

Information Memorandum

AHAM World Series - Income Fund



MANAGER

AHAM Asset Management Berhad
(Formerly known as Affin Hwang Asset Management Berhad)
Registration No.: 199701014290 (429786-T)

TRUSTEE

Deutsche Trustees Malaysia Berhad
Registration No.: 200701005591 (763590-H)

This Information Memorandum is dated 9 May 2023.
The AHAM World Series – Income Fund is constituted on 9 May 2023.
The constitution date for the Fund is also the launch date of the Fund.

A copy of this Information Memorandum has been lodged with the Securities Commission Malaysia. The Securities Commission Malaysia will not be liable for any non-disclosure on the part of AHAM Asset Management Berhad (formerly known as 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.

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.

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CORPORATE DIRECTORY

The Manager/AHAM

AHAM Asset Management Berhad

(Formerly known as Affin Hwang Asset Management Berhad)

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The Trustee

Deutsche Trustees Malaysia Berhad

Registered Office and Business Address

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ABBREVIATION

CIS	Collective Investment Schemes.
CMBS	Commercial Mortgage-Backed Securities.
CSA	Credit Support Annex.
ETF	Exchange Traded Fund.
EU	European Union.
FiMM	Federation of Investment Managers Malaysia.
ISDA Master Agreement	International Swaps and Derivatives Association Master Agreement.
Moody's	Moody's Investors' Services, Inc..
MYR	Ringgit Malaysia.
OECD	Organisation for Economic Cooperation and Development.
OTC	Over-the-counter.
PHS	Product Highlights Sheet.
RMB	Chinese Renminbi.
S&P	Standard & Poor's Corporation.
SC	Securities Commission Malaysia.
US	United States of America.
USD	United States Dollar.

GLOSSARY

Act	Means the Capital Markets and Services Act 2007 as may be amended from time to time.
Alternative Currency Class	Means a Share Class in an alternative currency to the base currency of the Target Fund.
Base Currency	Means the currency in which the Fund is denominated i.e. USD.
Board of Directors	Refers to the board of directors of the Company.
Bursa Malaysia	Means the stock exchange operated by Bursa Malaysia Securities Berhad including such other name as may be amended from time to time.
Business Day	Means a day on which Bursa Malaysia and/or one or more of the foreign markets in which the Fund is invested in are open for business/trading. The Manager may declare certain Business Days as non-Business Days when deemed necessary, such as (i) in the event of market disruption; (ii) if the jurisdiction of the Target Fund declares that day as a non-business day; and/or (iii) if the Management Company declares that day as a non-Dealing Day for the Target Fund.
Class(es)	Means any number of class(es) of Unit(s) representing similar interests in the assets of the Fund although a class of Units of the Fund may have different features from another class of Units of the same Fund.
CMBX	Means Commercial Mortgage-Backed Securities Index which is a synthetic tradable index referencing a basket of 25 CMBS.
Commencement Date	Means the date on which the sale of Units is first made. The Commencement Date is also the date of constitution of the Fund.
Commitment Approach	Means an approach for measuring risk or "Global Exposure" that factors in the market risk of the investments held in a UCITS sub-fund, including risk associated with any financial derivatives instruments held by converting the financial derivatives into equivalent positions in the underlying assets of those derivatives (sometimes referred to as "notional exposure"), after netting and hedging arrangements where the market value of underlying security positions may be offset by other commitments related to the same underlying positions. Global Exposure using the Commitment Approach is expressed as an absolute percentage of total net assets. Under Luxembourg Law, Global Exposure related solely to financial derivatives may not exceed 100% of total net assets, and Global Exposure overall (including market risk associated with the sub-funds' underlying investments, which by definition make up 100% of total net assets)

	may not exceed 200% of total net assets (excluding the 10% that a UCITS may borrow on a temporary basis for short-term liquidity).
Communiqué	Refers to the notice issued by the Manager to the Unit Holders.
Company	Refers to Franklin Templeton Investment Funds.
Contingent Deferred Sales Charge or CDSC	Means a fee imposed when shares are sold, typically during the first few years of ownership.
Covered Bonds	Means debt obligations issued by credit institutions and secured by a ringfenced pool of assets (the "cover pool" or "cover assets") which bondholders have direct recourse to as preferred creditors. Bondholders remain at the same time entitled to a claim against the issuing entity or an affiliated entity of the issuer as ordinary creditors for any residual amounts not fully settled with the liquidation of the cover assets, giving them effectively a double claim or "dual recourse".
CSSF	Refers to Commission de Surveillance du Secteur Financier – the regulatory and supervisory authority of the Company in Luxembourg.
CVC Capital Partners Asia Fund V	Means collectively (1) CVC Capital Partners Asia V L.P.; (2) CVC Capital Partners Investment Asia V L.P.; and (3) CVC Capital Partners Asia V Associates L.P.
Dealing Day	Means a Valuation Day which is also a day on which the banks in the relevant jurisdiction(s) are normally open for business.
Deed(s)	Refers to the deed dated 2 May 2023 entered into between the Manager and the Trustee, which may be modified or varied by further supplemental deeds from time to time.
deposit(s)	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.
Depository	Refers to J.P. Morgan SE, Luxembourg Branch (the Legal successor of J.P. Morgan Bank Luxembourg S.A.), a Luxembourg-based bank, which has been appointed by the Company as the Company's depository bank.
Development Financial Institution	Means a development financial institution under the Development Financial Institutions Act 2002.
EU Member State(s)	Refers to member state(s) of the EU.
FCM	Refers to Futures Commission Merchant, an individual or organization which does both of the following: 1) solicits or accepts offers to buy or sell futures contracts, options on futures, off exchange foreign exchange contracts or swaps and 2) accepts money or other assets from customers to support such orders.
Financial Institution(s)	Means: <ul style="list-style-type: none"> (a) if the institution is in Malaysia – <ul style="list-style-type: none"> (i) Licensed Bank; (ii) Licensed Investment Bank; (iii) Development Financial Institution; or (iv) Licensed Islamic Bank; or (b) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.
Forward Pricing	Means the method of determining the price of a Unit which is the NAV per Unit at the next valuation point after an application for purchase or repurchase request is received by the Manager.
Fund	Means AHAM World Series – Income Fund.
Global Exposure	Refers to a measure of the risk exposure for a UCITS sub-fund that factors in the market risk exposure of underlying investments, as well as the incremental market risk exposure and implied leverage associated with financial derivative instruments if and where held in the portfolio.
Guidelines	Means the <i>Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework</i> issued by the SC as may be amended from time to time.
Hedged-class	Means a particular Class that aims to reduce the effect of exchange rate fluctuations between the Base Currency and the currency in which the Unit Holders are exposed to through the NAV hedging method carried out by the Fund.

Information Memorandum	The NAV hedging method is undertaken to mitigate substantial currency movements between the Base Currency and the currency of the Hedged-class. Means this offer document in respect of this Fund as may be replaced or amended from time to time.
Interest Rate Differential	Refer to the difference in interest rates between two similar interest-bearing currencies.
Investment Manager	Means Franklin Advisers, Inc., the company appointed by the Management Company and which provides day-to-day management in respect of the investment and re-investment of the assets of the Target Fund.
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.
Management Company	Refers to Franklin Templeton International Services S.à r.l. or, where relevant, the members of the Management Company's board of managers.
Manager or AHAM	Means AHAM Asset Management Berhad (<i>formerly known as Affin Hwang Asset Management Berhad</i>).
medium to long term	Means a period of three (3) years or more.
Member State	Refers to member state of the European Economic Area.
MMFR	Refers to Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, as it may be amended or supplemented from time to time.
Money Market Instruments	Refers to instruments as defined in Article 2(1) of the UCITS Directive and as referred to in Article 3 of Commission Directive 2007/16/EC.
MYR Hedged-class	Represents a Hedged-class issued by the Fund which is denominated in MYR.
NAV per Unit	Means the NAV of the Fund at a particular valuation point divided by the number of Units in Circulation at the same valuation point. Where the Fund has more than one Class, there shall be a NAV per Unit for each Class; the NAV per Unit of a Class at a particular valuation point shall be the NAV of the Fund attributable to that Class divided by the number of Units in Circulation of that Class at the same valuation point.
Net Asset Value or NAV	Means the value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point. Where the Fund has more than one Class, there shall be a NAV attributable to each Class.
Regulated Market	Means a market within the meaning of point 21) of Article 4 of the Directive 2014/65/EC of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments or another regulated market, which operates regularly and is recognised and open to the public in any member state of the EU, any member of the OECD, and any other state which the Board of Directors deems appropriate.
Repurchase Charge	Means a charge imposed pursuant to a repurchase request.
Repurchase Price	Means the price payable to you by us for a Unit pursuant to a repurchase request and it shall be exclusive of any Repurchase Charge. <i>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.</i>
Sales Charge	Means a charge imposed pursuant to a purchase request.
securities lending	Means a transaction whereby securities are transferred on a temporary basis from a lender to a borrower with the latter obliged to return the securities either on demand or at the end of a specific period.
Selling Price	Means the price payable by you to us to create a Unit in the Fund and it shall be exclusive of any Sales Charge. <i>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.</i>
Share	Means a Share of any Share Class in the capital of the Company.
Share Class	Means a class of Shares with a specific fee structure, currency of denomination or other specific feature.

Sophisticated Investor	Refers to any person (a) who falls within any of the categories of investors set out in Part 1, Schedules 6 and 7 of the Act; (b) who acquires unlisted capital market products where the consideration is not less than two hundred and fifty thousand ringgit or equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise; or (c) any other person as may be determined by the SC from time to time under the Guidelines. Note: For more information, please refer to our website at www.aham.com.my for the current excerpts of Part 1, Schedules 6 and 7 of the Act and the list of other Sophisticated Investors as permitted by the SC under the Guidelines.
Special Resolution	Means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority of not less than three-fourths (3/4) of the Unit Holders present and voting at the meeting in person or by proxy; for the avoidance of doubt, “three-fourths (3/4) of the Unit Holders present and voting” means three-fourths (3/4) of the votes cast by the Unit Holders present and voting; for the purposes of terminating the Fund or a Class, “Special Resolution” means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority in number representing at least three-fourths (3/4) of the value of the Units held by the Unit Holders present and voting at the meeting in person or by proxy.
Target Fund	Refers to Franklin Income Fund.
Target Fund Prospectus	Means the prospectus of the Target Fund dated February 2023, as amended, modified or supplemented from time to time.
Third Country	Refers to member countries of the OECD that meet the credit quality criteria of the investment policy of the Target Fund that qualify as Money Market Funds.
Trustee / DTMB	Deutsche Trustees Malaysia Berhad.
UCI or other UCI	Refers to an Undertaking for Collective Investment within the meaning of Article 1, paragraph (2), point a) and b) of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended.
UCITS	Means an Undertaking for Collective Investment in Transferable Securities authorised according to Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended.
UCITS Directive	Means Directive 2009/65/EC on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as amended by Directive 2014/91/EU.
Unit(s)	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 have not been cancelled. <i>It is also the total number of Units issued at a particular valuation point.</i>
Unit Holder(s), investor(s), you	Means the person/corporation for the time being who, in full compliance to the relevant laws and is a Sophisticated Investor pursuant to the Guidelines including a jointholder.
USD Class	Represents a Class issued by the Fund which is denominated in USD.
US Person	Means a US citizen or US tax resident individual (including a green-card holder, an individual with substantial US presence and an individual who has US permanent or mailing address), US corporation, US partnership, US trust or US estate for US federal income tax purposes.
Valuation Day	Means any day on which the New York Stock Exchange is open or any full day on which banks in Luxembourg are open for normal business (other than during a suspension of normal dealing).

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

ABOUT AHAM WORLD SERIES – INCOME FUND

Fund Category	: Feeder (Wholesale)
Fund Type	: Growth & Income
Base Currency	: USD
Financial Year End	: 31 May
Distribution Policy	: Subject to the availability of income, the Fund will make distribution to the Unit Holders on a monthly basis. However, the amount of income available for distribution may fluctuate from month to month. At our discretion, the Fund may distribute (1) realised income, (2) realised capital gains, (3) unrealised income, (4) unrealised capital gains, (5) capital or (6) a combination of any of the above.

