 2013; (17) a licensed insurer as defined in the Financial Services Act 2013; (18) a licensed takaful operator as defined in the Islamic Financial Services Act 2013; (19) a Labuan bank or an insurance licensee as defined in the Labuan Financial Services and Securities Act 2010 [Act 704]; (20) a takaful licensee as defined in the Labuan Islamic Financial Services and Securities Act 2010 [Act 705]; or (21) such other investor(s) as may be permitted by the Securities Commission Malaysia from time to time and/or under the relevant guidelines for wholesale funds.
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.
Stock Connect	Means the Shanghai Stock Connect and the Shenzhen Stock Connect which allow non-Chinese investors to purchase certain China A-Shares via brokers in Hong Kong and/or any other similar stock connect program between any other city of the People's Republic of China and Hong Kong when it becomes available to, and can be utilised by, the Company.
sub-fund	Means any sub-fund of the Target Fund.
Target Fund	Refers to Morgan Stanley Investment Funds Global Brands Fund.
Target Fund Manager	Refers to Morgan Stanley Investment Management Limited.
Trustee	Refers to TMF Trustees Malaysia Berhad.
UCI	Refers to an undertaking for collective investment.
UCITS Directive	Means an undertaking for collective investment in transferable securities governed by the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as may be amended from time to time.
Unit or Units	Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a Unit of the Fund; if the Fund has more than one Class, it means a Unit issued for each Class.
Units in Circulation	Means Units created and fully paid 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.
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 BRANDS FUND

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

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 exposure to equities globally;
- have a medium to 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 World 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 cash.

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 with Financial Institutions and/or cash.

We may take temporary defensive measures that may be inconsistent with the Fund's principal strategy and asset allocation to protect the Fund against adverse market conditions. To manage the risk of the Fund, we may shift the Fund's focus to lower risk investments such as deposits or money market instruments or collective investment schemes.

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

Derivatives

We may use 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 Classes against the Base Currency. The employment of derivatives under these circumstances is expected to reduce the impact of foreign currency movement of the Fund's NAV, irrespective of the currency classes. While the hedging strategy will assist in mitigating the potential foreign exchange losses by the Fund, any potential foreign exchange gains from the hedging strategy will be capped as well. The Fund may 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

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

PERMITTED INVESTMENT

The Fund will invest in the following investments:

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

VALUATION POINT OF THE FUND

The Fund will be valued at 6.00 p.m on every Business Day (or "trading day" or "T" day). However, if the Fund has exposure to investments outside of Malaysia, the Fund shall be valued at 11.00 a.m. on the next Business Day (or "T + 1"). All foreign assets are translated into the Base Currency based on the last 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.

VALUATION OF ASSETS

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

- **Unlisted Collective Investment Schemes**
  Investments in unlisted collective investment schemes shall be valued based on the last published repurchase price.

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

- **Money Market Instruments**
  The valuation of MYR denominated money market instruments will be done using the price quoted by a Bond Pricing Agency registered with the SC. For foreign money market instruments, valuation will be done using the indicative yield quoted by independent and reputable institution.

- **Derivatives**
  The valuation of derivatives will be based on the prices provided by the respective issuers. The issuers generate the market valuation through the use of their own proprietary valuation models, which incorporate all the relevant and available market data with respect to the derivatives (e.g. interest rates, movement of the underlying assets, volatility of the underlying assets, the correlation of the underlying assets and such other factors). For foreign exchange forward contracts ("FX Forwards"), we will apply interpolation formula to compute the value of the FX Forwards based on the rates provided by the Bloomberg or Reuters. If the rates are not available on the Bloomberg or Reuters, the FX Forwards will be valued by reference to the average indicative rate quoted by at least 3 independent dealers. In the case where the Manager is unable to obtain quotation from 3 independent dealers, the FX Forwards will be valued in accordance with a fair value as determined by us in good faith, 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 and 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 Hedged-class**	**AUD Hedged-class**	**GBP Hedged-class**	**EUR Hedged-class**	**RMB Hedged-class**
Initial Offer Price	USD 0.50	MYR 0.50	MYR 0.50	SGD 0.50	AUD 0.50	GBP 0.50	EUR 0.50	RMB 0.50
	The initial offer price is the Selling Price and Repurchase Price for each Unit of the Fund during the initial offer period.							
Initial Offer Period	➢ The initial offer period for USD Class, MYR Hedged-class, SGD Hedged-class and AUD Hedged-class will be for a period of not more than 45 days from the Commencement Date. The initial offer period may be shortened if we determine that it is in your best interest. ➢ The initial offer period for MYR Class, GBP Hedged-class, EUR Hedged-class and RMB Hedged-class will be one (1) day which is on the launch date of a particular Class, and the launch will be disseminated through official communication channels and communiques to the Unit Holders.							
Minimum Initial Investment*	USD 5,000	MYR 5,000	MYR 5,000	SGD 5,000	AUD 5,000	GBP 5,000	EUR 5,000	RMB 5,000
Minimum Additional Investment*	USD 1,000	MYR 1,000	MYR 1,000	SGD 1,000	AUD 1,000	GBP 1,000	EUR 1,000	RMB 1,000
Minimum Units Held*	10,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 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	10,000 Units	10,000 Units	10,000 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 Hedged-class**	**AUD Hedged-class**	**GBP Hedged-class**	**EUR Hedged-class**	**RMB Hedged-class**
NAV per Unit	USD 0.50	MYR 0.50	MYR 0.50	SGD 0.50	AUD 0.50	GBP 0.50	EUR 0.50	RMB 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	USD 1 = EUR 0.95	USD 1 = RMB 6
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 = MYR40,000	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	USD 10,000 x EUR 0.95 = EUR 9,500	USD 10,000 x RMB 6 = RMB 60,000
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	EUR 9,500 ÷ EUR 0.50 = 19,000 Units	RMB 60,000 ÷ RMB 0.50 = 120,000 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 of the USD Class, GBP Hedged-class and EUR Hedged-class, you will

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

Classes	USD Class	MYR Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class	GBP Hedged-class	EUR Hedged-class	RMB Hedged-class
	receive less Units for every USD, GBP and EUR invested in the Fund (i.e. 20,000 Units, 15,000 Units and 19,000 Units respectively), compared to purchasing Units in MYR Class (i.e. 80,000 Units), MYR Hedged-class (i.e. 80,000 Units), SGD Hedged-class (i.e. 40,000 Units), AUD Hedged-class (i.e. 40,000 Units) or RMB Hedged-class (i.e. 120,000 Units). Upon a poll, the votes by 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 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 investors will be notified of the same by way of a supplemental/replacement information memorandum.

ABOUT THE FEES AND CHARGES

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

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

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

SALES CHARGE

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

Nil.

TRANSFER FEE

Nil.

SWITCHING FEE

Nil.

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 Hedged-class over the size of the Fund is 40%, the ratio of the apportionment based on the percentage will be 60:40, 60% being borne by the USD Class and 40% borne by the MYR Hedged-class.

ANNUAL MANAGEMENT FEE

The management fee is up to 1.85% 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:

$$\frac{\text{USD 120 million} \times 1.85\%}{\text{365 days}} = \text{USD 6,082.19 per day}$$

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 0.06% per annum of the NAV of the Fund (excluding foreign custodian fees and charges) and is calculated using the Base Currency (before deducting the management fee and trustee fee). The trustee fee is 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:

$$\frac{\text{USD 120 million} \times 0.06\%}{365 \text{ days}} = \text{USD } 197.26 \text{ per day}$$

ADMINISTRATIVE FEE

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

- Commissions or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (Where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets of the Fund;
- Taxes and other duties charged on the Fund by the government and/or other authorities;
- Costs, fees and expenses properly incurred by the auditor appointed for the Fund;
- Costs, fees and expenses incurred for 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 such modification is for the benefit of the Manager and/or the Trustee;
- Costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
- Any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred by the Fund;
- Costs, fees and expenses incurred for the fund valuation and accounting of the Fund; and
- Other fees and expenses related to the Fund allowed under the Deed.

MAXIMUM RATE OF FEES AND CHARGES ALLOWABLE BY THE DEED

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

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

Initial Charge	Not applicable
Redemption Fee	Not applicable
Management Fee	Up to 0.75% 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, including our delegate (if any) will not retain any rebate or soft commission from, or otherwise share in any commission with, any broker/dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission will be directed to the account of the Fund.

The soft commission can be retained by us or any of our delegate thereof 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 is executed on terms which are most favourable for the Fund.

ABOUT THE TARGET FUND - MORGAN STANLEY INVESTMENT FUNDS GLOBAL BRANDS FUND

BASE CURRENCY	:	USD
TYPE OF CLASS	:	Class Z - USD
INCEPTION DATE OF THE CLASS	:	10 June 2008
INCEPTION DATE OF THE TARGET FUND	:	30 October 2000
COUNTRY OF ORIGIN	:	Luxembourg
REGULATORY AUTHORITY	:	Commission de Surveillance du Secteur Financier (“CSSF”)
DEPOSITARY	:	J.P. Morgan Bank Luxembourg S.A.

ABOUT MORGAN STANLEY INVESTMENT FUNDS GLOBAL BRANDS FUND (“THE TARGET FUND”)

The Target Fund is a sub-fund of the Company. The Company is an open-ended investment company with variable capital “*société d'investissement à capital variable*” (SICAV) incorporated under the laws of the Grand Duchy of Luxembourg on 21 November 1988 for an unlimited period. The Articles of Incorporation have been deposited with the Luxembourg Trade and Companies’ Register and have been published in the *Recueil des Sociétés et Associations* (the "*Mémorial*") on 11 January 1989. The Company has been registered with the Luxembourg Trade and Companies’ Register under number B 29192.

The Articles of Incorporation have been lastly amended by an extraordinary shareholders’ meeting held on 16 December 2015. The amendments thereto were published in the *Mémorial* on 13 January 2016.

The capital may not, at any time, be less than the equivalent in USD of 1,250,000.00 Euro.

MANAGEMENT COMPANY

Pursuant to a Management Company Services agreement effective as from 1 January 2019 (the “Management Company Services Agreement”), MSIM Fund Management (Ireland) Limited, of The Observatory, 7-11 Sir John Rogerson’s Quay, Dublin 2, Ireland, has been appointed as the management company of the Company with responsibility for providing collective portfolio management services to the Company and the Target Fund, subject to the overall supervision and control of the Company.

MSIM Fund Management (Ireland) Limited is an indirect wholly owned subsidiary of Morgan Stanley, a leading global financial services firm providing a wide range of investment banking, securities, wealth management and investment management services to clients worldwide including corporations, governments, institutions and individuals. MSIM Fund Management (Ireland) Limited was incorporated as a company limited by shares under the laws of Ireland on 5 December 2017.

The Management Company Services Agreement has been entered into for an unlimited period of time and may be terminated at any time by either party upon three (3) months’ prior written notice or unilaterally with immediate effect by either party if, inter alia, the other party commits a material breach that it fails to remedy within thirty (30) days or if required by laws, regulations or any competent regulator or if the other party becomes insolvent or similar circumstances, fraud or bad faith on the part of the Management Company or if the interests of shareholders so require.

The Management Company may delegate any of its responsibilities to any other party subject to approval by the Company but the Management Company’s liability to the Company for the performance of collective portfolio management services shall not be affected by such delegation. In particular, the Management Company has delegated the investment management, distribution and central administration and transfer agency functions as set out in the sections below.

The Management Company has a remuneration policy in place which seeks to ensure that the interests of the Company and the shareholders are aligned. Such remuneration policy imposes remuneration rules on staff and senior management within the Management Company whose activities have an impact on the risk profile of the Company. The Management Company shall seek to ensure that such remuneration policies and practices will be consistent with sound and effective risk management and with UCITS regulation. The Management Company shall also seek to ensure that such remuneration policies and practices shall not encourage risk taking which is inconsistent with the risk profile and constitutional documents of the Company.

Details regarding the remuneration to the Management Company and the Management Company's up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee where such a committee exists, may be obtained free of charge during normal office hours at the registered office of the Company and is available on the following website http://www.morganstanleyinvestmentfunds.com or through the following direct link: https://docs.publifund.com/92_Web1/LU0011983433/en_LU.

The directors of the Company are responsible for the overall control and supervision of the performance of the tasks performed by the Management Company. Directors of the Company who are not executive directors or employees of the Target Fund Manager or any affiliate will be entitled to receive remuneration from the Company as disclosed in the annual report. Other than this, the Company does not pay remuneration to any individual. The Company does not pay directors variable remuneration.

THE TARGET FUND MANAGER

Under an Investment Advisory Agreement, Morgan Stanley Investment Management Limited, of 25 Cabot Square, Canary Wharf, London E14 4QA, United Kingdom, has been appointed as the target fund manager with responsibility for providing discretionary asset management and investment advisory services to the Management Company, such services to be provided in relation to the Target Fund.

Morgan Stanley Investment Management Limited is a 100% indirect subsidiary of Morgan Stanley. Morgan Stanley Investment Management Limited was incorporated in 1986 under the laws of the United Kingdom. Its board of directors is currently composed of Paul Price, Ruairi O'Healai, Terri Duhon, Richard Lockwood and Fiona Kelly.