INVESTMENT OBJECTIVE

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

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

BENCHMARK

Blended 50% MSCI USA High Dividend Yield Index + 25% Bloomberg High Yield Very Liquid Index + 25% Bloomberg US Aggregate Index.

The risk profile of the Fund is not the same as the risk profile of the performance 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 and/or deposits.

INVESTMENT STRATEGY

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

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

Temporary Defensive Measure

We may take temporary defensive positions that may be inconsistent with the Fund's principal strategy and asset allocation by reducing its investments in the Target Fund and raise liquidity levels of the Fund during adverse market conditions that may impact financial markets to protect the Unit Holders' interest. In raising the Fund's liquidity levels, we may also invest in CIS that are able to meet the Fund's investment objective. To manage the risk of the Fund, we may shift the Fund's focus and exposure to lower risk investments such as deposits or money market instruments.

Derivatives

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

The intention of hedging is to preserve the value of the asset from any adverse price movements. For example, to hedge against foreign currency exchange risk, the Fund may enter into a currency forward contract to offset any adverse foreign currency movements by determining an agreed rate for an agreed tenure with its counterparty. While the hedging transactions will assist with mitigating the potential foreign exchange losses by the Fund, any potential foreign exchange gains from the hedging strategy will be capped as well.

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

Cross Trades

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

PERMITTED INVESTMENTS

The Fund will invest in the following investments:

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

VALUATION POINT OF THE FUND

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

VALUATION OF ASSETS

We will ensure that the valuation of the Fund is carried out in a fair manner in accordance with 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 with the Malaysian Financial Reporting Standard 9 issued by the Malaysian Accounting Standards Board. In the absence of daily price or value of the assets, we will use the latest available price or value of the assets respectively.

The valuation bases for the permitted investments of the Fund are as follows:

- Unlisted CIS
Investments in unlisted CIS will be valued based on the last published repurchase price.
- Money market instruments
Valuation of MYR denominated money market instruments will be done using the price quoted by a bond pricing agency ("BPA") registered with the SC. For non-MYR denominated money market instruments, valuation will be done using the average of quotations provided by reputable Financial Institutions. Where the Manager is of the view that the price quoted by BPA differs from the fair value or where reliable market quotations are not available, the fair value will be determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee. This may be determined by reference to the valuation of other money market instruments which are comparable in rating, yield, expected maturity date and/or other characteristics.
- Deposits
Valuation of deposits placed with Financial Institutions will be done by reference to the principal value of the deposits and the interests accrued thereon for the relevant period.
- Derivatives
Valuation of derivatives will be based on the prices provided by the respective issuers. The issuers generate the market valuation through the use of their own proprietary valuation models, which incorporate all the relevant and available market data with respect to the derivatives (e.g. interest rates, movement of the underlying assets, volatility of the underlying assets, the correlation of the underlying assets and such other factors). For foreign exchange forward contracts ("FX Forwards"), interpolation formula is applied to compute the value of the FX Forwards based on the rates provided by Bloomberg or Refinitiv. If the rates are not available on Bloomberg or Refinitiv, the FX Forwards will be valued on fair value as determined in good faith by the Manager, using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

ABOUT THE CLASSES

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

Classes	USD Class	MYR Class	MYR Hedged-class														
Initial Offer Price	USD 0.50	MYR 0.50	MYR 0.50														
	The initial offer price is the Selling Price and Repurchase Price for each Unit during the initial offer period.																
Initial Offer Period	The initial offer period for USD Class, MYR Class and MYR Hedged-class will be for a period of not more than forty-five (45) days from the Commencement Date. The initial offer period may be shortened if we determine that it is in your best interest.																
Minimum Initial Investment*	USD 5,000	MYR 5,000	MYR 5,000														
Minimum Additional Investment*	USD 1,000	MYR 1,000	MYR 1,000														
Minimum Units of Redemption*	2,000 Units	2,000 Units	2,000 Units														
Minimum Units Held*	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														
Unitholdings in Different Classes	You should note that there are differences when purchasing Units of the USD Class and other Classes. For illustration purposes, assuming you have USD 10,000 to invest:																
	<table border="1"> <thead> <tr> <th>Class(es)</th> <th>USD Class</th> <th>MYR Class/MYR Hedged-class</th> </tr> </thead> <tbody> <tr> <td>NAV per Unit</td> <td>USD 0.50</td> <td>MYR 0.50</td> </tr> <tr> <td>Currency exchange rate</td> <td>USD 1 = USD 1</td> <td>USD 1 = MYR 4</td> </tr> <tr> <td>Invested amount</td> <td>USD 10,000 x USD 1 = USD 10,000</td> <td>USD 10,000 x MYR 4 = MYR40,000</td> </tr> <tr> <td>Units received</td> <td>USD 10,000 ÷ USD 0.50 = 20,000 Units</td> <td>MYR 40,000 ÷ MYR 0.50 = 80,000 Units</td> </tr> </tbody> </table> <p><i>Invested amount = USD 10,000 x currency exchange rate of the Class</i></p> <p><i>Units received = Invested amount ÷ NAV per Unit of the Class</i></p> <p>By purchasing Units of the USD Class, you will receive less Units for every USD invested in the Fund (i.e. 20,000 Units), compared to purchasing Units in MYR Class or MYR Hedged-class (i.e. 80,000 Units). Upon a voting by 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 representing at least three-fourths (3/4) of the value of the Units held by the Unit Holders present and voting at the meeting in person or by proxy.</p>			Class(es)	USD Class	MYR Class/MYR Hedged-class	NAV per Unit	USD 0.50	MYR 0.50	Currency exchange rate	USD 1 = USD 1	USD 1 = MYR 4	Invested amount	USD 10,000 x USD 1 = USD 10,000	USD 10,000 x MYR 4 = MYR40,000	Units received	USD 10,000 ÷ USD 0.50 = 20,000 Units
Class(es)	USD Class	MYR Class/MYR Hedged-class															
NAV per Unit	USD 0.50	MYR 0.50															
Currency exchange rate	USD 1 = USD 1	USD 1 = MYR 4															
Invested amount	USD 10,000 x USD 1 = USD 10,000	USD 10,000 x MYR 4 = MYR40,000															
Units received	USD 10,000 ÷ USD 0.50 = 20,000 Units	MYR 40,000 ÷ MYR 0.50 = 80,000 Units															

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

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

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, and thereafter, on the NAV per Unit of a Class.

REPURCHASE CHARGE

Nil.

TRANSFER FEE

Nil.

SWITCHING FEE

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

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

With the issuance of multiple Classes in this Fund, the indirect fees and/or charges for the Fund are apportioned based on the size of the Class relative to the whole Fund. This means that the multi-class ratio is calculated by taking the “value of a Class before income & 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 1.80% per annum of the NAV of the Fund and is calculated using the Base Currency (before deducting the management fee and trustee fee). The management fee is accrued daily and payable monthly to the Manager.

Please note that the example below is for illustration only:

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

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

The management fee is apportioned to each Class based on the multi-class ratio. The management fee is only charged at the Fund level. The management fee chargeable by the Target Fund will be paid out of the annual management fee charged by us at the Fund level. There is no double charging of the management fee.

ANNUAL TRUSTEE FEE

The trustee fee is up to 0.04% per annum of the NAV of the Fund (excluding foreign custodian fees and charges), and is calculated using the Base Currency (before deducting the management fee and trustee fee). The trustee fee is accrued daily and payable monthly to the Trustee. In addition to the annual trustee fee, the Trustee may be reimbursed by the Fund for any expenses properly incurred by it in the performance of its duties and responsibilities.

Please note that the example below is for illustration only:

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

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

The trustee fee is apportioned to each Class based on the multi-class ratio.

ADMINISTRATIVE FEE

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

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

Expenses related to the issuance of this Information Memorandum will be borne by the Manager.

MAXIMUM RATE OF FEES AND CHARGES ALLOWABLE BY THE DEED

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

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

REBATES AND SOFT COMMISSIONS

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

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

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

ABOUT THE TARGET FUND – FRANKLIN INCOME FUND

Base Currency	: USD
Inception Date	: 1 July 1999
Country of Origin	: Luxembourg
Regulatory Authority	: Commission de Surveillance du Secteur Financier (“CSSF”) (Luxembourg Financial Sector Supervisory Authority)

Franklin Templeton Investment Funds (“the Company”)

The Target Fund is a sub-fund of the Company. The Company is incorporated in Luxembourg under the laws of the Grand Duchy of Luxembourg as a *société anonyme* and qualifies as a *société d’investissement à capital variable*.

The Company is registered on the official list of undertakings for collective investment in transferable securities pursuant to Part I of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time (the “Law of 17 December 2010”). The Company qualifies as an UCITS.

Franklin Templeton International Services S.à r.l. (“Management Company”)

The Board of Directors has appointed Franklin Templeton International Services S.à r.l. as management company by a management company services agreement dated 15 January 2014 to be responsible on a day-to-day basis under the supervision of the Board of Directors, for providing administration, marketing, investment management and advice services in respect of the Target Fund. The Management Company may delegate part or all of the investment management services to the Investment Manager.

The Management Company was incorporated on 17 May 1991 under the laws of the Grand Duchy of Luxembourg and its articles of incorporation are deposited with the Luxembourg *Registre de Commerce et des Sociétés*. The Management Company is approved as a management company regulated by chapter 15 of the Law of 17 December 2010. The Management Company is part of Franklin Templeton. The share capital of the Management Company is EUR 4,605,383.00 and the Management Company will comply at all times with article 102 of the Law of 17 December 2010.

The Management Company will ensure compliance of the Company with the investment restrictions and oversee the implementation of the Company’s strategies and investment policy.

The Management Company shall report to the Board of Directors on a quarterly basis and inform the Board of Directors of any non-compliance of the Company with the investment restrictions.

Franklin Advisers, Inc. (“Investment Manager”)

Franklin Advisers, Inc. has been appointed by the Management Company to act as investment manager of the Target Fund and to provide day-to-day management in respect of the investment and re-investment of the net assets of the Target Fund.

Investment Objective of the Target Fund

The Target Fund’s investment objective is to maximise income while maintaining prospects for capital appreciation.

Investment Strategy and Policy of the Target Fund

The Target Fund invests in a diversified portfolio of transferable securities consisting of equity securities and long- and short-term debt securities. Equity securities generally entitle the holder to participate in a company’s general operating results. These include common stocks, preferred stocks, convertible securities and equity-linked notes. Debt securities represent an obligation of the issuer to repay a loan of money to it, and generally provide for the payment of interest. These include bonds, notes and debentures.

In its search for growth opportunities, the Target Fund invests in common stocks of companies from a variety of industries such as utilities, oil, gas, real estate and consumer goods. The Target Fund seeks income by selecting investments such as corporate, foreign and US Treasury bonds, as well as stocks with attractive dividend yields. The Target Fund may invest in debt securities that are rated below investment grade. Investment-grade debt securities are rated in the top four ratings categories by independent rating organisations such as S&P and Moody’s. The Target Fund generally invests in securities rated at least Caa by Moody’s or CCC by S&P or unrated securities that the Investment

Manager determines are of comparable quality. Generally, lower rated securities offer higher yields than more highly rated securities to compensate investors for the higher risk.

The Target Fund may invest up to 25% of its net invested assets in non-US securities. It ordinarily buys non-US securities that are traded in the US or American Depository Receipts, which are certificates typically issued by a bank or trust company that give their holders the right to receive securities issued by a US or a non-US company.

The Investment Manager searches for undervalued or out-of-favour securities it believes offer opportunities for income today and significant growth tomorrow. It performs independent analysis of the securities being considered for the Target Fund's portfolio, rather than relying principally on the ratings assigned by rating agencies. In its analysis, the Investment Manager considers a variety of factors, including:

- the experience and managerial strength of the company;
- responsiveness to changes in interests and business conditions;
- debt maturity schedules and borrowing requirements;
- the company's changing financial condition and market recognition of the change; and
- a security's relative value based on such factors as anticipated cash flow, interest or dividend coverage, asset coverage, and earnings prospects.

The Target Fund may use financial derivative instruments for hedging, efficient portfolio management and investment purposes. These financial derivative instruments could include but are not limited to swaps (such as fixed income related and equity related total return swaps), forwards, futures contracts as well as options. In this context, the Target Fund may seek exposure to, inter alia, commodities or ETFs through the use of financial derivative instruments, cash-settled structured products or fixed income securities where the security is linked to or derives its value from another reference asset.

The Investment Manager may take a temporary defensive position when it believes the markets or the economy are experiencing excessive volatility, a prolonged general decline or when other adverse conditions may exist. Under these circumstances, the Target Fund may be unable to pursue its investment objective.

The Target Fund may also make distribution from capital, net realised and net unrealised capital gains as well as income gross of expenses. Whilst this might allow more income to be distributed, it may also have the effect of reducing capital.

Exposure to Total Return Swaps

The expected level of exposure that could be subject to total return swaps (unfunded) amounts to 5% of the Target Fund's net assets, subject to a maximum of 10% of the Target Fund's net assets.

Exposure to Securities Lending Transactions

The expected level of exposure that could subject to securities lending transactions amounts to 5% of the Target Fund's net assets, subject to a maximum of 50% of the Target Fund's net assets.

Investment Restrictions of the Target Fund

1. INVESTMENT IN TRANSFERABLE SECURITIES AND LIQUID ASSETS

- a. The Target Fund will invest in one or more of the following type of investments:
 - i. transferable securities and Money Market Instruments admitted to or dealt on a Regulated Market;
 - ii. transferable securities and Money Market Instruments dealt on another market in a Member State which is regulated, operates regularly and is recognised and open to the public;
 - iii. transferable securities and Money Market Instruments admitted to official listing on a stock exchange in a non-EU Member State or dealt on another market in a non-EU Member State, which is regulated, operates regularly and is recognized and open to the public;
 - iv. recently issued transferable securities and Money Market Instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or on another Regulated Market, in the countries of the areas referred to under (i), (ii) and (iii) above, which operates regularly and is recognised and open to the public, and such admission is secured within a year of the purchase;

- v. units of UCITS and/or other UCIs, whether situated in a Member State or not, provided that:
 - such other UCIs have been authorised under the laws of any EU Member State or under laws which provide that they are subject to supervision considered by the Luxembourg supervisory authority to be equivalent to that laid down in EU law and that cooperation between authorities is sufficiently ensured,
 - the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and Money Market Instruments are equivalent to the requirements of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009,
 - the business of such other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period,
 - no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs;
- vi. 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-Member State, provided that it is subject to prudential rules considered by the Luxembourg supervisory authority as equivalent to those laid down in EU law;
- vii. financial derivative instruments, including equivalent cash-settled instruments, dealt on a Regulated Market referred to in subparagraph (i) to (iv) above, and/or financial derivative instruments dealt OTC ("OTC derivatives"), provided that:
 - the underlying consists of instruments covered by this section under 1. a), financial indices, interest rates, foreign exchange rates or currencies, in which the Target Fund 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 Luxembourg supervisory authority,
 - 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,
- viii. Money Market Instruments other than those dealt on a Regulated Market and which fall under 1. a), if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:
 - issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, a non-Member State or, in 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 Member States belong, or
 - issued by an undertaking any securities of which are dealt on Regulated Markets referred to above, or
 - issued or guaranteed by an establishment subject to prudential supervision in accordance with criteria defined by the EU law, or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg supervisory authority to be at least as stringent as those laid down by EU law, or
 - issued by other bodies belonging to the categories approved by the Luxembourg supervisory authority 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 10 million euro and which presents and publishes its annual accounts in accordance with the fourth directive 78/660/EEC, is an entity which, within a group of companies which include 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.

- b. The Company may invest up to 10% of the net assets of the Target Fund in transferable securities and Money Market Instruments other than those referred to in (a) above;
- c. The Target Fund may hold ancillary liquid assets;
- d.
- i. The Target Fund may invest no more than 10% of its net assets in transferable securities and Money Market Instruments issued by the same body. The Target Fund may not invest more than 20% of its net assets in deposits made with the same body. The risk exposure to a counterparty of the Target Fund in an OTC derivative transaction may not exceed 10% of its assets when the counterparty is a credit institution referred to in 1. a) (vi) above or 5% of its net assets in other cases.
 - ii. The total value of the transferable securities and Money Market Instruments held in the issuing bodies in each of which the Target Fund invests more than 5% of its net assets must not exceed 40 % of the value of its assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.
Notwithstanding the individual limits laid down in paragraph 1. d) (i), the Target Fund may not combine:
 - Investments in transferable securities or Money Market Instruments issued by a single body,
 - deposits made with a single body, and/or
 - exposures arising from OTC derivative transactions undertaken with a single body,
 in excess of 20% of its net assets.
 - iii. The limit laid down under the first sentence of paragraph 1. d) (i) above shall be of 35% where the Target Fund has invested in transferable securities or Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by a non-Member State or by public international bodies of which one or more Member States are members.
 - iv. The limit laid down under the first sentence of paragraph 1. d) (i) above shall be of 25% 1. for Covered Bonds as defined under Article 3, point 1 of Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of Covered Bonds and Covered Bond public supervision and amending Directives 2009/65/EC and 2014/59/EU (hereafter "Directive (EU) 2019/2162"), and 2. for certain bonds when they are issued before 8 July 2022 by a credit institution which has its registered office in a Member State and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds issued before 8 July 2022 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 case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued interest.
If the Target Fund invests more than 5% of its net assets in the bonds above and issued by one issuer, the total value of such investments may not exceed 80% of the value of the assets of the Target Fund.
 - v. The transferable securities and Money Market Instruments referred to in paragraphs 1. d) (iii) and 1. d) (iv) are not included in the calculation of the limit of 40% referred to in paragraph 1. d) (ii).
The limit set out above under 1. d) (i), (ii), (iii) and (iv) may not be combined, and thus investments in transferable securities or Money Market Instruments issued by the same body, in deposits or derivative instruments made with this body carried out in accordance with section 1. d) (i), (ii), (iii) and (iv) may not exceed a total of 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 recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained under 1. d). The Target Fund may cumulatively invest up to 20% of its net assets in transferable securities and Money Market Instruments within the same group.
 - vi. Without prejudice to the limits laid down in paragraph e), the limits laid down in this paragraph d) shall be 20% for investments in shares and/or bonds issued by the same body when the aim of the Target Fund's investment policy is to replicate the composition of a certain stock or bond index which is recognised by the Luxembourg supervisory authority, provided
 - 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.
 The limit laid down in the subparagraph above is raised to 35% where it proves to be justified by exceptional market conditions in particular in Regulated Markets where certain transferable securities or

Money Market Instruments are highly dominant provided that investment up to 35% is only permitted for a single issuer.

- vii. Where the Target Fund has invested in accordance with the principle of risk spreading in transferable securities and Money Market Instruments issued or guaranteed by any EU Member State, its local authorities, or public international bodies of which one or more EU Member States are members, by any other state of the OECD, by Singapore or any member state of the G20, the Company may invest 100% of the assets of the Target Fund in such securities provided that the Target Fund must hold securities from at least six different issues and securities from one issue must not account for more than 30% of the Target Fund's net assets.
- e. The Company or the Target Fund may not invest in voting shares of companies allowing it to exercise a significant influence in the management of the issuer. Further, the Target Fund may acquire no more than (i) 10% of the non-voting shares of any single issuing body, (ii) 10% of the debt securities of any single issuing body, (iii) 25% of the units of any single collective investment undertaking, (iv) 10% of the Money Market Instruments of any single issuing body. However, the limits laid down under (ii), (iii) and (iv) may be disregarded at the time of acquisition if, at that time, the gross amount of the bonds or of the Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

The limits under this section e) shall not apply to (i) transferable securities or Money Market Instruments issued or guaranteed by a Member State, its local authorities, or public international bodies of which one or more Member States are members or by any other state, nor to (ii) shares held by the Company in the capital of a company incorporated in a state which is not a 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 Company can invest in the securities of issuing bodies of that state, provided that, however, the Company, in its investment policy, complies with the limits laid down in Articles 43 and 46 and in paragraphs (1) and (2) of Article 48 of the Law of 17 December 2010.

- f.
 - i. The Target Fund will not invest more than 10% of its net assets in UCITS and other UCIs.
 - ii. Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the net assets of the Target Fund.
 - iii. When the Target Fund invests in the units of UCITS and/or other UCIs linked to the Company by common management or control, or by a substantial direct or indirect holding, no subscription or redemption fees may be charged to the Company on account of its investment in the units of such other UCITS and/or UCIs. In respect to the Target Fund's investments in UCITS and other UCIs linked to the Company as described in the preceding paragraph, the total management fee (excluding any performance fee, if any) charged to the Target Fund and each of the UCITS or other UCIs concerned shall not exceed 2% of the value of the relevant investments. The Company will indicate in its annual report the total management fees charged both to the Target Fund and to the UCITS and other UCIs in which the Target Fund has invested during the relevant period.
 - iv. The Target Fund may acquire no more than 25% of the units of the same UCITS and/or other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated. In case of a UCITS or other UCI with multiple compartments, this restriction is applicable by reference to all units issued by the UCITS/UCI concerned, all compartments combined.
 - v. The underlying investments held by the UCITS or other UCIs in which the Target Fund invests do not have to be considered for the purpose of the investment restrictions set forth under 1. d) above.
- g. The Target Fund may subscribe, acquire and/or hold shares to be issued or issued by one or more other funds ("target sub-fund") without the Target Fund 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, under the conditions however that:
 - i. the target sub-fund does not, in turn, invest in the Target Fund invested in this target sub-fund; and
 - ii. no more than 10% of the assets that the target sub-fund whose acquisition is contemplated may be invested in units of UCITS and/or other UCIs; and
 - iii. voting rights, if any, attaching to the shares of the target sub-fund 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

- iv. in any event, for as long as these shares 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 imposed by the Law of 17 December 2010; and
 - v. there is no duplication of management/entry or sale charges between those at the level of the Target Fund having invested in the target sub-fund, and this target sub-fund.
- h. The Company may not (i) acquire for the benefit of the Target Fund securities which are partly paid or not paid or involving liability (contingent or otherwise) unless according to the terms of issue such securities will or may at the option of the holder become free of such liabilities within one year of such acquisition and (ii) underwrite or sub-underwrite securities of other issuers for the Target Fund.
 - i. The Company may not purchase or otherwise acquire any investment in which the liability of the holder is unlimited.
 - j. The Company may not purchase securities or debt instruments issued by the Investment Manager or any connected person or by the Management Company.
 - k. The Company may not purchase any securities on margin (except that the Company may, within the limits set forth in paragraph 2. e) below, obtain such short term credit as may be necessary for the clearance of purchases or sales of securities) or make uncovered sales of transferable securities, Money Market Instruments or other financial instruments referred to above; except that the Company may make initial and maintenance margin deposits in respect of futures and forward contracts (and options thereon).

2. INVESTMENT IN OTHER ASSETS

- a. The Company may not purchase real estate, nor acquire any options, rights or interest in respect thereof, provided that the Company may invest for the account of the Target Fund in securities secured by real estate or interest therein or in securities of companies investing in real estate.
- b. The Company may not make investments in precious metals or certificates representing them.
- c. The Company may not enter into direct commodities transactions or commodity contracts, except that the Company may, in order to hedge risk, enter into financial futures on such transactions within the limits laid down in paragraph 3 below.
- d. The Company may not make loans to other persons or act as a guarantor on behalf of third parties or assume, endorse or otherwise become directly or contingently liable for, or in connection with, any obligation or indebtedness or any person in respect of borrowed monies, provided that for the purpose of this restriction:
 - i. the acquisition of bonds, debentures or other corporate or sovereign debt obligations (whether wholly or partly paid) and investment in securities issued or guaranteed by a member country of the OECD or by any supranational institution, organisation or authority, short-term commercial paper, certificates of deposit and bankers' acceptances of prime issuers or other traded debt instruments shall not be deemed to be the making of a loan; and
 - ii. the purchase of foreign currency by way of a back-to-back loan shall not be deemed to be the making of a loan.
- e. The Company may not borrow for the account of the Target Fund, other than amounts which do not in aggregate exceed 10% of the net assets of the Target Fund, taken at market value and then only as a temporary measure. The Company may, however, acquire foreign currency by means of a back-to-back loan.
- f. The Company may not mortgage, pledge, hypothecate or in any manner transfer as security for indebtedness, any of the securities or other assets of the Target Fund, except as may be necessary in connection with the borrowings mentioned in paragraph e) above. The purchase or sale of securities on a when-issued or delayed-delivery basis, and collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed the pledge of the assets.