The agreements between the Management Company and the Target Fund Manager provide that they are to remain in force for an unlimited period and may be terminated at any time by either party to the agreement upon three months' prior written notice or immediately by either party if the Management Company Services Agreement is terminated. The Target Fund Manager have been appointed to provide discretionary investment management and investment advisory services to the Management Company and, subject to the Company's overall control and supervision, to provide advice in connection with the day-to-day management in respect of the Target Fund.

INFORMATION IN RELATION TO MORGAN STANLEY GLOBAL BRANDS FUND

1) Investment Objective and Investment Policy

The investment objective of the Target Fund is to seek an attractive long-term rate of return, measured in USD, through investment primarily in equity securities of companies in the world's developed countries.

The Target Fund will invest in a concentrated portfolio of companies whose success the Company believes depends on intangible assets (for example, but not limited to, brand names, copyrights or methods of distribution) underpinning a strong business franchise.

The Target Fund may also invest, on an ancillary basis in preference shares, debt securities convertible into common shares or preference shares, warrants on securities and other equity linked securities to gain exposure to companies in developed and emerging markets, as well as equity securities of emerging market companies and China A-Shares via Stock Connect. The Target Fund may invest up to 10% of its net assets in China A-Shares via Stock Connect.

The investment process focuses on the sustainability and direction of a company's long term returns on capital. Environmental, social and governance (ESG) considerations are a fundamental and integrated part of this process, as the Target Fund Manager believes material weaknesses in any of the ESG areas can potentially threaten the long term sustainability of a company's returns.

2) Derivatives

The Target Fund will limit the use of derivatives to hedging purposes only.

INVESTMENT RESTRICTIONS

1.1 The investments of Target Fund shall consist of:

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 in EU Member States ("Regulated Market");

b) transferable securities and money market instruments dealt in on other regulated markets that are operating regularly, are recognised and are open to the public ("Other Regulated Market") in EU Member States;

c) transferable securities and money market instruments admitted to official listings on stock exchanges in any other country in Europe, Asia, Oceania, the American and African continents;

d) transferable securities and money market instruments dealt in on any Other Regulated Markets in Europe, Asia, Oceania, the American and African continents;

e) recently issued transferable securities and money market instruments provided that the terms of the issue include an undertaking that application will be made for admission to the official listing on one of the stock exchanges as specified in a) and c) or Other Regulated Markets as specified in b) and d) and that such admission is secured within a year of issue;

f) units of UCITS and/or other undertakings for collective investment ("UCIs") within the meaning of Article 1(2), first and second indents of the UCITS Directive, including shares/units of a master fund qualifying as UCITS (as defined below), whether they are situated in an EU Member State or not, provided that:
   - such other UCIs are authorized 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;
   - the level of protection for unitholders in the other UCIs is equivalent to that provided for unitholders 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;
   - the business of the other UCIs 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;
   - no more than 10% of the UCITS' or the other UCIs' assets (or of the assets of any sub-fund thereof, provided that the principle of segregation of liabilities of the different compartments is ensured in relation to third parties), whose acquisition is contemplated, can, according to their constitutional documents, be invested in aggregate in units of other UCITS or other UCIs. This restriction does not apply where a fund qualified as a feeder fund is investing in shares/units of a master fund qualifying as a UCITS;

   For the purposes of this subparagraph (f), each sub-fund of a UCI with several sub-funds within the meaning of Article 181 of the 2010 Law must be considered as a separate issuer, provided that each sub-fund may be held severally liable for its own debts and obligations.

g) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in an EU Member State or, if the registered office of the credit institution is situated in a non-EU Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;

h) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a Regulated Market or an Other Regulated Market; and/or financial derivative instruments dealt in over-the-counter ('OTC derivatives'), provided that:
   - the underlying consists of instruments described in sub-paragraphs (a) to (g) above, financial indices, interest rates, foreign exchange rates or currencies, in which the Company may invest according to its investment objectives;

- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF and;
- 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 value at the Company's initiative;

i) money market instruments other than those dealt in on a Regulated Market or an Other Regulated Market, which fall under Article 1 of the 2010 Law, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:
   - issued or guaranteed by a central, regional or local authority or central bank of an EU Member State, the European Central Bank, the EU 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;
   - issued by an undertaking any securities of which are dealt in on Regulated Markets or Other Regulated Market referred to in subparagraphs (a),(b) or (c) above, or;
   - 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;
   - 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 to at least EUR 10 million and which presents and publishes its annual accounts in accordance with Directive 78/660/EEC (1), 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.

1.2. Furthermore, the Target Fund may:
Invest no more than 10% of its net assets in securities and money market instruments other than those referred to in paragraph 1.1.

1.3. The Target Fund may acquire the units of UCITS and/or other UCIs referred to in paragraph 1.1 (f), provided that, unless (i) stated to the contrary in the investment policy of the Target Fund and/or (ii) the Target Fund's denomination includes the term 'fund of funds', the aggregate investment in UCITS or other UCIs does not exceed 10% of the net assets of the Target Fund.

In the case of the Target Fund not subject to the 10% restriction above, the Target Fund may acquire units of UCITS and/or UCIs provided that no more than 20% of its assets are invested in the units of a single UCITS or other UCI. Investments made by the Target Fund in units of UCIs other than UCITS may not in aggregate exceed 30% of the assets of the Target Fund.

When the Target Fund has acquired shares of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in paragraph 1.6. When the Target Fund invests in the units of other UCITS and/ or other UCIs that are managed, directly or by delegation, by the same investment manager or by any other company with which the investment manager is linked by common management or control, or by a substantial direct or indirect holding ("a substantial direct or indirect holding" is defined as more than 10% of the capital or voting rights), no subscription, redemption and management fees may be charged on the target fund level to the Company on its investment in the units of such other UCITS and/or UCIs. This restriction neither applies to funds which are feeder funds. A UCITS or a sub-fund thereof is qualified as feeder fund provided that it invests at least 85% of its assets in another UCITS or sub-fund thereof ("master fund") provided such master fund is neither a feeder fund nor hold units/shares of a feeder fund within the meaning of the 2010 Law. To be qualified as feeder fund a fund shall, in addition to investing 85% in the master fund, not invest more than 15% of its assets in one or more of the following:
- ancillary liquid assets in accordance with Article 41 (1) a) and b) of the 2010 Law;
- financial derivative instruments, which may be used only for hedging purposes, in accordance with Article 41 (1) g) and Article 42 (2) and (3) of the 2010 Law;
- movable and immovable property which is essential for the direct pursuit of the Company's business.

Should the Target Fund qualify as feeder fund, a description of all remuneration and reimbursement of costs payable by the feeder fund by virtue of its investments in shares/units of the master fund, as well as the aggregate charges of both the feeder fund and the master fund, shall be disclosed in *Section 2.5 "Charges and Expenses"* of the Prospectus of the Target Fund. The Company shall disclose in its annual report a statement on the aggregate charges of both the feeder fund and the master fund.

1.4. In addition, the Target Fund may subscribe, acquire and/or hold shares of one or more funds (the "Target Sub-Fund(s)"), without it being subject to the requirements of the Law of 10 August 1915 on commercial companies, as amended, with respect to the subscription, acquisition and/or the holding by a company of its own shares provided that:

- the Target Sub-Fund does not, in turn, invest in the Target Fund invested in such Target Sub-Fund; and
- no more than 10% of the net assets of the Target Sub-Fund the acquisition of which is contemplated may, be invested in aggregate in units/shares of other UCIs; and
- voting rights, if any, attaching to the relevant shares of the Target Sub-Fund(s) are suspended for as long as they are held by the Target Fund and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- in any event, for as long as these shares of the Target Sub-Fund(s) are held by the Target Fund, their value will not be taken into consideration for the calculation of the net assets of the Target Fund for the purposes of verifying the minimum threshold of the net assets of the Target Fund as imposed by law; and
- there is no duplication of management/subscription or repurchase fees between those at the level of the Target Fund having invested in the Target Sub-Fund and such Target Sub-Fund.

1.5. The Target Fund may hold ancillary liquid assets.

1.6. The Target Fund may not invest in any one issuer in excess of the limits set out below:

a) not more than 10% of the Target Fund's net assets may be invested in transferable securities or money market instruments issued by the same entity;

b) not more than 20% of the Target Fund's net assets may be invested in deposits made with the same entity;

c) by way of exception, the 10% limit stated in the first paragraph of this section may be increased to:
   - a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by an EU Member State, by its local authorities, by a non-EU Member State or by public international bodies to which one or more EU Member States belong;
   - a maximum of 25% in the case of certain bonds when these are issued by a credit institution which has its registered office in an EU Member State and is subject by law to special public supervision designed to protect bond holders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest. When the Target Fund invests more than 5% of its net assets in the bonds referred to in this paragraph and issued by one issuer, the total value of these investments may not exceed 80% of the value of the net assets of the Target Fund.

d) The total value of the transferable securities or money market instruments held by the Target Fund in the issuing bodies in each of which it invests more than 5% of its net assets must not then exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision. The transferable securities and money market instruments referred to in the two indents set out in 1.6 (c) above shall not be taken into account for the purpose of applying the limit of 40% referred to in this paragraph.

Notwithstanding the individual limits laid down in subparagraphs 1.6 (a) to (d) above, the Target Fund may not combine:

- investments in transferable securities or money market instruments issued by a single entity; and/or
- deposits made with a single entity, and/or
- exposures arising from OTC derivative transactions undertaken with a single entity, in excess of 20% of its net assets.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the abovementioned restrictions.

The limits provided for in sub-paragraphs 1.6 (a) to (d) above may not be combined, and thus investments in transferable securities or money market instruments issued by the same entity or in deposits or derivative instruments made with this entity carried out in accordance with sub-paragraphs 1.6 (a) to (d) shall under no circumstances exceed in total 35% of the net assets of the Target Fund.
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 recognized international accounting rules, are regarded as a single entity for the purpose of calculating the investment limits mentioned in sub-paragraphs 1.6. (a) to (d) above.

The Target Fund may not invest cumulatively more than 20% of its net assets in transferable securities or money market instruments of the same group subject to restrictions 1.6 (a) and the three indents under 1.6 (d) above.

Without prejudice to the limits laid down in paragraph 1.8 below, the limit of 10% laid down in sub-paragraph 1.6 (a) above is raised to a maximum of 20% for investment in equity and/or debt securities issued by the same body when the aim of the investment policy of the Target Fund is to replicate the composition of a certain equity or debt securities index which is recognised by the CSSF, on the following basis:

- the composition of the index is sufficiently diversified,
- the index represents an adequate benchmark for the market to which it refers,
- it is published in an appropriate manner.

This limit is 35% where that proves to be justified by exceptional market conditions in particular in Regulated Markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer. By way of derogation, the Target Fund is authorised to invest up to 100% of its net assets in different transferable securities and money market instruments issued or guaranteed by an EU Member State, its local authorities, by another member state of the OECD or G20, by the Republic of Singapore or Hong-Kong or by public international bodies of which one or more EU Member States are members, provided that (i) such securities are part of at least six different issues and (ii) securities from any one issue do not account for more than 30% of the net assets of the Target Fund.

1.7. The Company may not invest in shares with voting rights enabling it to exercise significant influence over the management of the issuing body.

1.8. The Company may not:

a) acquire more than 10% of the shares with non-voting rights of one and the same issuer;
b) acquire more than 10% of the debt securities of one and the same issuer;
c) acquire more than 25% of the units of one and the same undertaking for collective investment;
d) acquire more than 10% of the money market instruments of any single issuer.

The limits stipulated in sub-paragraphs 1.8. (b) (c) and (d) above may be disregarded at the time of acquisition if, at that time, the gross amount of debt securities or of the money market instruments, or the net amount of securities in issue cannot be calculated.

1.9. The limits stipulated in paragraphs 1.7. and 1.8. above do not apply 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 a non-EU Member State;
c) transferable securities and money market instruments issued by public international institutions to which one or more EU Member States are members;
d) transferable securities held by the Target Fund in the capital of a company incorporated in a non-EU Member State investing its assets mainly in the securities of issuing bodies having their registered offices in that state, where under the legislation of that state such a holding represents the only way in which the Target Fund can invest in the securities of issuing bodies of that state. This derogation, however, shall apply only if in its investment policy the company from the non-EU Member State complies with the limits laid down in Articles 43, 46 and 48 (1) and (2) of the 2010 Law. Where the limits set in Articles 43 and 46 of the 2010 Law are exceeded, Article 49 shall apply mutatis-mutandis;
e) transferable securities held by the Company in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unitholders' request exclusively on its or their behalf.

1.10. The Company may always, in the interest of the shareholders, exercise the subscription rights attached to securities, which forms part of its assets. When the maximum percentages stated in paragraphs 1.2 through 1.8 above are exceeded for reasons beyond the control of the Company, or as a result of the exercise of subscription rights, the Company must adopt, as a priority objective, sales transactions to remedy the situation, taking due account of the interests of its shareholders.

1.11. The Target Fund may borrow to the extent of 10% of its total net assets (valued at market value) provided these borrowings are made on a temporary basis. However, the Company may acquire for the account of the Target Fund foreign currency by way of back-to-back loan. Collateral arrangements with respect to the writing of options or the purchase or sale of forward or future contracts are not deemed to constitute "borrowings" for the purpose of this restriction.