3. FINANCIAL DERIVATIVE INSTRUMENTS

The Company may use financial derivative instruments for investment, hedging and efficient portfolio management purposes, within the limits of the Law of 17 December 2010. Under no circumstances shall the use of these instruments and techniques cause the Target Fund to diverge from its investment policy.

The Target Fund may invest in financial derivative instruments within the limits laid down in paragraph 1. a) (vii) provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in paragraph 1. d) (i) to (v). When the Target Fund invests in index based financial derivative instruments, these investments do not have to be combined in respect of the limits laid down in paragraph 1. d). When a transferable security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this restriction.

The Company on behalf of the Target Fund may only choose swap counterparties that are first class financial institutions selected by the Board of Directors and that are subject to prudential supervision and belonging to the categories approved by the CSSF for the purposes of OTC derivative transactions and specialised in these types of transactions.

As the case may be, collateral received by the Target Fund in relation to OTC derivative transactions may offset net exposure to the counterparty if it complies with the criteria set out in applicable laws, regulations and circulars issued by the CSSF from time to time notably in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability as further set out below. Collateral primarily consists of cash and highly rated sovereign bonds. Collateral value is reduced by a percentage (a "haircut") which provides for short term fluctuations in the value of the collateral. The types of assets used as eligible collateral exchanged will vary based on the agreement with each counterparty, and typically consist of cash, US Treasury bills or US government agency bonds supported by the full faith and credit of the US government and/or core Eurozone sovereign or agency debt. The eligible collateral and corresponding haircut used for each type of asset is consistent with the requirements of Commission Delegated Regulation (EU) 2016/2251 of 4 October 2016 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards for risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty (more commonly referred to as the "EU uncleared OTC derivatives margin regulation"), as may be amended or supplemented from time to time. Net exposures are calculated daily by counterparty and are subject to the terms of the agreements, which include a minimum transfer amount which is typically less than Euro 500,000. The minimum transfer amount provides a threshold, below which, no collateral is exchanged. If the counterparty's net exposure to the Target Fund exceeds the minimum transfer amount the Target Fund will be required to post collateral to the counterparty. Collateral levels may fluctuate between the Target Fund and the counterparty depending on the market movement of the exposure.

Non-cash collateral received is not sold, reinvested or pledged. Cash collateral may be reinvested if reinvestment is consistent with the provisions established in the CSA of the ISDA Master Agreement executed with the relevant counterparty and provided that any reinvestment is consistent with the risk diversification requirements detailed in the section "Investment Restrictions of the Target Fund" in (a) shares or units issued by short term money market undertakings for collective investment as defined in MMFR, (b) deposits with credit institutional having its registered office in a Member State or with a credit institution situated in a non-Member State provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law and (c) high quality government bonds that are deemed eligible collateral according to the terms of the CSA of the ISDA Master Agreement. The Company has policies with respect to the reinvestment of collateral (specifically, that derivatives or other instruments that may contribute to leverage may not be used) such that it would not impact the Global Exposure calculation.

In accordance with the criteria laid down in the precedent paragraph, the Target Fund may be fully collateralised in different transferable securities and Money Market Instruments issued or guaranteed by any EU Member State, its local authorities, or public international bodies of which one or more EU Member States are members, by any other state of the OECD, by Singapore or any member state of the G20, provided that the Target Fund holds securities at least from six different issues and that any single issue must not account for more than 30% of the Target Fund's net assets.

The Global Exposure relating to financial derivative instruments is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions.

The Company shall ensure that the Global Exposure of the Target Fund relating to financial derivative instruments does not exceed the total net assets of the Target Fund. The Target Fund's overall risk exposure shall consequently not exceed 200% of its total net assets. In addition, this overall risk exposure may not be increased by more than 10% by means of temporary borrowings (as referred to in paragraph 2. e) above) so that it may not exceed 210% of the Target Fund's total net assets under any circumstances.

The Target Fund applies the Commitment Approach to calculate their Global Exposure.

Currency Hedging

The Company may, in respect of the Target Fund, for the purpose of hedging currency risks, have outstanding commitments in forward currency contracts, currency futures, written call options and purchased put options on currencies and currency swaps either quoted on an exchange or dealt in on a Regulated Market or entered into with highly rated financial institutions.

Subject to the implementation of the currency hedging techniques below, commitments in one currency may not exceed the aggregate value of securities and other assets held by the Target Fund denominated in such currency (or other currencies that fluctuate in a substantially similar manner to such currency).

In this context, the Company may, in respect of the Target Fund, engage in the following currency hedging techniques:

- * hedging by proxy, i.e. a technique whereby the Target Fund effects a hedge of the reference currency of the Target Fund (or benchmark or currency exposure of the assets of the Target Fund) against exposure in one currency by instead selling (or purchasing) another currency closely related to it, provided however that these currencies are indeed likely to fluctuate in the same manner. Guidelines followed in determining that one currency moves in a substantially similar manner to another currency include the following: i) the correlation of one currency to another currency is proven over a significant period of time to be over 85%; ii) the two currencies are, by explicit government policy, scheduled to participate in European Monetary Union (Eurozone countries) on a set future date (which would include using the euro itself as a proxy for hedging bond positions denominated in other currencies scheduled to become part of the euro on a set future date); and iii) the currency used as the hedging vehicle against the other currency is part of a currency basket against which the central bank for that other currency explicitly manages its currency within a band or corridor that is either stable or sloping at a predetermined rate.
- * cross-hedging, i.e. a technique whereby the Target Fund sells a currency to which it is exposed and purchases more of another currency to which the Target Fund may also be exposed, the level of the base currency being left unchanged, provided however that all such currencies are currencies of the countries which are at that time within the Target Fund's benchmark or investment policy and the technique is used as an efficient method to gain the desired currency and asset exposures.
- * anticipatory hedging, i.e. a technique whereby the decision to take a position on a given currency and the decision to have some securities held in the Target Fund's portfolio denominated in that currency are separate, provided however that the currency which is bought in anticipation of a later purchase of underlying portfolio securities is a currency associated with those countries which are within the Target Fund's benchmark or investment policy.

Total return swaps transactions

The Target Fund which is authorised as per its investment policy to invest in total return swaps provided that the maximum proportion of the net assets of the Target Fund that could be subject to such transactions does not exceed 10% of the Target Fund's net assets. In such cases, the counterparty to the transaction will be a counterparty approved and monitored by the Management Company or the Investment Manager. At no time will a counterparty in a transaction have discretion over the composition or the management of the Target Fund's investment portfolio or over the underlying of the total return swap. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. The Target Fund's actual activity in total return swaps is disclosed in the Company's financial statements.

The following types of assets can be subject to total return swaps: equity, currency and/or commodity indices (such as, but not limited to Morgan Stanley Balanced Ex Energy Index, Morgan Stanley Balanced Ex Grains Index, Morgan Stanley Balanced Ex Industrial Metals Index, Morgan Stanley Balanced Ex Precious Metals Index or Morgan Stanley Balanced Ex Softs Index), volatility variance swaps as well as fixed income, most notably high yield corporate and bank loan related exposures.

The risk of counterparty default and the effect on investors returns are more fully described under section "Risk of The Target Fund".

Where the Target Fund enters into total return swaps transactions, the expected proportion of the Target Fund's net assets that could be subject to total return swaps transactions shall be calculated as the sum of notionals of the derivatives used. If and when the Target Fund enters into total return swaps transactions, it is for the purpose of generating additional capital through the change in value of the underlying reference asset and receipt of any income generated by the reference asset and/or to mitigate investment risk within the portfolio through taking a short position on an underlying reference asset.

All revenues arising from total return swaps transactions will be returned to the Target Fund, and the Management Company will not take any fees or costs out of those revenues additional to the investment management fee for the Target Fund.

4. USE OF TECHNIQUES AND INSTRUMENTS RELATING TO TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS

a. Securities lending transactions

(i) Types and purpose

To the maximum extent allowed by, and within the limits set forth in, the Law of 17 December 2010 as well as any present or future related Luxembourg laws or implementing regulations, circulars and the Luxembourg supervisory authority's positions (the "Regulations"), in particular the provisions of (i) article 11 of the Grand-Ducal regulation of 8 February 2008 relating to certain definitions of the Luxembourg Law of 20 December 2002 on undertakings for collective investment and of (ii) CSSF Circulars 08/356 and 14/592, the Target Fund may for the purpose of generating additional capital or income or for reducing costs or risks engage in securities lending transactions.

As the case may be, collateral received by the Target Fund in relation to any of these transactions may offset net exposure by the counterparty if it complies with the criteria set out in applicable laws, regulations and circulars issued by the CSSF from time to time notably in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability as further set out below.

The form and nature of the collateral will primarily consist of cash and highly rated sovereign fixed income securities that meets particular ratings criteria. Eligible collateral for securities lending transactions would be negotiable debt obligations (collectively "AA - Level Sovereign Bonds") issued by governments (such as Australia, Belgium, Canada, Denmark, France, Germany, the Netherlands, Norway, New Zealand, Sweden, Switzerland, the US, the United Kingdom, etc.), having a credit rating of at least AA- from S&P and/or Aa3 from Moody's, respectively and denominated in the official currency of the relevant country and issued on the relevant domestic market (but excluding derivatives of other securities and inflation-linked securities).

The value of the securities received or posted as collateral shall also be equal to, or greater than, 102% of the amount of the securities lending transaction. The additional collateral, above 100%, provides for short term fluctuations in the value of the collateral. Net exposures are calculated daily by the counterparty and subject to the terms of the agreements, including a minimum transfer amount. Collateral levels may fluctuate between the Target Fund and the counterparty depending on the market movement of the exposure.

Non-cash collateral received is not sold, reinvested or pledged.

Cash collateral received by the Target Fund in relation to any of these transactions may be reinvested in a manner consistent with the investment objectives of the Target Fund and with the risk diversification requirements detailed in the section "Investment Restrictions of the Target Fund" in (a) shares or units issued by short term money market undertakings for collective investment as defined in MMFR, (b)

deposits with credit institutional having its registered office in a Member State or with a credit institution situated in a non-Member State provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law, and (c) high quality government bonds. The Company has policies with respect to the reinvestment of collateral (specifically, that derivatives or other instruments that may contribute to leverage may not be used) such that it would not impact the Global Exposure calculation.

In accordance with the criteria laid down in the precedent paragraph, the Target Fund may be fully collateralised in different transferable securities and Money Market Instruments issued or guaranteed by any EU Member State, its local authorities, or public international bodies of which one or more EU Member States are members, by any other state of the OECD, by Singapore or any member state of the G20, provided that the Target Fund holds securities at least from six different issues and that any single issue must not account for more than 30% of the Target Fund's net assets.

(ii) Limits and conditions

- Securities lending transactions

To the extent permitted in the Target Fund's investment policy, the Target Fund may utilise, on a temporary basis, up to 50% of its assets for securities lending transactions. The volume of the securities lending transactions of the Target Fund shall be kept at an appropriate level or the Target Fund shall be entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations and that these transactions do not jeopardise the management of the Target Fund's assets in accordance with its investment policy. The counterparties to securities lending transactions are selected following an initial analysis, and subsequent annual review thereafter, of financial statements, company announcements, credit ratings and other market information which includes general market movements. While there are no predetermined legal status, credit rating or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process.