1.12. The Company may not grant credit facilities nor act as guarantor on behalf of third parties, provided that for the purpose of this restriction (i) the acquisition of transferable securities, money market instruments or other financial investments referred to in sub-paragraphs 1.1 (f), (h) and (i) above, in fully or partly paid form and (ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan.

1.13. The Company undertakes not to carry out uncovered sales transactions of transferable securities, money market instruments or other financial instruments referred to in sub-paragraphs 1.1 (f), (h) and (i) above; provided that this restriction shall not prevent the Company from making deposits or carrying out accounts in connection with financial derivatives instruments, permitted within the limits referred to below.

1.14. The Company's assets may not include precious metals or certificates representing them or commodities.

1.15. The Company may not purchase or sell real estate or any option, right or interest therein, provided that the Company may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

1.16. The Company will in addition comply with such further restrictions as may be required by the regulatory authorities in any country in which the shares are marketed.

1.17. The Company shall not issue warrants or other rights to subscribe for shares in the Company to its shareholders.

The Company shall take the risks that it deems reasonable to reach the assigned objective set for the Target Fund; however, it cannot guarantee that it shall reach its goals given stock exchange fluctuations and other risks inherent in investments in transferable securities.

2. DERIVATIVES AND EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES

2.1. The Target Fund is authorised to use derivatives either for hedging or efficient portfolio management purposes including duration management or as part of its investment strategy as described in the Target Fund's investment objective.

2.2. The Company must employ a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio; it must employ a process for accurate and independent assessment of the value of OTC derivative instruments. It must communicate to the CSSF regularly and in accordance with the detailed rules defined by the latter, the types of derivative instruments, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in derivative instruments.

2.3. The Company will ensure that the global exposure relating to derivatives shall not exceed the total net value of the Target Fund. The 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. The Target Fund may invest, as part of their investment policy and within the limits laid down in sub-paragraph 1.6 (a) to (d) above in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in paragraph 1.6. When the Target Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in paragraph 1.6. When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the abovementioned restrictions.

2.4. On an ancillary basis, the Company can also enter into one or several total return swaps ("TRS") to gain exposure to reference assets, which may be invested according to the investment policy of the Target Fund. In particular, TRS may be used to gain exposures where a direct investible instrument is not available, or to implement the stated investment policy of the Target Fund in a more efficient manner. A TRS is an agreement in which one party (total return payer) transfers the total economic performance of a reference obligation, which may for example be a share, bond or index, to the other party (total return receiver). The total return receiver must in turn pay the total return payer any reduction in the value of the reference obligation and possibly certain other cash flows. Total economic performance includes income from interest and fees, gains or losses from market movements, and credit losses. The Target Fund may use a TRS to gain exposure to an asset (or other reference obligation), which it does not wish to buy and hold itself, or otherwise to make a profit or avoid a loss. TRS entered into by the Target Fund may be in the form of funded and/or unfunded swaps. An unfunded swap means a swap where no upfront payment is made by the total return receiver at inception. A funded swap means a swap where the total return receiver pays an upfront amount in return for the total return of the reference obligation. Where the Target Fund enters into a TRS or invests in other derivatives with similar characteristics (within the meaning of, and under the conditions set out in, applicable laws, regulations and CSSF circulars issued from time to time, in particular, but not limited to, Regulation (EU) 2015/2365):

- the assets held by the Target Fund should comply with the investment limits set out in paragraphs 1.3, 1.6, 1.7, 1.8 and 1.9 above; and
- the underlying exposures of such derivatives must be taken into account to calculate the investment limits laid down in paragraph 1.6 above.
- none of the counterparties will have discretion over the composition or management of the portfolio of the Target Fund or the underlying assets of the financial derivative instruments. In addition, the Company may only enter into TRS with regulated financial institutions which have their registered office in one of the OECD countries, and which are specialised in such types of transactions and have a minimum credit rating of investment grade quality.

2.5. The Target Fund may incur costs and fees in connection with TRS or other financial derivative instruments with similar characteristics, upon entering into TRS and/or any increase or decrease of their notional amount. The amount of these fees may be fixed or variable. Information on costs and fees incurred by the Target Fund in this respect, as well as the identity of the recipients and any affiliation they may have with the Depositary, the Target Fund Manager or the Management Company, if applicable, may be available in the annual report. All revenues arising from TRS, net of direct and indirect operational costs and fees, will be returned to the Target Fund.

2.6. The annual reports will contain, in respect of the Target Fund that has entered into financial derivative instruments over the relevant reporting period, details of:

- the underlying exposure obtained through financial derivative instruments;
- the identity of the counterparty(ies) to these financial derivative instruments;
- the costs and fees in connection with TRS or other financial derivative instruments with similar characteristics; and
- the type and amount of collateral received to reduce counterparty risk exposure.

2.7. The Target Fund is authorised to employ techniques and instruments relating to transferable securities or money market instruments subject to the following conditions:

a) they are economically appropriate in that they are realised in a cost-effective way;
b) they are entered into for one or more of the following specific aims:
   i. reduction of risk;
   ii. reduction of cost;
   iii. generation of additional capital or income for the Target Fund with a level of risk which is consistent with its risk profile and applicable risk diversification rules;
c) their risks are adequately captured by the Company's risk management process.

2.8. The efficient portfolio management techniques ("EPM Techniques") that may be employed by the Target Fund in accordance with paragraph 2.7 above include securities lending and borrowing transactions, repurchase agreements and reverse repurchase agreements, and buy-sell back transactions (together "SFTs") (within the meaning of, and under the conditions set out in, applicable laws, regulations and CSSF circulars issued from time to time, in particular, but not limited to, Regulation (EU) 2015/2365). Securities lending and borrowing transactions consist in transactions whereby a lender transfers the ownership of an asset (securities or instruments) to a third party, a borrower, subject to a commitment that the borrower will pay a fee to the lender for the use of the loaned asset and will agree to return equivalent securities or instruments on a future date or when requested to do so by the lender, such transaction being considered as securities lending for the party transferring the securities or instruments and being considered as securities borrowing for the counterparty to which they are transferred. Even though the parties are called lender and borrower, actual ownership of the assets is transferred. Repurchase agreements consist of transactions governed by an agreement whereby a party sells securities or instruments to a counterparty, subject to a commitment to repurchase them, or substituted securities or instruments of the same description, from the counterparty at a specified price with a financing cost on a future date specified, or to be specified, by the transferor. Such transactions are commonly referred to as repurchase agreements for the party selling the securities or instruments, and reverse repurchase agreements for the counterparty buying them. A reverse repurchase agreement transaction is a forward transaction at the maturity of which the seller (counterparty) has the obligation to repurchase the assets sold and the relevant fund has the obligation to return the assets received under the transaction. None of the funds has entered into repurchase agreements and reverse repurchase agreements.

The Target Fund may engage in securities lending transactions and repurchase and reverse repurchase agreements (collectively, "securities financing transactions"), provided that they are in the best interests of investors to do so and the associated risks have been properly mitigated and addressed. The counterparties to securities financing transactions should be financial institutions which are subject to ongoing prudential regulation and supervision. Buy-sell back transactions consist of transactions, not being governed by a repurchase agreement or a reverse repurchase agreement as described above, whereby a party buys or sells securities or instruments to a counterparty, agreeing, respectively, to sell to or buy back from that counterparty securities or instruments of the same description at a specified price on a future date. Such transactions are commonly referred to as buy-sell back transactions for the party buying the securities or instruments, and sell-buy back transactions for the counterparty selling them. None of the funds has entered into buy-sell back transactions.

2.9. The use of EPM Techniques by the Target Fund is subject to the following conditions:

a) The Company may enter into EPM Techniques only through a standardised system organised by a recognised clearing institution or through a regulated financial institutions which have their registered office in one of the OECD countries, and which are specialised in such types of transactions and have a minimum credit rating of investment grade quality. Authorised counterparties or securities lending agents to SFT must be specialised in the relevant types of transactions and either credit institutions with a registered office in an EU Member State or an investment firm authorised under the Markets in Financial Instruments Directive ("MiFID") or an equivalent set of rules, and subject to prudential supervision, with an investment grade credit rating.
b) When entering into a securities lending agreement, the Company should ensure that it is able at any time to recall any security that has been lent out or terminate the securities lending agreement.
c) When entering into a reverse repurchase agreement, the Company should ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase 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 agreement should be used for the calculation of the net asset value of the Target Fund.
d) When entering into a repurchase agreement, the Company should ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered.
e) Fixed-term repurchase and reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.
f) The Company's annual report will include the following information:
    i. the exposure obtained through EPM Techniques;
    ii. the identity of the counterparty(ies) to these EPM Techniques;
    iii. the type and amount of collateral received by the Company to reduce counterparty exposure; and
    iv. the revenues arising from EPM Techniques for the entire reporting period together with the direct and indirect operational costs and fees incurred.

2.10. None of the Company's funds utilise repurchase agreements, reverse repurchase agreements or buy-sellback transactions.

2.11. The Target Fund may incur costs and fees in connection with SFTs. In particular, the Target Fund may pay fees to agents and other intermediaries, which may be affiliated with the Depositary, the Target Fund Manager or the Management Company, in consideration for the functions and risks they assume. The amount of these fees may be fixed or variable. Information on direct and indirect operational 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 Depositary, the Target Fund Manager or the Management Company, if applicable, may be available in the annual report. All revenues arising from SFTs, net of direct and indirect operational costs and fees, will be returned to the Target Fund.

2.12. The counterparty risk arising from OTC derivative instruments and EPM Techniques may not exceed 10% of the assets of the Target Fund when the counterparty is a credit institution domiciled in the EU or in a country where the CSSF considers that supervisory regulations are equivalent to those prevailing in the EU. This limit is set at 5% in any other case.

2.13. For the purpose of the restriction set out in paragraph 2.12., above, the counterparty risk of the Target Fund towards a counterparty under OTC derivative instruments or EPM Techniques is reduced by the amount of collateral posted in favour of the Target Fund. Collateral received by the Target Fund must comply at all times with the eligibility requirements set out in the *Collateral Policy* below.

2.14. The collateral eligibility requirements set out in the *Collateral Policy* below stem from the ESMA Guidelines 2014/937 on Exchange Traded Funds and other UCITS issues (the "ESMA Guidelines 2014/937") that apply to Luxembourg UCITS in accordance with CSSF Circular 14/592.

Collateral Policy

1. GENERAL

The Target Fund is allowed to enter into OTC financial derivative transactions and to use EPM Techniques subject to the restrictions set out in *Appendix A – Investment Powers and Restrictions*, section 2 above, *"Derivatives and efficient portfolio management techniques"*. In particular, the counterparty risk arising from OTC derivative instruments and EPM Techniques may not exceed 10% of the assets of the Target Fund when the counterparty is a credit institution domiciled in the EU or in a country where the CSSF considers that supervisory regulations are equivalent to those prevailing in the EU. This limit is set at 5% in any other case. The counterparty risk of the Target Fund vis-à-vis a counterparty will be equal to the positive mark-to-market value of all OTC derivative and EPM Techniques transactions with that counterparty, provided that:

- if there are legally enforceable netting arrangements in place, the risk exposure arising from OTC derivative and EPM Techniques transactions with the same counterparty may be netted; and
- if collateral posted in favour of the Target Fund and such collateral complies at all times with the criteria set out in section 2 below, *"Eligible Collateral",* the counterparty risk of the Target Fund towards a counterparty under OTC derivative or EPM Techniques transactions is reduced by the amount of such collateral.

The purpose of this Section is to set the collateral policy that will be followed by the Target Fund.

2. ELIGIBLE COLLATERAL

2.1 General principles

Collateral received by the Target Fund may be used to reduce its counterparty risk exposure with a counterparty if it complies at all times with the criteria laid down in the ESMA Guidelines 2014/937. By way of derogation to the principle of collateral diversification laid down under 43 (e) of the ESMA Guidelines 2014/937, each fund may have an exposure for up to 100% of its net assets in securities issued or guaranteed by an EU Member State, its local authorities, a member state of the OECD or by a public international body of which one or more member states are members, provided that the Target Fund holds securities of at least six different issues and that the securities from any one issue do not account for more than 30% of the net assets of the Target Fund.

2.2 For the purpose of paragraph 2.1. above, all assets received by a fund in the context of EPM Techniques should be considered as collateral.

2.3 Eligible assets

Collateral received by the Target Fund will only be taken into account for reducing its counterparty risk exposure with a counterparty if it consists of assets which are part of the following list:

a) Liquid assets which includes not only cash and short term bank certificates, but also money market instruments such as defined within Directive 2009/65/ EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to UCITS. 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;
b) 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;
c) shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;
d) shares or units issued by UCITS investing mainly in bonds/shares mentioned in (e) and (f) below;
e) bonds issued or guaranteed by first class issuers offering an adequate liquidity;
f) shares admitted to or dealt in on a Regulated Market of an EU Member State or on a stock exchange of a member state of the OECD, on the condition that these shares are included in a main index.

The above general collateral eligibility requirements are without prejudice to the more specific requirements which may apply to the Target Fund under Section 1.2 *"Investment Objectives and Policies"* of the Prospectus of the Target Fund.