When entering into securities lending transactions, the Target Fund must also comply with the following requirements:

- i. The borrower in a securities lending transaction must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law;
- ii. The Target Fund may lend securities to a counterparty directly (A) itself or (B) as part of a standardised lending system organised by a recognised clearing house or by a first-class financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those provided by EU law and specialised in this type of transaction. Goldman Sachs International Bank and JPMorgan Chase Bank, N.A., London Branch, shall act as lending agents for securities lending on behalf of the Target Fund;
- iii. The Target Fund may only enter into securities lending transactions provided that it is entitled at any time under the terms of the agreement to request the return of the securities lent or to terminate the agreement.

Equity securities is the only type of assets subject to securities lending transactions.

The expected proportion of the Target Fund's net assets that could be subject to securities lending transactions is set out in the "Investment Strategy and Policy" section.

The use of securities lending transactions for the Target Fund will be temporary while the Target Fund may expect upward and downward variations. Such variations may be dependent on factors such as, but not limited to, the Target Fund's total net assets, borrower demand to borrow stocks from the underlying market and seasonal trends in the underlying market. During periods of little or no demand from the market to borrow the underlying securities, the proportion of the Target Fund's net assets subject to securities lending may be 0% of the Target Fund's net assets, while there may also be periods of higher demand, in which case this proportion may approach 50% of the Target Fund's net assets.

Unless otherwise provided in the fact-sheet for the Target Fund, the Target Fund utilising securities lending transactions will use these transactions for the purpose of generating additional capital or

income through the fee that is paid to the Target Fund by the borrower for the use of the Target Fund's securities throughout the duration of the loan. While the expected exposure of the Target Fund to securities lending amounts to 5% of the Target Fund's net assets, the maximum percentage of exposure corresponds to 50% of the Target Fund's net assets.

- Cost and revenues of securities lending

Direct and indirect operational costs and fees arising from securities lending transactions may be deducted from the revenue delivered to the Target Fund. These costs and fees shall not include hidden revenue. All the revenues arising from such transactions, net of direct and indirect operational costs, will be returned to the Target Fund. The annual report of the Company shall contain details of the revenues arising from securities lending transactions for the entire reporting period together with the direct and indirect operational costs and fees incurred. The entities to which direct and indirect costs and fees may be paid include banks, investment firms, broker-dealers or other financial institutions or intermediaries and may be related parties to the Management Company and/or the depository bank of the Target Fund.

The securities lending agents, which are not related parties to the Company nor to the Management Company, receive a fee of up to 10% of the gross revenue generated as a result of the lent securities for its services, the remainder of the revenue being received and retained by the Target Fund. Any incremental income generated from securities lending transactions will be accrued to the Target Fund.

A securities lending agent shall act as principal intermediary or an agent intermediary of the relevant lending funds through whom the securities held in the relevant securities accounts established and maintained by the Depository on behalf of the Target Fund shall be lent to selected borrowers against receipt of collateral, in accordance with applicable laws and as further described in the various relevant securities lending agreements entered into by at least two or more of the following entities, the securities lending agents, the borrowers, the Management Company, the Company and, as the case may be, the Depository.

(iii) Conflicts of Interest

No conflicts of interest to note. The Investment Manager does not intend to lend the securities of the Target Fund to its related corporations.

(iv) Collateral

Collateral received by the Target Fund may be used to reduce its counterparty risk exposure if it complies with the criteria set out in applicable laws, regulations and circulars issued by the CSSF from time to time notably in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability. In particular, collateral should comply with the following conditions:

- a. Any collateral received other than cash should be of high quality, highly liquid and traded on a Regulated Market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;
- b. It should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;
- c. It should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
- d. It should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure of 20% of the Target Fund's net asset value to any single issuer on an aggregate basis, taking into account all collateral received. By way of derogation, the Target Fund may be fully collateralised in different transferable securities and Money Market Instruments issued or guaranteed by a EU Member State, one or more of its local authorities, a Third Country, or a public international body to which one or more EU Member States belong. In such event, the Target Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Target Fund's net asset value;
- e. It should be capable of being fully enforced by the Target Fund at any time without reference to or approval from the counterparty;

f. Where there is a title transfer, the collateral received will be held by the Depositary in accordance with the Depositary's safekeeping duties under the depositary agreement dated 31 August 1994, as amended and restated by an agreement dated 18 March 2016 also entered by the Management Company. For other types of collateral arrangements, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

g. Collateral received shall have a quality of credit of investment grade. Collateral will be valued on each Valuation Day, using the last available market prices and taking into account appropriate discounts determined for each asset class based on the applicable haircut policy. The collateral will be marked to market daily and depending on the current market exposure and collateral balance, the collateral may be subject to margin movement when and if certain predetermined thresholds are crossed.

b. Buy/sell-back, sell/buy-back and margin lending transactions

The Target Fund is not authorized to enter into buy/sell-back, sell/buy-back or margin lending transactions.

Fees and Charges of the Target Fund

Entry Charge	Up to 5.75% of the net asset value per Share <i>Please note that the Fund will not be charged the initial sales charge when it invests in the Target Fund.</i>
Contingent Deferred Sales Charge/ CDSC	Up to 4% of the net asset value per Share <i>Please note that the Fund will not be charged the initial contingent deferred sales charge when it invests in the Target Fund.</i>
Redemption Charge	Not applicable
Performance Fee	Not applicable
Management Fee*	Up to 1.93% per annum of the net asset value of the Target Fund <i>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.</i>
Servicing Charge	Up to 1.06% per annum of the net asset value per Share
Management Company Fee**	Up to 0.20% of the net asset value per Share
Depositary Fee	Up to 0.14% of the net asset value of the Target Fund

* Remuneration from the Company to the Management Company for performing as the Management Company, the investment management services and for any expenses incurred in connection with investors of the Target Fund liaison and administration of Shares.

** Remuneration from the Company to the Management Company for performing registrar and transfer, corporate, domiciliary and administrative functions for the Company.

Suspension of Calculation of Net Asset Value of the Target Fund

1. The Company may suspend the determination of the net asset value of the shares of the Target Fund and the purchase and sale of the shares and the switch of shares from and to the Target Fund during:

- (a) any period when any of the principal stock exchanges or markets of which any substantial portion of the investments of the Company attributable to the Target Fund from time to time are quoted is closed, or during which dealings therein are restricted or suspended; or
- (b) the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of assets owned by the Company attributable to the Target Fund would be impracticable; or
- (c) any breakdown or restriction in the means of communication normally employed in determining the price or value of any of the investments of the Target Fund or the current price or values on any stock exchange or market; or

- (d) any period when the Company is unable to repatriate funds for the purpose of making payments due on sale of such shares or any period when the transfer of funds involved in the realisation or acquisition of investments or payments due on sale of such shares cannot, in the opinion of the Board of Directors, be effected at normal rates of exchange; or
- (e) any period when the net asset value of shares of the Target Fund may not be determined accurately; or
- (f) during any period when in the opinion of the Board of Directors there exists unusual circumstances where it would be impractical or unfair towards the investors to continue dealing in the shares of the Target Fund or circumstances where a failure to do so might result in the investors or the Target Fund incurring any liability to taxation or suffering other pecuniary disadvantage or other detriment which the investors or the Target Fund might not otherwise have suffered; or
- (g) if the Company or the Target Fund is being or may be wound-up, on or following the date on which such decision is taken by the Board of Directors or notice is given to shareholders of a general meeting at which a resolution to wind-up the Company or the Target Fund is to be proposed; or
- (h) in the case of a merger, if the Board of Directors deems this to be justified for the protection of the shareholders; or
- (i) 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.

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

UNDERSTANDING THE RISKS OF THE FUND AND THE TARGET FUND

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

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

GENERAL RISKS OF THE FUND	
Market risk	Market risk arises because of factors that affect the entire market place. Factors such as economic growth, political stability and social environment are some examples of conditions that have an impact on businesses, whether positive or negative. Market risk cannot be eliminated but may be reduced through diversification. It stems from the fact that there are economy-wide perils, or instances of political or social instability which threaten all businesses. Hence, the Fund will be exposed to market uncertainties and fluctuations in the economic, political and social environment that will affect the market price of the investments either in a positive or negative way.
Fund management risk	This risk refers to the day-to-day management of the Fund by us which will impact the performance of the Fund. For example, investment decisions undertaken by us as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant law or guidelines due to factors such as human error, fraud, dishonesty or weaknesses in operational process and systems, may adversely affect the performance of the Fund.
Performance risk	The Fund is a feeder fund which invests in another CIS, namely the Target Fund. The performance of the Fund very much depends on the performance of the Target Fund. If the Target Fund does not perform in accordance with its investment objective, the performance of the Fund will also be impacted negatively. The performance of the Target Fund and consequently of the Fund may go down as well as up, depending on the circumstances prevailing at a particular given time. On that basis, there is never a guarantee that investing in the Fund will produce a positive investment returns in accordance with its investment objective.
Liquidity risk	This is the risk that the units of the Target Fund that is held by the Fund cannot be readily sold and converted into cash. This can occur when there is a restriction on realisation of units of the Target Fund. The Management Company may suspend the realisation of units of the Target Fund or delay the payment of realisation proceeds in respect of any realisation request received, during any period in which the determination of the net asset value of the Target Fund is suspended. As a result, the Fund may not be able to receive the repurchase proceeds in a timely manner which in turn may delay the payment of repurchase proceeds to the Unit Holders. In managing liquidity risk, we will maintain sufficient liquidity level for the purposes of meeting repurchase requests. Please refer to the "Suspension of Dealing in Units" section of this Information Memorandum for more details.
Operational risk	This risk refers to the possibility of a breakdown in our internal controls and policies. The breakdown may be a result of human error, system failure or fraud where our employees collude with one another. This risk may cause monetary loss and/or inconvenience to you. We will review our internal policies and system capability to mitigate instances of this risk. Additionally, we maintain a strict segregation of duties to mitigate instances of fraudulent practices amongst our employees.

Inflation risk	This is the risk that your investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.
Loan financing risk	This risk occurs when you take a loan or financing to finance your investment. The inherent risk of investing with borrowed or financed money includes you being unable to service the loan or financing payments. In the event Units are used as collateral, you may be required to top-up your existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower NAV per Unit as compared to the NAV per Unit at the point of purchase towards settling the loan or financing.
Suspension of repurchase request risk	<p>Having considered the best interests of Unit Holders, the repurchase requests by the Unit Holders may be subject to suspension due to exceptional circumstances, where the market value or fair value of a material portion of the Fund's assets cannot be determined, or any other circumstances as may be determined by the Manager, where there is good and sufficient reason to do so.</p> <p>The exceptional circumstances may include, amongst others, the suspension of dealing by the Target Fund. In such case, Unit Holders will not be able to redeem their Units and will be compelled to remain invested in the Fund for a longer period of time. Hence, their investments will continue to be subject to the risks inherent to the Fund.</p>

SPECIFIC RISKS OF THE FUND	
Concentration risk	<p>As a feeder fund, this Fund invests in a single CIS. Any adverse effect on the Target Fund will inevitably affect the Fund as well. The performance of the Fund is also dependent on the performance of the Target Fund. This risk may be mitigated as we are allowed to take temporary defensive positions in response to adverse market conditions. We are also able to substitute the Target Fund with another fund with similar investment objective of the Fund if, in our opinion, the Target Fund no longer meets the Fund's investment objective subject to Unit Holders' approval.</p> <p>For better understanding of the risks associated to the Target Fund, please refer to the "Risks of the Target Fund" below.</p>
Currency risk	<p>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.</p> <p><i>Currency risk at the Class level</i></p> <p>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.</p> <p><i>Currency risk at the Hedged-class level</i></p> <p>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 still 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</p>

	SPECIFIC RISKS OF THE FUND
	Hedged-class would not benefit from any upside in currency movement due to the hedging strategy. In addition, hedging is subject to a minimum investment size of entering into a forward contract and the cost of hedging which may affect returns of the respective Hedged-class.
Counterparty risk	The Fund will be exposed to the credit risk of the parties with which it transacts and may also bear the risk of settlement default. Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. This would include the counterparties to derivatives that it enters into. Trading in derivatives which have not been collateralised gives rise to direct counterparty exposure. The Fund mitigates much of its credit risk to its derivatives counterparties by receiving collateral with a value at least equal to the exposure to each counterparty but, to the extent that any derivative is not fully collateralised, a default by the counterparty may result in a reduction in the value of the Fund. A formal review of each new counterparty is completed and all approved counterparties are monitored and reviewed on an ongoing basis. The Fund maintains an active oversight of counterparty exposure and the collateral management process.
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 or prices of Units to fall.
Target fund manager risk	The Target Fund (which the Fund invests in) is managed by the Management Company and/or the Investment Manager. It is important to note that the Manager has no control over the investment management techniques and operational controls of the Management Company and/or Investment Manager. Thus, mismanagement of the Target Fund (i.e. breach of its prescribed investment restriction due to human error) may negatively affect the Fund (as an investor of the Target Fund). Should such a situation arise, the Manager may propose to invest in other alternative CIS that is consistent with the investment objective of the Fund provided always that the approval of the Unit Holders has been obtained.
Risk associated with distribution out of capital	The Fund may distribute income out of capital. Such capital distributions represent a return or withdrawal of part of the amount of your original investment and/or capital gains attributable to the original investment and will result in a reduction in the NAV per Unit of each Class and reduce the capital available for future investment and capital growth. Future capital growth may therefore be constrained.