3. REINVESTMENT OF COLLATERAL

3.1 Non-cash collateral
Non-cash collateral received by the Target Fund may not be sold, re-invested or pledged.

3.2 Cash collateral
Cash collateral received by the Target Fund can only be:
a) placed on deposit with credit institutions which either have their registered office in an EU Member State or are subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;
b) invested in high-quality government bonds;
c) used for the purpose of reverse repo 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;
d) invested in short-term money market funds.

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral as set out in the ESMA Guidelines 2014/937.

4. SAFEKEEPING OF COLLATERAL

Collateral posted in favour of the Target Fund under a title transfer arrangement should be held by the Depositary or one of its correspondents or sub-custodians. Collateral posted in favour of the Target Fund under a security interest arrangement (e.g., a pledge) can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

5. LEVEL AND VALUATION OF COLLATERAL

The Company will determine the required level of collateral for OTC financial derivatives transactions and efficient portfolio management techniques by reference to the applicable counterparty risk limits set out in the Prospectus of the Target Fund and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions.

Collateral will be valued, on a daily basis, using available market prices and taking into account appropriate discounts which will be determined by the Company for each asset class based on its haircut policy.

6. HAIRCUT POLICY

The Company has a haircut policy relating to the classes of assets received as collateral. The Company typically receives cash, high-quality government and non-government bonds as collateral. The Company will typically apply haircuts ranging from 0.5-10% for government bonds and from 5-15% for non-government bonds. No haircut will generally be applied to cash collateral. Haircuts are assessed based on collateral credit quality, price volatility and tenor, and the Company may vary the haircut outside the above ranges if it consider it to be appropriate based on these factors.

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

	SPECIFIC RISKS OF THE FUND
	response to adverse market conditions. We are also 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	Liquidity risk refers to two scenarios. The first is where an investment cannot be sold due to unavailability of a buyer for that investment. The second scenario exists where the investment, by its nature, is thinly traded. This will have the effect of causing the investment to be sold below its fair value which would adversely affect the NAV of the Fund. Upon such event and in the best interest of the Unit Holders, the Trustee may suspend the repurchase of Units requests. Please refer to "*Suspension of Dealing in Units*" of this Information Memorandum for more details. This is the risk that the shares 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 shares of the Target Fund. The Target Fund Manager may suspend the realisation of shares, 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 addition, the Target Fund may not be able to pay repurchase proceeds within the prescribed period due to unusual market conditions, unusually high volume of repurchase requests, or such other uncontrollable factors. To meet repurchase requests, the Target Fund may be forced to sell investments at an unfavourable price and/or condition. In managing liquidity risk, we will maintain sufficient liquidity level for the purposes of meeting repurchase requests.
Suspension of dealing in Units risk	The Fund may be at risk of having a temporarily suspension of dealing in Units or defer the calculation of net asset value in the Target Fund and/or its Share Class when the following occurs: - any exchange or market, on which a substantial portion of the Target Fund's investments is traded, is closed, otherwise than for public holidays, or while dealings on any such exchange or market are restricted or suspended; - the Company is unable to repatriate funds for the purpose of making payments on the redemption of the shares of the Target Fund or during which any transfer of the funds involved in the realisation or acquisition of investments or payments due on redemption of shares cannot, in the opinion of the directors of the Company, be effected at normal prices or rates of exchange; - a breakdown exists in the means of communications or computation normally employed in determining any of the Company's assets, or the current price or values on any market of stock exchange; - the Company, the Target Fund or the Share Class is being, or may be, wound-up on or following the date on which notice is given of the meeting of shareholders at which a resolution to wind up the Company, the Target Fund or the Share Class is proposed; - any state of affairs exists that, in the view of the Target Fund Manager, constitutes an emergency as a result of which disposal or valuation of investments of the Target Fund by the Management Company is impracticable; - the Target Fund Manager has determined that there has been a material change in the valuation of a substantial proportion of the investments of the Company attributable to the Target Fund, and has further decided, in order to safeguard the interests of the shareholders and the Company, to delay the preparation or use of a valuation or carry out a later or subsequent valuation; - in the case of a suspension of the calculation of the net asset value of one or several underlying investment funds in which the Target Fund has invested a substantial portion of assets;

	SPECIFIC RISKS OF THE FUND
	- in the case of a merger, if the Target Fund Manager deems this to be justified for the protection of the shareholders; - any other circumstance exists where a failure to do so might result in the Company or its shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment that the Company or its shareholders might not otherwise have suffered. A suspension will apply to all types of deals in shares (except transfers) and will apply at the Target Fund or Share Class level as applicable. In connection with suspensions, the Company will refuse to accept requests to buy, switch or redeem shares during the time the Target Fund Manager has suspended the calculation of net asset value. During this time shareholders may withdraw their request. Any requests that are not withdrawn will be dealt on the next valuation day once the suspension is over. Unit Holders will be informed of any suspension or deferral as appropriate.
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.

	GENERAL RISKS OF THE TARGET FUND
Market Risk	Investors may experience losses due to changes in the level of one or more market prices, rates, indices, or other market factors. Market risk cannot be eliminated through diversification, though it can be hedged against. Sources of market risk include, but are not limited to, recessions, political turmoil, changes in monetary policies, etc.
Currency Risk	The Target Fund may invest in investments denominated in a number of different currencies other than the Reference Currency in which the Target Fund is denominated. Changes in foreign currency exchange rates between the Reference Currency and the currency in which the investments are denominated will cause the value of the investments expressed in the Reference Currency to differ. The Target Fund has the ability to invest in overseas assets may be subject to currency volatility including currency devaluation. Currency movements may impact the value of the Target Fund's assets. The Target Fund may use derivatives to reduce this risk. However, certain market conditions may make it impossible or uneconomical to hedge against currency risk. The Company may in its discretion choose not to hedge against currency risk within the Target Fund.
Liquidity Risk	Liquidity risk exists when the Target Fund's investments may be difficult to sell due to unforeseen economic or market conditions, such as the deterioration in the creditworthiness of an issuer. In case of a large redemption request, the Target Fund may consequently not be able to sell certain assets to meet the redemption requirement or may not be able to sell certain assets at levels close to current valuation price.
Counterparty Risk	The Target Fund may enter into transactions with counterparties (which could be a company, government or other institution), thereby exposing them to the counterparties' creditworthiness and their ability to perform and fulfil their financial obligations. There exists a risk that the obligation of such counterparties will not be satisfied. This risk may arise at any time the Target Fund's assets are deposited, extended, committed, invested or otherwise exposed through actual or implied contractual agreements. The weaker the financial strength of a counterparty, the greater the risk of that party failing to satisfy its obligations. The net asset value of the Target Fund could be affected by any actual or anticipated breach of the party's obligations, while the income of the Target Fund would be affected only by an actual failure to pay, which is known as a default. In addition, the Target Fund may enter into contracts with service providers and other third party contractors (the "Service Providers"). This risk means that in certain circumstances (including but not limited to force majeure events) the Service Providers may not be able to perform or fulfil their contractual obligations to the Target Fund. This could result in periods where the normal trading activity of the Target Fund may be affected or disrupted.
Depositary Risk	***Country risk linked to the custody*** The Management Company may decide from time to time to invest in a country where the Depositary has no correspondent. In such a case, the Depositary will have to identify and appoint after due diligence a local custodian. This process may take time and deprive in the meantime the Management Company of investment opportunities. In the same manner, the Depositary shall assess on an ongoing basis the custody risk of the country where the Company's assets are safekept. The Depositary may identify from time to time a custody risk in a jurisdiction and recommends to the Management Company to realize the investments immediately. In doing so, the price at which such assets will be sold may be lower than the price the Company would have received in normal circumstances, potentially affecting the performance of the Target Fund. ***Central Securities Depositaries*** In accordance with the UCITS Directive, entrusting the custody of the Company's

	GENERAL RISKS OF THE TARGET FUND
	assets to the operator of a securities settlement system ("SSS") is not considered as a delegation by the Depositary and the depositary is exempted from the strict liability of restitution of assets. A central securities depositary ("CSD") being a legal person that operates an SSS and provides in addition other core services should not be considered as a delegate of the Depositary irrespective of the fact that the custody of the Company's assets have been entrusted to it. There is however some uncertainty around the meaning to be given to such exemption, the scope of which may be interpreted narrowly by some supervisory authorities, notably the European supervisory authorities.
Custody Risk	The assets of the Company are entrusted to the Depositary for safekeeping and are identified in the Depositary's books as belonging to the Company. Securities held by the Depositary are segregated from other assets of the Depositary which mitigates but does not exclude the risk of non-restitution in case of bankruptcy of the Depositary. However, no such segregation applies to cash which increases the risk of non-restitution in case of bankruptcy. The Depositary may not keep all the assets of the Company itself but may use a network of sub-custodians which are not always part of the same group of companies as the Depositary. Investors are exposed to the risk of bankruptcy of the sub-custodians in the same manner as they are to the risk of bankruptcy of the Depositary. The Target Fund may invest in markets where custodial and/or settlement systems are not fully developed. The assets of the Target Fund that are traded in such markets and which have been entrusted to such sub-custodians may be exposed to risk in circumstances where the Depositary will have no liability.
Inflation/Deflation Risk	Inflation risk refers to the possibility of a reduction in the value of the income or assets as inflation decreases the value of money. The real value of the Target Fund's portfolio could decline as inflation increases. Deflation risk is the risk that prices throughout the economy may decline over time. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of the Target Fund's portfolio.
Regulatory Risk	The Target Fund is domiciled in Luxembourg and investors should note that all the regulatory protections provided by their local regulatory authorities may not apply. Additionally, the Target Fund may be registered in non-EU jurisdictions and, as a result, may be subject, without any notice to the shareholders in the Target Fund, to more restrictive regulatory regimes. In such cases the Target Fund will abide by these more restrictive requirements. This may prevent the Target Fund from making the fullest possible use of the investment limits. Regulators are authorised to take extraordinary actions in the event of market emergencies. The effect of any future regulatory action on the Target Fund could be substantial and adverse.
The Proposed Exit of the UK from the EU	As at the date of the Prospectus of the Target Fund, the proposed exit by the UK from the EU ("Brexit") has resulted in global economic and political uncertainty and it is unknown what the impact shall be on the economic or political environment of each of the UK and the EU. On 29 March 2017, the UK's government gave notice of its intention to withdraw from the EU pursuant to Article 50 of the Treaty of the EU. The United Kingdom's exit from the EU is expected to take place on 31 October 2019, unless the European Council, in agreement with the UK, unanimously decides to extend this period. Negotiations have commenced seeking to determine the terms of the UK's relationship with the EU, including the terms of trade between the UK and the EU. In addition, the UK will be required to negotiate with other countries with which the UK previously traded on the basis of agreements concluded with the EU (having been members thereof). The UK's exit from the EU may result in regulatory change for the UK since a significant portion of the UK regulatory regime is derived from EU directives and

	GENERAL RISKS OF THE TARGET FUND
	regulations. More particularly, such regulatory changes may affect the Target Fund Manager and certain of the Company's other service providers since it is not clear what legal and cooperation agreements will be put in place after Brexit.

	SPECIFIC RISKS OF THE TARGET FUND
Fixed Income Risk	The Target Fund will be subject to interest rate and credit risk, and the additional risks associated with securities such as high-yield fixed income securities, asset backed securities or loans. Fixed income securities are subject to the risk of an issuer's ability to meet principal and interest payments on the obligation (credit risk), and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk). The Target Fund may invest in fixed income securities which are interest rate sensitive. An increase in interest rates will generally reduce the value of fixed income securities, while a decline in interest rates will generally increase the value of fixed income securities. The performance of the Target Fund will therefore depend in part on the ability to anticipate and respond to such fluctuations on market interest rates, and to utilise appropriate strategies to maximise returns, while attempting to minimise the associated risks to investment capital. ***Interest Rate Risk*** The values of fixed income securities held by the Target Fund will vary with changes in interest rates and such variation may affect share prices accordingly. The value of fixed income securities will generally increase when interest rates fall and decrease when interest rates rise. Fixed income securities with greater interest rate sensitivity and longer maturities are usually subject to greater fluctuations in value in response to interest rate changes. The Target Fund seeks to reduce their exposure to interest rate risk through duration hedging. Duration hedged Target Fund utilises hedging strategies to seek to limit its exposure to interest rate movements. Sensitivity to interest rate movements may vary by funds. The sensitivity of the Target Fund to interest rate movements may affect the result of the duration hedging. Such hedging strategies used by the Target Fund Manager (or any agent appointed by the Target Fund Manager) may not completely eliminate exposure to such interest rate movements. There can be no guarantee that hedging strategies will be successful. Investors should be aware that certain market events or circumstances could result in the Target Fund Manager no longer being able to perform hedging transactions or that such strategies may no longer be economically viable. The use of hedging strategies may substantially limit shareholders in duration hedged funds from benefiting if interest rates fall. ***Credit Risk*** The Target Fund is subject to the risk that an issuer will fail to make timely payments of interest and principal. Issuers with higher credit risk typically offer higher yields for this added risk. Conversely, issuers with lower credit risk typically offer lower yields. Generally, government securities are considered to be the safest in terms of credit risk, while corporate debt, especially those with poorer credit ratings, have the highest credit risk. Changes in the financial condition of an issuer, changes in economic and political conditions in general, or changes in economic and political conditions specific to an issuer, are all factors that may have an adverse impact on an issuer's credit quality and security values. ***High Yield Securities*** The Target Fund may invest in higher yielding fixed income securities which are subject to greater credit and market risk than lower yielding securities. Generally, lower rated securities pay higher yields than more highly rated securities to compensate investors for the higher risk. Such securities are subject to the risk of an

	SPECIFIC RISKS OF THE TARGET FUND
	issuer's inability to meet principal and interest payments on its obligations (credit risk) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity and as a result may be less liquid than lower yielding securities. ***Negative Yields*** The Target Fund may invest in fixed income instruments which, in certain cases, may trade at a negative yield. When the Target Fund invests in a negative yielding fixed income instrument, the value of the Target Fund's investment will reduce on a daily basis by the amount of the negative yield and the Target Fund may not get back its full investment. ***Downgrading Risk*** The credit ratings given to fixed income securities may be subject to changes. The downgrading of a rated fixed income security could decrease the value and liquidity of the security, particularly in a thinly traded market, and also increase the price volatility. The Company may continue to invest in securities that are downgraded after purchase. ***Non-Investment Grade Securities*** Non-investment grade securities have a lower credit rating than investment grade securities or are unrated and are generally considered to have a higher credit risk than more highly rated securities. In addition, non-investment grade securities tend to be more volatile than higher rated securities, so that adverse economic events may have a greater impact on the prices of non-investment grade securities than on higher rated securities. The market for securities which are rated below investment grade, have a lower credit rating or are unrated generally has lower liquidity and is less active than that for higher rated securities and the Target Fund's ability to liquidate its holdings in response to changes in the economy or the financial markets may be further limited by such factors as adverse publicity and investor perceptions. The Target Fund may invest in securities rated below investment grade. ***Unrated Securities*** The Target Fund may invest in securities that are not rated. As they are unrated these securities may be subject to greater price volatility and the Target Fund investing in these securities must rely on the Target Fund Manager's credit assessment of such securities and are in particular subject to a high credit risk. ***Sovereign Debt*** Certain countries and government entities rely more heavily than others upon foreign investment and the international markets for funding. Investment in sovereign debt issued or guaranteed by such countries or government entities involves a high degree of risk as the issuing entity may be unable or unwilling to repay the principal or interest when due in accordance with the terms of the debt. As a result, there may be a risk that the issuing entity will reschedule repayment or default on the debt. ***Asset-Backed Securities*** The Target Fund may invest in asset-backed securities (ABS) which are fixed income securities backed or collateralised by the income stream from an underlying pool of assets such as credit cards, automobile loans, student loans, small business loans, mortgages and receivables. An ABS may be usually issued in a number of different tranches, or classes, with varying characteristics depending on the riskiness of the underlying assets assessed by reference to their credit quality and term and can be issued at a fixed or a floating rate. The higher the risk contained in the tranche, the more the ABS is likely to have to pay by way of income. The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other fixed income securities. ABS are often exposed to extension risk (where obligations on the underlying assets are not paid on time) and prepayment risks (where obligations on the underlying assets are paid earlier than expected), these risks may have a substantial impact on the timing and size of the cash flows paid by the securities and may negatively impact the returns of the securities. The

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	average life of each individual security may be affected by a large number of factors such as the existence and frequency of exercise of any optional redemption and mandatory prepayment, the prevailing level of interest rates, the actual default rate of the underlying assets, the timing of recoveries and the level of rotation in the underlying assets. ***Mortgage-Backed Securities*** The Target Fund may invest in mortgage-backed securities (MBS) which are fixed income securities backed or collateralised by the income stream from an underlying pool of commercial and/or residential mortgages. This type of security is commonly used to redirect the interest and principal payments from the pool of mortgages to investors. An MBS may be issued in a number of different tranches, or classes, with varying characteristics depending on the riskiness of the underlying mortgages assessed by reference to their credit quality and term and can be issued at a fixed or a floating rate. The higher the risk contained in the tranche, the more the MBS pays by way of income. MBS may be subject to prepayment risk which is the risk that, in a period of falling interest rates, borrowers may refinance or otherwise repay principal on their mortgages earlier than scheduled. When this happens, certain types of MBS will be paid off more quickly than originally anticipated and the Target Fund will have to invest the proceeds in securities with lower yields. MBS may also be subject to extension risk, which is, the risk that, in a period of rising interest rates, certain types of MBS will be paid off more slowly than originally anticipated and the value of these securities will fall. As a result, the average duration of the Target Fund's portfolios may increase. The value of longer or interest when due in accordance with the terms of the debt. As a result, there may be a risk that the issuing entity will reschedule repayment or default on the debt. ***Asset-Backed Securities*** The Target Fund may invest in asset-backed securities (ABS) which are fixed income securities backed or collateralised by the income stream from an underlying pool of assets such as credit cards, automobile loans, student loans, small business loans, mortgages and receivables. An ABS may be usually issued in a number of different tranches, or classes, with varying characteristics depending on the riskiness of the underlying assets assessed by reference to their credit quality and term and can be issued at a fixed or a floating rate. The higher the risk contained in the tranche, the more the ABS is likely to have to pay by way of income. The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other fixed income securities. ABS are often exposed to extension risk (where obligations on the underlying assets are not paid on time) and prepayment risks (where obligations on the underlying assets are paid earlier than expected), these risks may have a substantial impact on the timing and size of the cash flows paid by the securities and may negatively impact the returns of the securities. The average life of each individual security may be affected by a large number of factors such as the existence and frequency of exercise of any optional redemption and mandatory prepayment, the prevailing level of interest rates, the actual default rate of the underlying assets, the timing of recoveries and the level of rotation in the underlying assets. ***Mortgage-Backed Securities*** The Target Fund may invest in Mortgage-Backed Securities (MBS) which are fixed income securities backed or collateralised by the income stream from an underlying pool of commercial and/or residential mortgages. This type of security is commonly used to redirect the interest and principal payments from the pool of mortgages to investors. An MBS may be issued in a number of different tranches, or classes, with varying characteristics depending on the riskiness of the underlying mortgages assessed by reference to their credit quality and term and can be issued at a fixed or a floating rate. The higher the risk contained in the tranche, the more the MBS pays by way of income. MBS may be subject to prepayment risk which is the risk that, in a period of falling interest rates, borrowers may refinance or otherwise repay principal

on their mortgages earlier than scheduled. When this happens, certain types of MBS will be paid off more quickly than originally anticipated and the Target Fund will have to invest the proceeds in securities with lower yields. MBS may also be subject to extension risk, which is, the risk that, in a period of rising interest rates, certain types of MBS will be paid off more slowly than originally anticipated and the value of these securities will fall. As a result, the average duration of the Target Fund's portfolios may increase. The value of longer-term securities generally changes more in response to changes in interest rates than that of shorter-term securities. Because of prepayment risk and extension risk, MBS may react differently to changes in interest rates than other fixed income securities. Small movements in interest rates (both increases and decreases) may quickly and significantly reduce the value of certain MBS. In some circumstances investments in MBS may become less liquid and in the case of a large redemption or change in market liquidity the Target Fund Manager may not be able to sell the securities to meet the redemption requirement or may only be able to sell the securities at a price which negatively affects the Target Fund's net asset value. In addition, the market price for MBS may be volatile.

Uniform Mortgage-Backed Securities

On June 3 2019, under the Federal Housing Finance Agency's "Single Security Initiative" intended to maximize liquidity for both Fannie Mae and Freddie Mac mortgage-backed securities in the To Be Announced ("TBA") security market, Fannie Mae and Freddie Mac expect to start issuing uniform mortgage-backed securities ("UMBS") in place of their current separate offerings of TBA eligible mortgage-backed securities. The effects of the issuance of UMBS on the market for mortgage-backed securities are uncertain even though UMBS are not new instruments but rather a harmonisation of already existing instruments. The Target Fund's ability to invest in UMBS to the same degree that the Target Fund currently invests in Fannie Mae and Freddie Mac MBS is also uncertain. While Fannie Mae and Freddie Mac have taken steps to have a smooth transition to the issuance of UMBS, there may be factors which affect the timing of the transition or the ability of market participants, including the Target Fund, to adapt to the issuance of UMBS.

Non-Agency Mortgage Backed Securities

Non-agency mortgage backed securities are MBS issued by private institutions. These securities have no credit guarantee other than the quality of the loans behind them, and any other structural credit protection provided by the terms of the bond deal they belong to. Investing in non-agency mortgage-backed securities generally entails credit, prepayment, extension, liquidity and default risk.

Loans

The Target Fund may invest in fixed and floating rate loans from one or more financial institutions by way of (i) assignment/transfer of, or (ii) participation in the whole or part of the loan amount outstanding. Such loans may be secured or unsecured. Loans that are fully secured offer the Target Fund more protection than an unsecured loan in the event of non-payment of scheduled interest or principal. However, there is no assurance that the liquidation of collateral from a secured loan would satisfy the corporate borrower's obligation. Participations typically will result in the Target Fund having a contractual relationship only with an intermediary (e.g. a financial institution or lending syndicate, the "Selling Institution") and not with the borrower and therefore generally will have no right directly to enforce compliance by the borrower with the terms of the loan agreement. The Target Fund may not directly benefit from the collateral supporting the related loan and may be subject to any rights of setoff the borrower has against the Selling Institution.

Loan obligations are subject to the credit risk of non-payment of principal or interest by the borrower. Substantial increases in interest rates may also cause an increase in loan obligation defaults. Further, where exposure to loans is gained by purchase of participations there is the additional credit and bankruptcy risk of the Selling Institution under the insolvency laws of the jurisdiction of the Selling Institution.

On the other hand, investments in loans through a direct assignment include the risk that if a loan is terminated, a Fund could become part owner of any collateral, and would bear the costs and liabilities associated with owning and disposing of the collateral.

Convertible Bonds

Convertible bonds are subject to a number of risks including risk arising from both debt and equity securities, and to convertible securities specific risks. Convertible bond valuations are sensitive to macro-economic risk, interest rate risk, spread risk, default risk, and equity risk. In addition, convertible bonds issuers may be downgraded. In certain market conditions convertible bonds may be less liquid than other asset classes.

Contingent Convertible Debt Securities

Characteristics of the contingent convertible debt securities

The Target Fund may invest in contingent convertible debt securities which are fixed income securities that may pay an attractive coupon and which may be converted into equity securities or suffer capital losses by decreasing the face value if pre-specified events occur ("trigger events"), depending in particular of the capital ratio levels of the issuer of such contingent convertible debt securities ("trigger levels"). Contingent convertible debt securities may be issued as perpetual instruments which may (or may not) be called at pre-determined date.

Specific risks associated with the related contingent convertible debt securities

Trigger levels and conversion risks: contingent convertible debt securities are complex financial instruments in respect of which, trigger levels (and thus exposure to conversion risk) differ widely. In particular, conversion may cause the value of the investment to fail significantly and irreversibly, and in some cases even to zero.

Unknown and yield related risks: contingent convertible debt securities are also innovative financial instruments and their behaviour under a stressed financial environment is thus unknown. This increases uncertainty in the valuation of contingent convertible debt securities and the risks of potential price contagion, as well as the volatility and also the liquidity risks of the entire contingent convertible securities asset class. In certain circumstances finding a ready buyer for contingent convertible bonds may be difficult and the seller may have to accept a significant discount to the expected value of the bond in order to sell it. Furthermore, because of the often attractive yield of contingent convertible debt securities, it still remains unclear whether holders of contingent convertible debt securities have fully considered the underlying risks of these instruments.

Write-down and capital structure inversion risks: the investment in contingent convertible debt securities may also result in material losses to the Target Fund as the contingent convertible debt security may suffer capital market loss by decreasing the face value ("write-down") on the occurrence of certain trigger events. In this event, holders of contingent convertible debt securities will suffer losses ahead of holders of equity securities issued by the same issuer, contrary to the classic order of capital structure hierarchy where equity holders are expected to suffer the loss before debt holders.

Call extension risk: as contingent convertible debt securities may be perpetual instruments which may not be called on the predefined call date and investors may not receive return of principal on the call date or at any date.

Coupon cancellation risk: In addition, some contingent convertible debt securities are also subject to the risk of discretionary cancellation of coupon payments by the issuer at any point, for any reason, and for any length of time.