	RISKS OF THE TARGET FUND
Counterparty risk	<p>Counterparty risk is the risk to each party of a contract that the counterparty will fail to perform its contractual obligations and/or to respect its commitments under the term of such contract, whether due to insolvency, bankruptcy or other cause.</p> <p>When OTC or other bilateral contracts are entered into (inter alia OTC derivatives, security lending, etc.), the Company may find itself exposed to risks arising from the solvency of its counterparties and from their inability to respect the conditions of these contracts.</p>
Credit risk	Credit risk, a fundamental risk relating to all fixed income securities as well as Money Market Instruments, is the chance that an issuer will fail to make principal and interest payments when due. Issuers with higher credit risk typically offer higher yields for this added risk. Conversely, issuers with lower credit risk typically

	RISKS OF THE TARGET FUND
	<p>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 (particularly a sovereign or supranational issuer), are all factors that may have an adverse impact on an issuer's credit quality and security values. Related to credit risk is the risk of downgrade by a rating agency. Rating agencies such as S&P, Moody's and Fitch Ratings Limited, among others, provide ratings for a wide array of fixed income securities (corporate, sovereign, or supranational) which are based on their creditworthiness. The agencies may change their ratings from time to time due to financial, economic, political, or other factors, which, if the change represents a downgrade, can adversely impact the value of the affected securities.</p>
Debt securities risk	<p>As the Target Fund invests in debt securities or Money Market Instruments, the Target Fund is subject to interest rate risk, credit risk, default risk and may be exposed to specific risks including but not limited to sovereign risk, high yield securities risk, restructuring risk and risk related to the use of credit ratings.</p> <p>A fixed income security's value will generally increase in value when interest rates fall and decrease in value when interest rates rise. Fixed income securities with longer-term maturities tend to be more sensitive to interest rate changes than shorter-term securities.</p> <p>Variable rate securities (which include floating-rate debt securities) generally are less sensitive to interest rate changes than fixed rate debt securities.</p> <p>The Target Fund may invest in debt securities on which the issuer is not currently making interest payments (defaulted debt securities). The Target Fund may buy defaulted debt securities if, in the opinion of the Investment Manager, it appears likely that the issuer may resume interest payments or other advantageous developments appear likely in the near future. These securities may become illiquid.</p> <p>Sovereign debt securities can be subject to risks in addition to those relating to debt securities and foreign securities generally, including, but not limited to, the risk that a governmental entity may be unwilling or unable to pay interest and repay principal on its sovereign debt. There are generally no bankruptcy proceedings for sovereign debt. If a sovereign debtor defaults (or threatens to default) on its sovereign debt obligations, the indebtedness may be restructured. In the event of a default on sovereign debt, the Target Fund may have limited legal recourse against the defaulting government entity.</p> <p>The Target Fund may invest in sovereign debt issued by governments or government-related entities from countries referred to as emerging markets or frontier markets, which bear additional risks compared to more developed markets due to such factors as greater political and economic uncertainties, currency fluctuations, repatriation restrictions or capital controls.</p> <p>The Target Fund may invest in higher-yielding securities rated lower than investment grade. High-yield debt securities (including loans) and unrated securities of similar credit quality ("high-yield debt instruments" or "junk bonds") involve greater risk of loss, or delays of interest and principal payments, than higher-quality debt securities. Issuers of high-yield debt instruments are not as strong financially as those issuing securities of higher credit quality. High-yield debt instruments are generally less liquid and their prices fluctuate more than higher-quality securities.</p>

RISKS OF THE TARGET FUND	
	<p>The Target Fund may also invest in the securities of companies involved in mergers, consolidations, liquidations and reorganisations (including those involving bankruptcy). Such corporate events could be disruptive to the business and management structure of the companies involved, which may expose the Target Fund to higher investment risk.</p> <p>The use of credit ratings in evaluating debt securities can involve certain risks, including the risk that the credit rating may not reflect the issuer's current financial condition or events since the security was last rated by a rating agency. Credit ratings may be influenced by conflicts of interest or based on historical data that no longer apply or are accurate. Recently, legislation and regulations to reform rating agencies have been proposed and may adversely impact the Target Fund's investments or investment process.</p> <p>Debt securities are subject to prepayment risk when the issuer can "call" the security, or repay principal, in whole or in part, prior to the security's maturity. When the Target Fund reinvests the prepayments of principal it receives, it may receive a rate of interest that is lower than the rate on the existing security, potentially lowering the Target Fund's income, yield and its distributions to shareholders. Securities subject to prepayment may offer less potential for gains during a declining interest rate environment and have greater price volatility. Prepayment risk is greater in periods of falling interest rates.</p>
Derivative instruments risk	<p>The performance of derivative instruments depends largely on the performance of an underlying currency, security, index or other reference asset, and such instruments often have risks similar to the underlying instrument, in addition to other risks. The Target Fund may use options, futures, options on futures, and forward contracts on currencies, securities, indices, interest rates or other reference assets for hedging, efficient portfolio management and/or investment purposes. Derivative instruments involve costs and can create economic leverage in the Target Fund's portfolio which may result in significant volatility and cause the Target Fund to participate in losses (as well as gains) in an amount that significantly exceeds the Target Fund's initial investment. In the case of futures transactions, the amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the Target Fund. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.</p> <p>Transactions in options may also carry a high degree of risk. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the Target Fund is fixed, the Target Fund may sustain a loss well in excess of that amount. The Target Fund will also be exposed to the risk of the purchaser exercising the option and the Target Fund will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the Target Fund holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced. The risk of loss to the Target Fund for a swap transaction on a net basis depends on which party is obliged to pay the net amount to the other party. If the counterparty is obliged to pay the net amount to the Target Fund, the risk of loss to the Target Fund is the loss of the entire amount that the Target Fund is entitled to receive; if the Target Fund is obliged to pay the net amount, the Target Fund's risk of loss is limited to the net amount due.</p>

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Certain derivatives have the potential for a high degree of leverage regardless of the size of the initial investment. The use of leverage may cause the Target Fund to liquidate portfolio positions to satisfy its obligations or to meet asset segregation requirements when it may not be advantageous to do so. Other risks include illiquidity, mispricing or improper valuation of the derivative instrument, and imperfect correlation between the value of the derivative and the underlying instrument so that the Target Fund may not realise the intended benefits. Their successful use will usually depend on the Investment Manager's ability to accurately forecast movements in the market relating to the underlying instrument. Should a market or markets, or prices of particular classes of investments move in an unexpected manner, especially in unusual or extreme market conditions, the Target Fund may not achieve the anticipated benefits of the transaction, and it may realise losses, which could be significant. If the Investment Manager is not successful in using such derivative instruments, the Target Fund's performance may be worse than if the Investment Manager did not use such derivative instruments at all. To the extent that the Target Fund uses such instruments for hedging purposes, there is the risk of imperfect correlation between movements in the value of the derivative instrument and the value of the underlying investment or other asset being hedged. There is also the risk, especially under extreme market conditions, that an instrument, which usually would operate as a hedge, provides no hedging benefits at all.

The Target Fund may engage in transactions involving derivative instruments that trade on exchanges or that may be privately negotiated and trade OTC and not on an exchange. Exchange-traded derivatives include futures, options, options on futures, and warrants. Examples of OTC derivative instruments include currency forwards, interest rate swaps, credit default swaps, total return swaps or contracts for differences. Use of such OTC instruments could result in a loss if the counterparty to the transaction (with respect to forward currency contracts and other OTC derivatives) does not perform as promised, including because of such counterparty's bankruptcy or insolvency. This risk may be heightened during volatile market conditions. Collateral is employed for many OTC derivative transactions – it needs to be transferred to the counterparty if the Target Fund has a net loss on a given transaction and the Target Fund may hold collateral received from the counterparty to the Target Fund if the Target Fund has a net gain on a given transaction. The value of the collateral may fluctuate, however, and it may be difficult to sell, so there are no assurances that the value of collateral held will be sufficient to cover the amount owed to the Target Fund or will not be absorbed by other outstanding obligations of the counterparty. Other risks include the inability to close out a position because the trading market becomes illiquid (particularly in the OTC markets) or the availability of counterparties becomes limited for a period of time. In addition, the presence of speculators in a particular market could lead to price distortions. To the extent that the Target Fund is unable to close out a position because of market illiquidity, the Target Fund may not be able to prevent further losses of value in its derivatives holdings and the Target Fund's liquidity may be impaired to the extent that it has a substantial portion of its otherwise liquid assets marked as segregated to cover its obligations under such derivative instruments. The Target Fund may also be required to take or make delivery of an underlying instrument that the Investment Manager would otherwise have attempted to avoid. Some derivatives can be particularly sensitive to changes in interest rates or other market prices. Investors should bear in mind that, while the Target Fund may intend to use derivative strategies on a regular basis, it is not obligated to actively engage in these transactions, generally or in any particular kind of derivative, if the Investment Manager elects not to do so due to availability, cost or other factors.

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Financial derivative instruments may be used for, among other purposes, synthetic short selling. According to the Law of 17 December 2010, the short selling of securities or any physical instrument is not permitted. In order to replicate short exposure either for investment purposes or to hedge a long position in the same or a similar asset, synthetic short selling can be accomplished through the use of derivatives. The purchase of credit default swaps (CDS), for example, for a particular issuer without owning a debt obligation of that issuer effectively results in the Target Fund having a short exposure to that issuer. The Target Fund may also purchase credit default swaps to hedge an existing position in the same issuer. Purchasing a put option on a stock, debt obligation, or a currency without owning the stock, debt obligation or currency is also effectively going short (and again such a transaction may be entered into for the purpose of hedging an existing position). The only investment at risk in such strategies is the premium paid for the CDS or option, unlike the case of going short actual stocks, bonds or currencies where the full investment in such assets is at risk. Another synthetic short selling strategy is the selling of interest rate futures which will benefit from a rise in interest rates, thereby replicating going short interest rates. Where premium is paid for such synthetic short selling strategies (e.g. for CDS or put options), there is the possibility of losing the entire investment if no credit event occurs (in the case of CDS) or the option expires worthless (because the underlying asset did not fall below the strike price). Where a futures contract is entered into (e.g. selling interest rate futures), the potential loss is governed by the degree to which interest rates move down instead of up, the conversion factor applied vis-à-vis the basket of eligible securities, the time to delivery, and the notional amount associated with the contract. Additional strategies similar to these may be implemented with similar consequences and potential risks. Risk is mitigated by virtue of daily adjustment of variation margin and/or the maintenance of eligible collateral against the position. There is no assurance that such synthetic short selling strategies as described herein will be as effective in achieving short exposure for investment or hedging purposes as actual short selling strategies.