Odd Lots

The Target Fund's securities may be valued by an outside pricing service approved by the Management Company. The pricing service may utilize a matrix system or other model incorporating attributes such as security quality, maturity and coupon as the evaluation model parameters, and/or research evaluations by its staff, including

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	review of broker-dealer market price quotations in determining what it believes is the fair valuation of the portfolio securities valued by such pricing service. Pricing services generally value securities assuming orderly transactions of an institutional round lot size, but the Target Fund may hold or transact in such securities in smaller, odd lot sizes (“odd lots”). Odd lots often trade at lower prices than institutional round lots.
Equity Risk	The Target Fund will be investing in equity securities and is subject to the volatility of the capital markets on which these securities are traded and may incur significant losses. The price of equities can be influenced by many factors at the individual company level, as well as by broader economic and political developments, including trends in economic growth, inflation and interest rates, corporate earnings reports, demographic trends and catastrophic events. ***Depositary Receipts*** Depositary receipts (ADRs, GDRs and EDRs) are instruments that represent shares in companies trading outside the markets in which the depositary receipts are traded. Accordingly, whilst the depositary receipts are traded on Recognised Exchanges, there may be other risks associated with such instruments to consider – for example the shares underlying the instruments may be subject to political, inflationary, exchange rate or custody risks. ***Small and mid-sized companies*** The stock prices of small and mid-sized companies tend to be more volatile than the stock prices of larger companies. Smaller companies may have limited resources and product ranges and therefore may be more sensitive to changes in market conditions. The stocks of smaller companies are traded less frequently and in lower volumes than those of larger companies and this may contribute to greater stock price volatility. ***Participatory Notes*** Equity funds may generate exposure to certain equity securities in certain countries by purchasing a participatory note. A participatory note, while generating the desired equity security exposure, adds counterparty risk exposure to the issuer of the participatory note.
Financial Derivative Instruments	The Target Fund may, in accordance with its investment policy, invest in financial derivative instruments including but not limited to European and American options including single security, currency, basket and index calls and puts; single security, equity index and volatility futures; interest rate, Eurodollar and treasury futures; contract for differences (CFDs); single currency swaps; credit default swaps; interest rate swaps; Consumer Price Index (CPI) swaps, total return swaps, structured notes, warrants, currency forwards and participatory notes. While the prudent use of derivatives may be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. If so provided in its investment policy, the Target Fund may engage various investment strategies with a view to reducing certain of its risks and/or enhancing return. These strategies may include the use of derivative instruments such as options, warrants, swaps and/or futures. Such strategies may be unsuccessful and incur losses for the Target Fund. Derivatives also involve specific risks. These risks relate specifically to market risks, management risk, counterparty risk, liquidity risk, the risk of mispricing or improper valuation of derivatives and the risk that derivatives may not correlate perfectly with underlying assets, interest rates and indices. The following is a general discussion of important risk factors and issues concerning the use of derivatives that investors should understand before investing in the Target Fund. ***Market Risk*** This is a general risk that applies to all investments, including derivatives, meaning that the value of a particular derivative may go down as well as up in response to changes in market factors. The Target Fund may also use derivatives to gain or short

exposure to some investments. In extreme market conditions the use of derivatives may, theoretically, give rise to unlimited losses for the Target Fund. However, an investor's loss is always limited to the amount invested in the Target Fund. Should such extreme market conditions occur, investors could, in certain circumstances, therefore face minimal or no returns, or may even suffer a loss on their investment in the Target Fund.

Liquidity Risk

Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price (however, the Company will only enter into OTC derivatives if it is allowed to liquidate such transactions at any time at fair value).

Counterparty Risk

The Target Fund may enter into transactions in OTC markets, which will expose the Target Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts. In the event of a bankruptcy or insolvency of a counterparty, the Target Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative transactions may be terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. However this risk is limited in view of the investment restrictions laid down in *Appendix A – Investment Powers and Restrictions*, section 2 above, *"Derivatives and efficient portfolio management techniques"*.

Collateral Management Risk

Counterparty risk arising from investments in OTC financial derivative instruments is generally mitigated by the transfer or pledge of collateral in favour of the Target Fund. However, transactions may not be fully collateralised. Fees and returns due to the Target Fund may not be collateralised. If a counterparty defaults, the Target Fund may need to sell non-cash collateral received at prevailing market prices. In such a case the Target Fund could realise a loss due, inter alia, to inaccurate pricing or monitoring of the collateral, adverse market movements, deterioration in the credit rating of issuers of the collateral or illiquidity of the market on which the collateral is traded. Difficulties in selling collateral may delay or restrict the ability of the Target Fund to meet redemption requests. The Target Fund may also incur a loss in reinvesting cash collateral received, where permitted. 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 Target Fund 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 Target Fund.

Margin posted by the Target Fund

Where the Target Fund enters into a derivatives transaction, it will generally be required as a matter of law and/or contract to deliver cash or assets as margin (often referred to as 'collateral') to protect the relevant broker from the risk of a potential default by the Target Fund. Where the broker receives margin on a title transfer basis (ie the broker becomes the owner of the margin outright), or exercises a right of reuse, on the broker's default or insolvency the Target Fund will be an unsecured creditor and may not be able to recover the full value of the amount owed to it in full or at all. The Target Fund will not be entitled to exercise voting, consent or other similar rights attached to assets it provides as margin on a title transfer basis or in respect of which a right of use has been exercised, unless and until equivalent assets have been returned. In the event that a broker fails to return equivalent assets when due, the Target Fund may be unable to perform its settlement obligations under a hedging or other transaction it has entered into in relation to such assets.

Leverage Risk

Derivative instruments allow the Target Fund to gain a larger exposure to asset values than the amount the Target Fund invests. As a result, losses on derivative instruments can exceed the amount invested in them which may significantly reduce the value of the Target Fund as a whole.

Other Risks

Other risks in using derivatives include the risk of differing valuations of derivatives arising out of different permitted valuation methods and the inability of derivatives to correlate perfectly with underlying securities, rates and indices. Many derivatives, in particular OTC derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals who often are acting as counterparties to the transaction to be valued. The Management Company will seek to obtain independent valuations for OTC derivatives in order to limit this risk. Derivatives do not always perfectly or even highly correlate to or track the value of the securities, rates or indices they are designed to track. Consequently, the Target Fund's use of derivative techniques may not always be an effective means of following the Target Fund's investment objective. In cases where derivatives are being used to hedge risk, it is possible that the offsetting investments will not experience price changes that are perfectly inversely correlated. As a result, hedged portfolios may be exposed to basis risk – the risk that the portfolio will realize excess gains or losses in the execution of the hedging strategy.

Risks associated with OTC (over-the-counter) Derivatives

An OTC derivative is a derivative instrument which is not listed and traded on a formal exchange such as FTSE or NYSE but is traded by counterparties who negotiate directly with one another over computer networks and by telephone. The counterparty risk on any transaction involving OTC derivative instruments may not exceed 10% of the assets of the Target Fund when the counterparty is a credit institution domiciled in the EU or in a country where the CSSF considers that supervisory regulations are equivalent to those prevailing in the EU. This limit is set at 5% in any other case. The Management Company ensures that appropriate risk monitoring is in place for any OTC transactions.

Clearing

When the Target Fund enters into cleared derivatives transactions (whether exchange traded or over-the-counter), and a clearing broker it uses for such transactions is declared to be in default by an EU central counterparty ("EU CCP"), the EU CCP will try to transfer ("port") the Target Fund's transactions and assets to another clearing broker or, if this cannot be achieved, the EU CCP will terminate the Target Fund's transactions. The early termination of transactions in this context may result in significant losses to the Target Fund. In the event that other parties in the clearing structure default (e.g., a central counterparty, a custodian, settlement agent or any clearing broker instructed by the Target Fund's broker), the Target Fund may not receive all of its assets back and its rights may differ depending on the law of the country in which the party is incorporated and the specific protections that that party has put in place.

Risks associated with the Control and Monitoring of Derivatives

Derivative products are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity securities and fixed income securities. The use of derivative techniques requires an understanding not only of the underlying assets of the derivative but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the Target Fund

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	and the ability to forecast the relative price, interest rate or currency rate movements correctly. There is no guarantee that a particular forecast will be correct or that an investment strategy which deploys derivatives will be successful. ***Warrants*** The Target Fund may invest in equity linked securities or equity linked instruments such as warrants. 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.
Emerging Markets Risk	In certain countries, there is the possibility of expropriation of assets, confiscatory taxation, political or social instability or diplomatic developments which could affect investment in those countries. There may be less publicly available information about certain financial instruments than some investors would find customary and entities in some countries may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those to which certain investors may be accustomed. Certain financial markets, while generally growing in volume, have, for the most part, substantially less volume than more developed markets, and securities of many companies may be less liquid and their prices more volatile than securities of comparable companies in more sizeable markets. There are also varying levels of government supervision and regulation of exchanges, financial institutions and issuers in various countries. In addition, the manner in which foreign investors may invest in securities in certain countries, as well as limitations on such investments, may affect the investment operations of the Target Fund. Settlement systems in emerging markets, frontier markets and other non-developed markets may be less well organised than in developed markets. Thus there may be a risk that settlement may be delayed and that cash or securities of the Target Fund may be in jeopardy because of failures of or defects in the systems. In particular, market practice may require that payment shall be made prior to receipt of the security which is being purchased, or that delivery of a security must be made before payment is received. In such cases, default by a broker or bank (the "Counterparty") through whom the relevant transaction is effected might result in a loss being suffered by the Target Fund investing in non-developed market securities. The Company will seek, where possible, to use Counterparties whose financial status is such that this risk is reduced. However, there can be no certainty that this risk will be successfully eliminated for the Target Fund, particularly as Counterparties operating in emerging markets, frontier markets and other non-developed markets frequently lack the substance or financial resources of those in developed countries. There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise in respect of securities held by or to be transferred to the Target Fund. Furthermore, compensation schemes may be non-existent or limited or inadequate to meet the Company's claims in any of these events. Investments in the Russian Federation are subject to certain heightened risks with regard to the ownership and custody of securities. In these countries the ownership is evidenced by entries in the books of a company or its registrar (which is neither an agent nor responsible to the Depositary). No certificates representing ownership of such companies will be held by the Depositary or any of its local correspondents or in an effective central depository system. As a result of this system and the lack of effective state regulation and enforcement, the Company could lose its registration and ownership of such securities through fraud, negligence or even mere oversight. However, in recognition of such risks, the relevant correspondent to the Depositary follows increased "due diligence" procedures. The correspondent has entered into agreements with company registrars and will only permit investment in those companies that have adequate registrar procedures in place. In addition, the settlement risk is minimised as the correspondent will not release cash until registrar

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	extracts have been received and checked. In addition, fixed income securities in these countries have an increased custodial risk associated with them as such securities are, in accordance with market practice, held in custody with institutions which may not have adequate insurance coverage to cover loss due to theft, destruction or default whilst such assets are in its custody. Other risks could include, by way of example, controls on foreign investment and limitations on the repatriation of capital and the exchange of local currencies for global reserve currencies such as USD, the impact on the economy as a result of religious or ethnic unrest. In addition, investments in India may be subject to the withdrawal or non-renewal of the Target Fund Manager's foreign institutional investor licence. ***Corporate and Sovereign Debt*** Both corporate and sovereign debt will be subject to high risk in emerging markets, frontier markets and other non-developed markets will not be required to meet a minimum rating standard and may not be rated for creditworthiness by any internationally recognised credit rating organisation. The issuer or governmental authority that controls the repayment of such a non-developed country's debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. As a result of the foregoing, a government obligor may default on its obligations. If such an event occurs, the Company and/or the Management Company may have limited legal recourse against the issuer and/or guarantor. Remedies must, in some cases, be pursued in the courts of the defaulting party itself, and the ability of the holder of foreign government debt securities to obtain recourse may be subject to the political climate in the relevant country. In addition, no assurance can be given that the holders of commercial debt will not contest payments to the holders of other foreign government debt obligations in the event of default under their commercial bank loan agreements.
Eurozone Risk	The "Eurozone" is an economic and monetary union of 19 EU member states that have adopted the Euro as their common currency and sole legal tender. The success of the Euro and the Eurozone is therefore dependant on the general economic and political condition of each member state, as well as each state's credit worthiness and the willingness of the members to remain committed to monetary union and support for the other members. Currently, there are widely held concerns in the market regarding the credit risk associated with certain sovereigns, including some member states of the Eurozone, and the continued viability of the Eurozone. Risk to the Company includes the possibility of exit of individual countries from the Euro, full breakup of the Eurozone or other circumstances which may result in the emergence or re-introduction of national currencies. Default by any state on its Euro debts or a material decline in the credit rating of any Eurozone state could have a material negative impact on the Company and its investments. The Target Fund may operate in Euro and/or may hold Euro denominated assets either directly or as collateral and may experience a reduction of the value and/or liquidity of their investments as a result of events in the Eurozone regardless of the measures the Target Fund Manager or board may seek to take to reduce this risk. In addition, the Management Company and/or the Company's counterparties, banks, custodians and service providers may have direct or indirect exposure to these countries or currency and a default or credit decline could impact their ability to meet their obligations to and/or perform services for the Company. In the event of one or more member states exiting the Eurozone, or the abandonment of the Euro entirely, there may be material negative impact on the Target Fund and the value of investments, including risk of redenomination from Euro into another currency, possible capital controls and legal uncertainty as to the ability to enforce obligations and debts.

	SPECIFIC RISKS OF THE TARGET FUND
	Prospective shareholders should inform themselves as to the risks surrounding the Eurozone crisis and the associated risk of an investment in the Company, taking into account the uncertainty as to how the Eurozone crisis and more general global economic situation will continue to evolve.
Investment in China	The Target Fund may invest in securities or instruments which have exposure to the Chinese market (where "China" or the "PRC" means the People's Republic of China (except where the context requires, and only for the purpose of the Prospectus of the Target Fund, references to the "PRC" or "China" do not include Hong Kong, Macau and Taiwan)). The exposure may be obtained via the Qualified Foreign Institutional Investor ("QFII") scheme or the Stock Connect. Other than risks involved in investments in emerging markets, as well as other risks of investments generally, as described in this section, which are applicable to investments in China, investors should also note the additional specific risks below. ***Investments via QFII*** Under current China law and regulations, investments in the Chinese domestic securities market (China A-Shares and other domestic securities as permitted) can be made by or through holders of a QFII licence, within certain investment quotas as granted under and subject to applicable Chinese regulatory requirements (the "QFII Regulations"). The Target Fund may invest in China indirectly via access products such as participation notes, equity-linked notes or similar financial instruments where the underlying assets consist of securities issued by companies quoted on regulated markets in China, and/or the performance of which is linked to the performance of securities issued by companies quoted on regulated markets in China ("Access Products"). The Target Fund will not satisfy the criteria to qualify as a QFII and to gain direct exposure to the China A-Shares market, investment will be made through managers or issuers of such schemes, notes or instruments who possess QFII licenses and investment quotas. Access Products are designed to mirror the returns on the underlying China A-Shares and are generally subject to the terms and conditions which reflect the underlying QFII Regulations and may also be subject to the terms and conditions imposed by the issuers. These terms may lead to delays in implementing the Target Fund Manager's investment strategy due to the restrictions they may place on the issuer acquiring or disposing of the securities underlying the Access Products or on the implementation of realisations and payment of realisation proceeds to the Target Fund. Furthermore, Access Products can be illiquid as there may be no active market in such securities. In the case of a default, the Target Fund could become subject to adverse market movements while replacement transactions are executed. In addition, there is a risk that the issuer will not settle a transaction due to a credit or liquidity problem, thus causing the Target Fund to suffer a loss. ***QFII Regulatory Risks*** Actions of the relevant manager or issuer which violate the QFII Regulations could result in the revocation of, or other regulatory action against, the relevant QFII licence as a whole, and may impact on the Target Fund's exposure to Chinese securities as the relevant scheme, note or instrument may be required to dispose its holdings in Chinese securities. In addition, the Target Fund may also be impacted by the rules and restrictions under the QFII Regulations (including rules on investment restrictions, lock-up periods, and repatriation of principal and profits), which may consequently have an adverse impact on the liquidity and/or investment performance of the Target Fund. The QFII Regulations which regulate investments by QFIIs in China may be subject to further revisions in the future. The application and interpretation of the QFII Regulations are relatively untested and there is limited certainty as to how they will be applied. There is no assurance whether future revisions to the QFII Regulations or application of the QFII Regulations may or may not adversely affect the Target Fund's investments in China.

	SPECIFIC RISKS OF THE TARGET FUND
	QFII Custody Risks Where the Target Fund invests in China A-Shares or other securities in China through a QFII, such securities will be maintained by a custodian bank (the “QFII Custodian”) appointed by the QFII in accordance with the QFII Regulations and the relevant China A-Shares will be held through a securities account with the China Securities Depository and Clearing Corporation Limited (“ChinaClear”). Such account may be in the name of the QFII and not in the name of the Target Fund, and the assets within such account may be held for and on behalf of clients of the QFII including but not limited to the Target Fund. Even though the Chinese regulators have affirmed their recognition of the concepts of nominee holders and beneficiary owners, these concepts are relatively new in the Chinese legal system and remain untested under the QFII scheme. Hence, the assets of the Target Fund held within such account may be subject to a risk of being treated as part of the assets of the QFII and be vulnerable to claims by creditors of the QFII in the event of the insolvency of the QFII. In addition, the assets of the Target Fund may not be adequately segregated from the assets of other funds or clients investing through the QFII. Investors should also note that cash deposited in the cash account of the Target Fund with the QFII Custodian will not be segregated but will be a debt owing from the QFII Custodian to the Target Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of the QFII Custodian. ***Investments in China A-Shares via Stock Connect*** The Stock Connect (currently comprising of the Shanghai Stock Connect and the Shenzhen Stock Connect), is a securities trading and clearing linked program developed by the Hong Kong Exchanges and Clearing Limited (“HKEX”), the Shanghai Stock Exchange (“SSE”), the Shenzhen Stock Exchange (“SZSE”) and ChinaClear with an aim to achieve the mutual stock market access between the PRC and Hong Kong. The Shanghai Stock Connect and the Shenzhen Stock Connect are operated independently from each other, but are similar in respect to the fundamental principles, operational mechanism and regulatory framework. The Stock Connect comprises a Northbound trading link and a Southbound trading link. Under the Northbound trading link, Hong Kong and overseas investors, such as the Company, through its Hong Kong brokers and a securities trading service company established by the Stock Exchange of Hong Kong Limited (“SEHK”), respectively in Shanghai (for trading under the Shanghai Stock Connect) and Shenzhen (for trading under the Shenzhen Stock Connect), may be able to trade certain eligible China A-Shares listed on SSE/SZSE by routing orders to SSE/SZSE. Under the Southbound trading link, investors in the PRC will be able to trade certain stocks listed on SEHK. Under a joint announcement issued by the Securities and Futures Commission (“SFC”) and the China Securities Regulatory Commission (“CSRC”) on 10 November 2014, the Shanghai Stock Connect commenced trading on 17 November 2014. The Shenzhen Stock Connect commenced trading on 5 December 2016. Under the Stock Connect, the Company, through its Hong Kong brokers may trade certain eligible shares listed on SSE/SZSE. As for trading on SSE, the eligible China A-Shares include all the constituent stocks from time to time of the SSE 180 Index and the SSE 380 Index, and all the SSE listed A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK (companies that issue both A-Shares on SSE/SZSE and H-Shares on SEHK are referred to as “A+H Shares Companies”). As for trading on SZSE, the eligible China A-Shares include all constituent shares of the SZSE Constituent Index and the SZSE Small/Mid Cap Innovation Index issued by a company with a market capitalisation of RMB6 billion or above, and China A-Shares issued by A+H Shares Companies listed on SZSE. SSE/SZSE-listed shares which are not traded in RMB and SSE/SZSE-listed shares which are included in the “risk alert board” are explicitly excluded from the eligible shares under the Stock Connect. It is expected that the list of eligible securities will be subject to review and adjustment (in particular, the adjustment along with the

	SPECIFIC RISKS OF THE TARGET FUND
	changes of the constituent China A-Shares in the relevant indices). The Hong Kong Securities Clearing Company Limited ("HKSCC"), a wholly-owned subsidiary of HKEX, and ChinaClear are responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by their respective market participants and investors. The China A-Shares traded through the Stock Connect are issued in scripless form, and investors will not hold any physical China A-Shares. Although HKSCC does not claim proprietary interests in the SSE/ SZSE securities held in its omnibus stock account in ChinaClear, ChinaClear as the share registrar for SSE/SZSE listed companies will still treat HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE/SZSE securities. Stock Connect trades are settled in RMB and investors must have timely access to a reliable supply of RMB in Hong Kong, which cannot be guaranteed. In addition to paying trading fees, levies and stamp duties in connection with trading in the China A-Shares, the Target Fund investing via the Stock Connect may be subject to new fees arising from trading of the China A-Shares via the Stock Connect which are yet to be determined and announced by the relevant authorities. ***Liquidity and Volatility Risk*** The existence of a liquid trading market for China A-Shares may depend on whether there is supply of, and demand for, China A-Shares. The price at which securities may be purchased or sold by the Target Fund and the net asset value of the Target Fund may be adversely affected if trading markets for China A-Shares are limited or absent. The China A-Share market may be more volatile and unstable (for example, due to the risk of suspension of a particular stock or government intervention). Market volatility and settlement difficulties in the China A-Share markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may affect the value of the Target Fund. ***Suspension Risk*** It is contemplated that both SEHK and SSE/SZSE have the right to suspend or limit trading in any security traded on the relevant exchange if necessary for ensuring an orderly and fair market and that risks are managed prudently. In particular, trading band limits are imposed by the stock exchanges on China A-Shares, where trading in any China A-Share on the relevant stock exchange may be suspended if the trading price of the security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the Target Fund to liquidate positions and could thereby expose the Target Fund to significant losses. Further, when the suspension is subsequently lifted, it may not be possible for the Target Fund to liquidate positions at a favourable price, which could thereby expose the Target Fund to significant losses. Finally, where a suspension is effected, the Target Fund's ability to access the PRC market will be adversely affected. ***Quota and Other Limitations*** Although the Stock Connect is the first program allowing non-Chinese investors to trade the China A-Shares without a license and there is no longer an aggregate quota limitation, trading of China A-Shares through the Stock Connect is still subject to a daily quota ("Daily Quota"), which limits the maximum net buy value of cross boundary trades under the Stock Connect each day. Northbound trading and Southbound trading under each of the Shanghai Stock Connect and the Shenzhen Stock Connect will be subject to a separate set of Daily Quota. The Northbound Daily Quota for each of the Shanghai Stock Connect and the Shenzhen Stock Connect is currently and respectively set at RMB52 billion. Quota limitations may prevent the Target Fund from purchasing the Stock Connect securities when it is otherwise advantageous to do so. In particular, once the remaining balance of the relevant Daily Quota drops to zero or the Daily Quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross boundary securities regardless

of the quota balance).

Differences in Trading Day

Because Stock Connect trades are routed through Hong Kong brokers and the SEHK, Stock Connect will only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. Therefore, it is possible that there are occasions when it is a normal trading day for the PRC market but the Target Fund cannot carry out any China A-Shares trading via the Stock Connect. As a result, prices of the relevant China A-Shares may fluctuate at times when the Target Fund is unable to add to or exit its position.

Additionally, an investor cannot purchase and sell the same security on the same trading day on SSE/SZSE, which may restrict the Target Fund's ability to invest in China A-Shares through Stock Connect and to enter into or exit trades where it is advantageous to do so on the same trading day.

Eligibility of Shares

Only certain China A-Shares are eligible to be accessed through Stock Connect. Such securities may lose their eligibility at any time. When a China A-Share is recalled from the scope of eligible shares for trading via the Stock Connect, the China A-Share can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the Target Fund, for example, if the adviser wishes to purchase a China A-Share which is recalled from the scope of eligible shares.

Operational Uncertainty

Because Stock Connect is relatively new, its effects on the market for trading China A-Shares are uncertain. In addition, the trading, settlement and IT systems required to operate Stock Connect are relatively new and continuing to evolve. In particular, the Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. The securities regimes and legal systems of the two markets differ significantly and market participants may need to address issues arising from the differences on an on-going basis. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems do not function properly, trading through Stock Connect could be disrupted and the Target Fund's ability to access the China A-Share market may be adversely affected and the Target Fund may not be able to effectively pursue its investment strategy.

Other Legal and Regulation Risks

Stock Connect is subject to regulation by both Hong Kong and China. The current regulations are untested and there is no certainty as to how they will be applied. In addition, the current regulations are subject to change and there can be no assurance that the Stock Connect will not be abolished. There can be no assurance that further regulations will not affect the availability of securities in the program, the frequency of redemptions or other limitations.

Additional shareholder restrictions and disclosure requirements might also be applicable to the Company as a result of their investments in China A-Shares via Stock Connect.

Lack of Investor Protection

Transactions through Stock Connect are not covered by the investor protection programs of either the Hong Kong or Shanghai/ Shenzhen Stock Exchanges. Investment in China A-Shares via the Stock Connect is conducted through brokers, and is subject to the risks of default by such brokers' in their obligations. Investments of the Target Fund are not covered by the Hong Kong's Investor Compensation Fund, which has been established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorized

	SPECIFIC RISKS OF THE TARGET FUND
	financial institution in relation to exchange-traded products in Hong Kong. Since default matters in respect of SSE/SZSE shares via Stock Connect do not involve products listed or traded in SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the Investor Compensation Fund. Therefore the Target Fund are exposed to the risks of default of the broker(s) it engages in its trading in China A-Shares through the Stock Connect. ***Legal/Beneficial Ownership*** In China, Stock Connect securities are held on behalf of ultimate investors (such as the Company) by the HKSCC as nominee. HKSCC in turn holds the SSE/SZSE shares, as the nominee holder, through an omnibus securities account in its name registered with ChinaClear. While Chinese regulators have affirmed that the ultimate investors hold a beneficial interest in Stock Connect securities, the law surrounding such rights is in its early stages and the mechanisms that beneficial owners may use to enforce their rights are untested and therefore pose uncertain risks. Further, courts in China have limited experience in applying the concept of beneficial ownership and the law surrounding beneficial ownership will continue to evolve as they do so. There is accordingly a risk that as the law is tested and developed, the Company's ability to enforce its ownership rights may be negatively impacted. Because of this uncertainty, in the unlikely event that HKSCC becomes subject to winding up proceedings in Hong Kong it is not clear if the SSE/SZSE shares will be regarded as held for the beneficial ownership of the Target Fund or as part of the general assets of HKSCC available for general distribution to its creditors. Furthermore, the Company may not be able to participate in corporate actions affecting Stock Connect securities due to time constraints or for other operational reasons. Similarly, the Company will not be able to vote in shareholders' meetings except through HKSCC and will not be able to attend shareholders' meetings. ***Clearing and Settlement Risk*** ChinaClear and HKSCC have established the clearing links and each becomes a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house. As the national central counterparty of the PRC's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear default are considered to be remote. In the remote event of a ChinaClear default, HKSCC's liabilities in SSE/SZSE shares under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC should in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the Target Fund may suffer delay in the recovery process or may not fully recover its losses from ChinaClear. ***Pre-Trade Requirements and Special Segregated Accounts*** PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise SSE/ SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-Share sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling. If the Target Fund intends to sell certain China A-Shares it holds, it must transfer those China A-Shares to the respective accounts of its broker(s) before the market opens on the day of selling (the "trading day"). If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the Target Fund may not be able to dispose of its holdings of China A-Shares in a timely manner.