Under recent financial reforms, certain types of derivatives (i.e., certain swaps) are, and others eventually are expected to be, required to be cleared through a central counterparty. Central clearing is designed to reduce counterparty credit risk and increase liquidity compared to OTC swaps, but it does not eliminate those risks completely. With cleared swaps, there is also a risk of loss by the Target Fund of its initial and variation margin deposits in the event of bankruptcy of the FCM with which the Target Fund has an open position in a swap contract. If an FCM does not provide accurate reporting, the Target Fund is also subject to the risk that the FCM could use the Target Fund's assets to satisfy its own financial obligations or the payment obligations of another customer to the central counterparty. With cleared swaps, the Target Fund may not be able to obtain as favourable terms as it would be able to negotiate for a bilateral, uncleared swap. In addition, a FCM may unilaterally amend the terms of its agreement with the Target Fund, which may include the imposition of position limits or additional margin requirements with respect to the Target Fund's investment in certain types of swaps. Central counterparties and FCMs generally can require termination of existing cleared swap transactions at any time, and can also require increases in margin above the margin that is required at the initiation of the swap agreement.

The regulation of cleared and uncleared swaps, as well as other derivatives, is a rapidly changing area of law and is subject to modification by government and judicial action. In addition, regulators and exchanges in many jurisdictions are

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	<p>authorised to take extraordinary actions in the event of a market emergency, including, for example, the implementation or reduction of speculative position limits, the implementation of higher margin requirements, the establishment of daily price limits and the suspension of trading. It is not possible to predict fully the effects of current or future regulation. New requirements, even if not directly applicable to the Target Fund, may increase the cost of the Target Fund's investments and cost of doing business, which could adversely affect investors.</p> <p>The use of derivative strategies may also have a tax impact on the Target Fund. The timing and character of income, gains or losses from these strategies could impair the ability of the Investment Manager to utilise derivatives when it wishes to do so.</p>
Market risk	<p>The market values of securities owned by the Target Fund will go up or down, sometimes rapidly or unpredictably. Securities may decline in value due to factors affecting individual issuers, securities markets generally or particular industries or sectors within the securities markets. The value of a security may go up or down due to general market conditions which are not specifically related to a particular issuer, such as real or perceived adverse economic conditions, changes in the general outlook for revenues or corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also go up or down due to factors that affect an individual issuer, a particular industry or sector, such as changes in production costs and competitive conditions within an industry or a specific country. Unexpected events such as natural or environmental disasters (earthquakes, fires, floods, hurricanes, tsunamis) and other severe weather-related phenomena generally, or widespread disease, including pandemics and epidemics, have been and can be highly disruptive to economies of individual companies, sectors, industries, nations, markets and adversely impacting currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of the Target Fund's investments. Given the interdependence among global economies and markets, conditions in one country, market, or region are likely to adversely affect markets, issuers, and/or foreign exchange rates in other countries. These disruptions could prevent the Target Fund from executing advantageous investment decisions in a timely manner and could negatively impact the Target Fund's ability to achieve its investment objective.</p> <p>During a general downturn in the securities markets, multiple asset classes may decline in value. When markets perform well, there can be no assurance that securities held by the Target Fund will participate in or otherwise benefit from the advance. All investments in financial markets may decrease in value.</p>
Class hedging risk	<p>The Company may engage in currency hedging transactions with regard to a certain Share Class (the "Hedged Share Class"). Hedging transactions are designed to reduce, as much as possible, the currency risk for investors.</p> <p>Any financial instruments used to implement such hedging strategies with respect to one or more classes of the Target Fund shall be assets and/or liabilities of such the Target Fund as a whole, but will be attributable to the relevant class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant class. Any currency exposure of a class may not be combined with or offset against that of any other class of the Target Fund. The currency exposure of the assets attributable to a class may not be allocated to other classes. No intentional leveraging should result from currency hedging transactions of a class although hedging may exceed 100% by a small margin (as further detailed in the Hedged Share Classes sub-section in the Target Fund Prospectus) as in the case of a net investment flow to or from a Hedged Share Class the hedging may not be adjusted and reflected in the net asset value of the</p>

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	<p>Hedged Share Class until the following or a subsequent business day of the Target Fund following the Valuation Day on which the instruction was accepted.</p> <p>There is no guarantee that attempts to hedge currency risk will be successful and no hedging strategy can eliminate currency risk entirely. Should a hedging strategy be incomplete or unsuccessful, the value of the Target Fund's assets and income can remain vulnerable to fluctuations in currency exchange rate movements.</p> <p>In the case of a net investment flow to or from a Hedged Share Class the hedging may not be adjusted and reflected in the net asset value of the Hedged Share Class until the following or a subsequent business day of the Target Fund following the Valuation Day on which the instruction was accepted. Investors should be aware that there may be circumstances in which a hedging transaction may reduce currency gains that would otherwise arise in the valuation of the Target Fund. The gains/losses on and the costs of such hedging transactions will accrue solely to the relevant Hedged Share Class.</p> <p>This risk for holders of any Hedged Share Class may be mitigated by using any of the efficient portfolio management techniques and instruments (including currency options and forward currency exchange contracts, currency futures, written call options and purchased put options on currencies and currency swaps), within the conditions and limits imposed by the Luxembourg financial supervisory authority.</p> <p>Investors should be aware that the hedging strategy may substantially limit Investors of the relevant Hedged Share Class from benefiting from any potential increase in value of the Share Class expressed in the reference currency(ies), if the Hedged Share Class currency falls against the reference currency(ies). Additionally, investors of the Hedged Share Class may be exposed to fluctuations in the net asset value per Share reflecting the gains/losses on and the associated transactions costs of the relevant financial instruments used to implement the hedging strategy. The gains/losses on and the transactions costs of the relevant financial instruments will accrue solely to the relevant Hedged Share Class.</p> <p>Further, investors should be aware that the hedging strategy may act as a drag or boost to performance as a result of the Interest Rate Differential between the Hedged Share Class currency and the reference currency(ies). Where there is a positive Interest Rate Differential between the Hedged Share Class currency over the reference currency(ies) an increase in relative performance of the Hedged Share Class over the reference currency(ies) class may be observed. The opposite may be true and it should be noted that if the interest rate of the reference currency of the hedged share class is lower than the interest rate of the base currency of the Target Fund, the interest rate carry is likely to be negative and a decrease in relative performance of the Hedged Share Class may be observed.</p>
Convertible and hybrid securities risk	<p>A convertible security is generally a debt obligation, preferred stock or other security that pays interest or dividends and may be converted by the holder within a specified period of time into common stock at a specified conversion price. The value of convertible securities may rise and fall with the market value of the underlying stock or, like a debt security, vary with changes in interest rates and the credit quality of the issuer. A convertible security tends to perform more like a stock when the underlying stock price is high relative to the conversion price (because more of the security's value resides in the option to convert) and more like a debt security when the underlying stock price is low relative to the conversion price (because the option to convert is less valuable). Because its value can be influenced by many different factors, a convertible security is not as</p>

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sensitive to interest rate changes as a similar non-convertible debt security, and generally has less potential for gain or loss than the underlying stock.

Hybrid securities are those that, like convertible securities described above, combine both debt and equity characteristics. Hybrids may be issued by corporate entities (referred to as corporate hybrids) or by financial institutions (commonly referred to as contingent convertible bonds or "CoCos"). Hybrid securities are subordinated instruments that generally fall in the capital structure between equity and other subordinated debt, i.e. such securities will be the most junior securities above equity. Such securities will generally have a long maturity and may even be perpetual in nature. Coupon payments may be discretionary and as such may be cancelled by the issuer at any point, for any reason, and for any length of time. The cancellation of coupon payments may not amount to an event of default. Hybrid securities are callable at pre-determined levels. It cannot be assumed that hybrid securities, including perpetual securities, will be called on the call date. The investor may not receive return of principal on a given call date or on any date.

Contingent convertible securities issued by financial institutions ("CoCos"), which became popular following the 2008-2009 financial crisis as a way of mitigating the impact of stressed market conditions, have certain additional characteristics not typical of corporate hybrids. For CoCos, conversion is tied to a pre-specified trigger event based on the capital structure of the financial institution and/or to when the regulator deems the bank to be no longer viable. The contingent convertible bond may convert to equity or, alternatively, may be purely loss absorbing and convert to nothing. Trigger levels may differ from one issue to the next and the risk of conversion will depend on the distance of the capital ratio to the trigger level and/or the point at which the regulator deems the issuer no longer viable (i.e. the bonds are "bail-in-able" at the "point of non-viability" or PONV), making it difficult for the Investment Manager to anticipate the triggering events that would require the debt to convert into equity or be simply loss absorbing. It may also be difficult for the Investment Manager to assess how the securities will behave upon conversion. Because conversion occurs after a specified event, conversion may occur when the share price of the underlying equity is less than when the bond was issued or purchased. Whereas traditional convertible securities are convertible at the option of the holder and the holder of such bonds will generally convert when the share price is higher than the strike price (i.e. when the issuer is doing well), CoCos tend to convert when the issuer is in crisis and needs additional equity or loss absorption in order to survive. As a result, there is greater potential for capital loss with CoCos compared to conventional convertible securities. The trigger could be activated through a material loss in capital as represented in the numerator or an increase in risk weighted assets (due to a shift to riskier assets) as measured in the denominator. Unlike for corporate hybrids, cancelled coupon payments do not generally accumulate and are instead written off. Holders of CoCos may see their coupons cancelled while the issuer continues to pay dividends on common equity, unlike the case of corporate hybrids which typically have so-called "dividend pusher/stopper clauses" which link the payment of hybrid coupons to equity dividends. CoCos may suffer from capital structure inversion risk, since investors in such securities may suffer loss of capital when equity holders do not in the event the pre-defined trigger is breached before the regulator deems the issuer non-viable (if the regulator declares non-viability before such a breach, the normal creditor hierarchy should apply). The value of CoCos may be subject to a sudden drop in value should the trigger level be reached. The Target Fund may be required to accept cash or securities with a value less than its original investment

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	<p>or, in the event of instances where the contingent convertible bond is intended to be only loss absorbing, the Target Fund may lose its entire investment.</p>
Dividend policy risk	<p>The Target Fund may have a dividend policy that allows for payment of dividends out of capital as well as from income and net realised and net unrealised capital gains. Where this is done, while it may allow for more income to be distributed, it also amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. This has the effect of reducing capital and the potential for long-term capital growth as well as increasing any capital losses. Examples of when this may occur include:</p> <ul style="list-style-type: none"> (a) if the securities markets in which the Target Fund invests were sufficiently declining so that the Target Fund has incurred net capital losses; (b) if dividends are paid gross of fees and expenses such that fees and expenses are paid out of net realised and net unrealised capital gains or initially subscribed capital. <p>Any distribution of dividends made partially or entirely out of the Target Fund's capital may reduce capital growth and may result in an immediate reduction of the net asset value per Share.</p>
Foreign currency risk	<p>Since the Company values the portfolio holdings of each of the Target Fund in either USD, Japanese yen or euro, changes in currency exchange rates adverse to those currencies may affect the value of such holdings and the Target Fund's yield thereon.</p> <p>Since the securities, including ancillary liquid assets, bank deposits, Money Market Instruments and money market funds, held by the Target Fund may be denominated in currencies different from its base currency, the Target Fund may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between such reference currency and other currencies. Changes in currency exchange rates may influence the value of the Target Fund's Shares, and also may affect the value of dividends and interests earned by the Target Fund and gains and losses realised by the Target Fund. If the currency in which a security is denominated appreciates against the base currency of the Target Fund, the price of the security could increase. Conversely, a decline in the exchange rate of the currency would adversely affect the price of the security.</p> <p>To the extent that the Target Fund or any Share Class seeks to use any strategies or instruments to hedge or to protect against currency exchange risk, there is no guarantee that hedging or protection will be achieved. Unless otherwise stated in the Target Fund's investment policy, there is no requirement that the Target Fund seeks to hedge or to protect against currency exchange risk in connection with any transaction.</p> <p>Currency management strategies may substantially change the Target Fund's exposure to currency exchange rates and could result in losses to the Target Fund if currencies do not perform as the Investment Manager expects. In addition, currency management strategies, to the extent that they reduce the Target Fund's exposure to currency risks, may also reduce the Target Fund's ability to benefit from favourable changes in currency exchange rates. There is no assurance that the Investment Manager's use of currency management strategies will benefit the Target Fund or that they will be, or can be, used at appropriate times. Furthermore, there may not be perfect correlation between the amount of exposure to a particular currency and the amount of securities in the portfolio denominated in that currency. Investing in foreign currencies for purposes of</p>