In addition, as the broker(s) of the Target Fund will hold and safekeep the Chinese A-Shares before the trading day, there is a risk that the creditors of the broker(s) will seek to assert that the Chinese A-Shares are owned by the brokers rather than the Target Fund if it is not made clear that the broker(s) act as a custodian in respect of the Chinese A-Shares for the benefit of the Target Fund. Alternatively, if the Target Fund maintains its SSE/SZSE shares with a custodian which is a custodian participant or general clearing participant participating in the Hong Kong Central Clearing and Settlement System ("CCASS"), the Target Fund may request such custodian to open a special segregated account ("SPSA") in CCASS to maintain its holdings in SSE/SZSE shares under the enhanced pre-trade checking model. Each SPSA will be assigned a unique "Investor ID" by CCASS for the purpose of facilitating the Stock Connect system to verify the holdings of an investor such as the Target Fund. Provided that there is sufficient holding in the SPSA when a broker inputs the Target Fund's sell order, the Target Fund will only need to transfer SSE/SZSE shares from its SPSA to its broker's account after execution and not before placing the sell order and the Target Fund will not be subject to the risk of being unable to dispose of its holdings of China A-Shares in a timely manner due to failure to transfer of China A-Shares to its brokers in a timely manner.

In addition, these pre-trade requirements may, as a practical matter, limit the number of brokers that the Target Fund may use to execute trades. In relation to transactions executing through a SPSA order, the Target Fund, as the investor, may at most designate 20 brokers currently. While the Target Fund may use SPSA in lieu of the pre-trade check, many market participants have yet to fully implement IT systems necessary to complete trades involving securities in such accounts in a timely manner. Market practice as well as governmental policies with respect to SPSA is continuing to evolve.

CHINESE INTERBANK BOND MARKET ("CIBM")

CIBM is an OTC market outside the two main stock exchanges in the PRC (i.e. SSE and SZSE) and was established in 1997. On CIBM, institutional investors (including domestic institutional investors but also QFIIs, Renminbi Qualified Foreign Institutional Investor as well as other offshore institutional investors, subject to authorization) trade sovereign, government and corporate bonds on a one-to-one quote-driven basis. CIBM accounts for more than 95% of outstanding bond values of total trading volume in the PRC. The main debt instruments traded on CIBM include government bonds, financial bonds, corporate bonds, bond repo, bond lending, People's Bank of China ("PBOC") bills, and other financial debt instruments.

CIBM is regulated and supervised by PBOC. PBOC is responsible inter alia for establishing listing, trading, functioning rules applying to CIBM and supervising the market operators of CIBM. CIBM facilitates two trading models: (i) bilateral negotiation and (ii) click-and-deal. Under the China Foreign Exchange Trading System ("CEFTS"), which is the unified trading platform for CIBM, negotiation is applied to all inter-bank products while one-click trading is only applied to spot bonds and interest rate derivatives. The market-maker mechanism, whereby an entity ensures bilateral quotations for bonds, was officially introduced in 2001 to improve market liquidity and enhance efficiency. Deals through market making can enjoy benefits such as lower trading and settlement costs.

Bond transactions must be conducted by way of bilateral trading through independent negotiations and be concluded on a transaction by transaction basis. Bid and ask prices for primary bond transactions and repurchase interest rates must be determined independently by the parties to the transaction. Both parties to a transaction shall typically, in accordance with the contract, promptly send instructions for delivery of bonds and funds, and shall have sufficient bonds and funds for delivery on the agreed delivery date.

China Central Depository & Clearing Co., Ltd ("CCDC") will deliver bonds on time according to the instructions matching with elements sent by both parties to a transaction. The Target Fund clearing banks (e.g. settlement agent banks of foreign institutional investors) will handle the transfer and settlement of bond transaction payments on behalf of participants in a timely manner. Investors should be aware that trading on CIBM exposes the Target Fund to increased counterparty and liquidity risks.

RISKS ASSOCIATED WITH THE INVESTMENT THROUGH BOND CONNECT

In addition to opening an account in China to access the CIBM, the Target Fund may invest in the bonds tradable in the PRC ("Bond Connect Securities") through connection between the PRC and Hong Kong financial infrastructure institutions ("Bond Connect").

Regulatory risk

Any laws, rules, regulations, policies, notices, circulars or guidelines published or applied by any of the Bond Connect Authorities (as defined below) are subject to change from time to time in respect of Bond Connect or any activities arising from Bond Connect (the "Applicable Bond Connect Laws and Rules") and there can be no assurance that Bond Connect will not be abolished. The Target Fund may be adversely affected as a result of any change in the Applicable Bond Connect Laws and Rules. "Bond Connect Authorities" refers to the exchanges, trading systems, settlement systems, governmental, regulatory or tax bodies which provide services and/or regulate Bond Connect and activities relating to Bond Connect, including, without limitation, the PBOC, the Hong Kong Monetary Authority ("HKMA"), the Hong Kong Exchanges and Clearing Limited, China Foreign Exchange Trade System, the Central Moneymarkets Unit of the HKMA ("CMU"), CCDC and Shanghai Clearing House ("SHCH") and any other regulator, agency or authority with jurisdiction, authority or responsibility in respect of Bond Connect.

No off-market transfer

Pursuant to the Applicable Bond Connect Laws and Rules, the transfer of Bond Connect Securities between two members of CMU and between two CMU sub-accounts of the same CMU Member is not allowed. No amendment of orders, limited cancellation of orders Pursuant to the Applicable Bond Connect Laws and Rules, instructions relating to sell and buy orders for Bond Connect Securities may only be cancelled in limited circumstances pursuant to the Applicable Bond Connect Laws and Rules and that instructions may not be amended.

Hedging Activities

Hedging activities are subject to the Applicable Bond Connect Laws and Rules and any prevailing market practice and there is no guarantee that the Target Fund will be able to carry out hedging transactions at terms which are satisfactory to the Management Company, the Target Fund Manager and the relevant sub-Target Fund Manager. The Target Fund may also be required to unwind its hedge in unfavourable market conditions.

Tax

The treatment of tax under the Applicable Bond Connect Laws and Rules is not clear. Accordingly, where the Applicable Bond Connect Laws and Rules require a custodian/ clearing house / any other agent stipulated by such rules to withhold any tax, or where such custodian / clearing house / any other agent has a reasonable basis for believing that such withholding may be required, the custodian / clearing house / any other agent may do so at the rate required by the regulation, or if in the custodian's opinion the Applicable Bond Connect Laws and Rules are not very clear on the rate, at such rate as the custodian/ clearing house / any other agent may, reasonably determine to be appropriate. Tax may be withheld on a retroactive basis.

Nominee Holding Structure

Bond Connect Securities will be held by CMU, opening two nominee accounts with CCDC and SHCH. While the distinct concepts of "nominee holder" and "beneficial owner" are generally recognized under the Applicable Bond Connect Laws and Rules, the application of such rules is untested, and there is no assurance that PRC courts will recognise such rules, e.g. in liquidation proceedings of PRC companies or other legal proceedings.

DEALING INFORMATION

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

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

WHO IS ELIGIBLE TO INVEST?

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

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

HOW TO PURCHASE UNITS?

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

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

HOW TO MAKE PAYMENT FOR PURCHASE APPLICATION?

- 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

  For the MYR Class' and MYR Hedged-class's investors, 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 required 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?

- During the initial offer period, if we receive your purchase application on a Business Day, we will create your Units based on the initial offer price of the Fund. After the initial offer period, if we receive your purchase application at or before 3.30 p.m. on a Business Day ("or T day"), we will create your Units based on the NAV per Unit of a Class for that Business Day. Any purchase request received or deemed to have been received by us after 3.30 p.m. will be transacted on the next Business Day (or "T + 1 day"), unless 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.

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 Hedged-class	AUD Hedged-class	GBP Hedged-class	EUR Hedged-class	RMB Hedged-class
10,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units

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

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

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

- During the initial offer period, if we receive your repurchase application on a Business Day, we will repurchase your Units based on the initial offer price of the Fund. After the initial offer period, for a repurchase request received or deemed to have been received by us at or before 3.30 p.m. on a Business Day (or "T day"), Units will be repurchased based on the NAV per Unit of a Class for that Business Day. Any repurchase request received after 3.30 p.m. will be transacted on the next Business Day (or "T + 1 day").
- Processing is subject to receipt of a complete transaction form and such other documents as may be required by us.

WHAT IS THE REPURCHASE PROCEEDS PAYOUT PERIOD?

- You will be paid within fourteen (14) days from the day the repurchase request is received by us, provided that all documentations are completed and verifiable ("**Payment Period**"). Please note that such Payment Period may be extended in the event of a temporarily suspension of dealing in Units or the calculation of the net asset value in the Target Fund and/or its Share Class is deferred.

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 all Classes is equivalent to the initial offer price of each Class and thereafter, the NAV per Unit of the respective Class. Forward Pricing will be used to determine the Selling Price and the Repurchase Price of the respective Class after the initial offer period, 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 Offices" 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 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 3.30 p.m. on a Business Day, we will process it using the NAV per Unit of a Class for that Business Day (or "T day"). If we receive your switching request after 3.30 p.m., we will process it using the NAV per Unit of a Class calculated at the end of the next Business Day (or "T + 1 day").

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

CAN I TRANSFER MY UNITS TO ANOTHER PERSON?

- You are allowed to transfer your Units, whether fully or partially, to another person by completing the transfer transaction form and returning it to us on a Business Day. The transfer must be made in terms of Units and not in terms of USD, MYR, SGD, AUD, GBP, EUR and RMB value. 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.

  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/EUR/RMB 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.

SUSPENSION OF DEALING IN UNITS

- The Trustee may suspend the dealing in Units requests:

  (i) where the Trustee considers that it is not in the interests of the existing Unit Holders to permit the assets of the Fund to be sold or that the assets cannot be liquidated at an appropriate price or on adequate terms and immediately call a Unit Holders' meeting to decide on the next course of action; or

  (ii) without the consent of the Unit Holders, due to exceptional circumstances when there is a good and sufficient reason to do so having regard to the interests of the Unit Holders. In such case, the period of the suspension shall not exceed 21 days of the commencement of the suspension.

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 16 years' experience in the fund management industry. Additionally, AHAM is also 27% owned by Nikko Asset Management International Limited, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co., Ltd., an Asian investment management franchise.

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 includes interpreting market signals and making timely asset allocation calls has 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 in 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 - TMF TRUSTEES MALAYSIA BERHAD

The Trustee is part of TMF Group, an independent global service provider in the trust & fiduciary sector. The group has more than 125 offices in 83 jurisdictions in the world. The Trustee started in Malaysia in 1992 with its first office in Labuan International Business Financial Centre (IBFC), providing trust and fiduciary services. The Kuala Lumpur office was established in 2003 to support the Labuan office in servicing Malaysian clients and to undertake domestic trust business.

Duties and Responsibilities of the Trustee

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

RELEVANT INFORMATION

SALIENT TERMS OF THE DEED

Your Rights and Liabilities

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

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

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

(c) To receive quarterly and annual reports.

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

You are not liable to the following:-

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

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

Provisions Regarding Unit Holders' Meetings

Quorum Required for Convening a Unit Holders' Meeting

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 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), of all the Unit Holders or of a particular Class, as the case may be, whichever is less, summon a meeting of the Unit Holders 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;

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

Unit Holders' Meeting convened by the Manager

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

Unit Holders' Meeting convened by the Trustee

The Trustee may summon a Unit Holders' meeting where:

(a) the Manager is in liquidation;

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

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

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

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

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

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

(d) deciding on the next course of action after the Trustee has suspended the sale and repurchase of Units pursuant to Clause 5.9.1 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 and/or Repurchase Charge (if any) at a rate higher than that disclosed in this Information Memorandum unless:-

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

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

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

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

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

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

INCORRECT PRICING

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

The Trustee will not consider an incorrect valuation and/or pricing of the Fund and/or the Units to be of minimal significance if the error involves a discrepancy of 0.5% or more of the NAV per Unit unless the total impact on your account is less than USD 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 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 investment?

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 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:

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Ground Floor, Menara Boustead
69 Jalan Raja Chulan
50200 Kuala Lumpur
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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
Unit 22-05, Level 22
Menara Landmark
No. 12, Jalan Ngee Heng
80000 Johor Bharu, Johor
Tel : 07 – 227 8999
Fax : 07 – 223 8998

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

SABAH
Unit 1.09(a), Level 1, Plaza Shell
29, Jalan Tunku Abdul Rahman
88000 Kota Kinabalu, Sabah
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Fax : 088 - 288 803

SARAWAK
Ground Floor, No. 69
Block 10, Jalan Laksamana Cheng Ho
93200 Kuching, Sarawak
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Fax : 082 – 233 663

1st Floor, Lot 1291
Jalan Melayu, MCLD
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