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	<p>gaining from projected changes in exchange rates, as opposed to hedging currency risks applicable to the Target Fund's holdings, further increases the Target Fund's exposure to foreign investment losses.</p> <p>Investors should be aware of the fact that the RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of currencies. Currently, the RMB is traded in two markets: one in Mainland China, and one outside Mainland China (primarily in Hong Kong). The RMB traded in Mainland China is not freely convertible and is subject to exchange controls and certain requirements by the government of Mainland China. The RMB traded outside Mainland China, on the other hand, is freely tradable. Whilst the RMB is traded freely outside Mainland China, the RMB spot, forward foreign exchange contracts and related instruments reflect the structural complexities of this evolving market. Accordingly, Alternative Currency Classes denominated in RMB may be exposed to greater foreign exchange risks.</p>
Liquidity risk	<p>Liquidity risk takes two forms: asset side liquidity risk and liability side liquidity risk. Asset side liquidity risk refers to the inability of the Target Fund to sell a security or position at its quoted price or market value due to such factors as a sudden change in the perceived value or credit worthiness of the position, or due to adverse market conditions generally. Liability side liquidity risk refers to the inability of the Target Fund to meet a redemption request, due to the inability of the Target Fund to sell securities or positions in order to raise sufficient cash to meet the redemption request. Markets where the Target Fund's securities are traded could also experience such adverse conditions as to cause exchanges to suspend trading activities. Reduced liquidity due to these factors may have an adverse impact on the net asset value of the Target Fund and, as noted, on the ability of the Target Fund to meet redemption requests in a timely manner.</p> <p>Certain securities are illiquid due to a limited trading market, financial weakness of the issuer, legal or contractual restrictions on resale or transfer, or that are otherwise illiquid in the sense that they cannot be sold within seven days at approximately the price at which the Target Fund values them. Securities that are illiquid involve greater risk than securities with more liquid markets. Market quotations for such securities may be volatile and/or subject to large spreads between bid and ask prices. Illiquidity may have an adverse impact on market price and the Target Fund's ability to sell particular securities when necessary to meet the Target Fund's liquidity needs or in response to a specific economic event.</p>
Securities lending risk	<p>The entering by the Company into securities lending transactions involves certain risks and there can be no assurance that the objective sought to be obtained from such use will be achieved.</p> <p>Investors must notably be aware that in case of default, bankruptcy or insolvency of the borrower of securities lent by the Target Fund, there is a risk of delay in recovery (that may restrict the ability of the Target Fund to meet delivery obligations under security sales or payment obligations arising from sale requests) or even loss of rights in collateral received, which risks are mitigated by a careful creditworthiness analysis of borrowers to determine their degree of risk for said borrowers to become involved in insolvency/bankruptcy proceedings within the timeframe contemplated by the loan. If the borrower of securities lent by the Target Fund fails to return these securities there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral or the illiquidity on the market in which the collateral is traded.</p>

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	<p>The Target Fund may reinvest the cash collateral received from borrowers. There is a risk that the value or return of the reinvested cash collateral may decline below the amount owed to those borrowers, and those losses may exceed the amount earned by the Target Fund on lending the securities.</p>
Securitisation risk	<p>A securitisation, as defined in the article 2 of Regulation (EU) 2017/2402 of the European Parliament and of the council of 12 December 2017 is a transaction or scheme, whereby the credit risk associated with an exposure or a pool of exposures is tranced, having all of the following characteristics: (i) payments in the transaction or scheme are dependent upon the performance of the exposure or of the pool of exposures; (ii) the subordination of tranches determines the distribution of losses during the ongoing life of the transaction or scheme; (iii) the transaction or scheme does not create exposures which possess all of the characteristics listed in Article 147(8) of Regulation (EU) No 575/2013.</p> <p>Securitisation encompasses a wide-range of assets including asset-backed securities, collateralised debt obligations and mortgage-backed securities.</p> <p>A securitisation is composed of multiple tranches, usually spanning from the equity tranche (highest risk) to the senior tranche (the lowest risk). The performance of each tranche is determined by the performance of the underlying assets or "collateral pool".</p> <p>The collateral pool can encompass securities with different credit qualities, including high-yield securities and junk bonds, and the credit rating of the tranche is not reflective of the quality of the underlying assets.</p> <p>Mortgage-backed securities differ from conventional debt securities in that principal is paid back over the life of the security rather than at maturity, as the underlying mortgages are subject to unscheduled pre-payments of principal before the security's maturity date due to voluntary prepayments, refinancings or foreclosures on the underlying mortgage loans. To the Target Fund this means a loss of anticipated interest, and a portion of its principal investment represented by any premium the Target Fund may have paid over par at the time of purchase. Mortgage pre-payments generally increase when interest rates fall.</p> <p>Mortgage-backed securities also are subject to extension risk. An unexpected rise in interest rates could reduce the rate of pre-payments on mortgage-backed securities and extend their life. This could cause the price of the mortgage-backed securities to be more sensitive to interest rate changes. Issuers of asset-backed securities may have limited ability to enforce the security interest in the underlying assets, and credit enhancements provided to support the securities, if any, may be inadequate to protect investors in the event of default.</p> <p>Collateralised Mortgage Obligations (CMOs) are securities backed by a pool of mortgage pass-through securities or actual mortgage loans that are structured into various tranches with varying maturities and varying priorities in terms of their access to the principal and interest payments from the underlying assets. Such securities will have, depending on the tranches, varying degrees of pre-payment risk and credit risk, depending on their priority in the capital structure. The shorter, more senior tranches will generally be lower risk than the longer dated, more junior tranches.</p> <p>Mortgage-backed securities may be offered as interest only (IO) or principal only (PO) strips, where only the interest or the principal of then underlying mortgages in the pool is passed on to the security holders. These types of securities are highly</p>

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	<p>sensitive to the pre-payment experience associated with the underlying mortgages and will behave in opposite ways to the same trend in pre-payments. For IO securities, early pre-payments within the pool will mean less than expected interest payments since the mortgages will have terminated, adversely affecting security holders. For PO securities, early pre-payments within the pool will mean quicker repayment of principal than expected, benefiting security holders. Because of the highly sensitive nature of these securities, the possibility of sharp declines in prices is much greater compared to conventional mortgage-backed securities.</p> <p>Mortgage- and asset-backed securities may be structured as synthetic securities. For example, the CMBX is a credit default swap on a basket of CMBS bonds, constituting in effect a CMBS index. By purchasing such an instrument, the Target Fund is buying protection (i.e. the ability to get par for the bonds in the event of an unfavourable credit event), allowing the Target Fund to hedge its exposure or go short the CMBS sector. By selling such an instrument short and holding cash against the potential obligation to purchase it, the Target Fund is selling protection and effectively getting long exposure to the CMBS sector more quickly and efficiently than purchasing individual bonds. The risks associated with such synthetic instruments are comparable to those of the underlying asset-backed securities or mortgage-backed securities that the instruments are seeking to replicate, in addition to the risk that the synthetic instruments themselves do not perform as intended due to adverse market conditions. Asset-backed securities are very similar to mortgage-backed securities, except that the securities are collateralised by other types of assets besides mortgages, such as credit card receivables, home-equity loans, manufactured homes, automobile loans, student loans, equipment leases, or senior bank loans, among others. Like mortgage-backed securities, asset-backed securities are subject to pre-payment and extension risks.</p> <p>Collateralised Loan/Debt Obligations (CLOs/CDOs) are similar to asset-backed securities / mortgage-backed securities type of securities. The main difference being the nature of the collateral pool, which is not constituted of debt securities or mortgages but rather leveraged loans issued by corporates. In addition to the normal risks associated with debt securities and asset backed securities (e.g., interest rate risk, credit risk and default risk), CDOs and CLOs carry additional risks including, but not limited to: (i) the possibility that distributions from collateral securities will not be adequate to make interest or other payments; (ii) the quality of the collateral may decline in value or quality or go into default or be downgraded; (iii) the Target Fund may invest in tranches of a CDO or CLO that are subordinate to other classes; and (iv) the complex structure of the security may not be fully understood at the time of investment and may produce disputes with the issuer, difficulty in valuing the security or unexpected investment results.</p>

! 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 with the Fund. If necessary, you should consult your professional adviser(s) for a better understanding of the risks.

DEALING INFORMATION



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

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

WHO IS ELIGIBLE TO INVEST?

- You must be at least eighteen (18) years old and a Sophisticated Investor in order to invest in this Fund. Please refer to the “Glossary” chapter of this Information Memorandum for the definition of “Sophisticated Investor”.
- Please note that if you are a US Person, you are not eligible to subscribe to the Units of the Fund. If we become aware that you are a US Person who holds Units of the Fund, we will issue a notice requiring you to:-
 - redeem your Units; or
 - transfer your Units to a non-US Person, within thirty (30) days from the date of the said notice.

HOW TO PURCHASE UNITS?

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

Individual or Jointholder	Corporation
<ul style="list-style-type: none"> • Account opening form; • Suitability assessment form; • Personal data protection notice form; • Client Acknowledgement Form; • A copy of identity card or passport or any other document of identification; and • Foreign Account Tax Compliance Act (“FATCA”) and Common Reporting Standard (“CRS”) Self-certification Form. 	<ul style="list-style-type: none"> • 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. <p><i>* or any other equivalent documentation issued by the authorities.</i></p>

HOW TO MAKE PAYMENT FOR PURCHASE APPLICATION?

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

WHAT IS THE PROCESS OF THE PURCHASE APPLICATION?

- If we receive your purchase application at or before 3.30 p.m. on a Business Day (or “T day”), we will create your Units based on the initial offer price of a Class during the initial offer period and thereafter, NAV per Unit of a Class for that Business Day. Any purchase request received or deemed to have been received by us after 3.30 p.m. will be transacted on the next Business Day (or “T + 1 day”), unless a prior arrangement is made to our satisfaction.
- Sale of Units will be honoured upon receipt of a complete set of documents together with the proof of payments.

HOW TO REPURCHASE UNITS?

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

USD Class	MYR Class	MYR Hedged-class
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 holding of Units, we may withdraw all your holding of Units and pay the proceeds to you.

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

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

WHAT IS THE PROCESS OF REPURCHASE APPLICATION?

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

WHAT IS THE REPURCHASE PROCEEDS PAYOUT PERIOD?

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

WHAT IS THE PRICING OF UNITS?

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

WHERE TO PURCHASE AND REPURCHASE UNITS?

- Units can be purchased and repurchased at any of the location listed in the “Directory of Sales Offices” section in this Information Memorandum or with our authorised distributors.
- You may obtain a copy of this Information Memorandum, the PHS and application forms from the abovementioned locations. Alternatively, you may also visit our website at www.aham.com.my.

WHAT IS COOLING-OFF RIGHT?

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

You will be refunded within seven (7) Business Days from our receipt of the cooling-off application.

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

WHAT IS THE PROCESS OF COOLING-OFF APPLICATION?

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

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

WHAT ARE THE SWITCHING OPTIONS?

You are able to switch:

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

However, you must meet the 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**

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 on the same day as when we receive your switching application. Please see below the pricing policy of switching for all our funds:

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

CAN I TRANSFER MY UNITS TO ANOTHER PERSON?

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

DISTRIBUTION POLICY

- Subject to the availability of income, the Fund will make distribution to the Unit Holders on a monthly basis. However, the amount of income available for distribution may fluctuate from month to month.

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

To achieve the Fund's objective of providing a regular income and capital appreciation to investors, we will set the income distribution on a sustainable manner to minimise any material risk on future capital appreciation. We will strike a balance between income distribution and capital growth when deciding the income distribution. Having the option to tap into the additional sources of income from (3) unrealised income, (4) unrealised capital gains and/or (5) capital (i.e. collectively known as "distribution out of capital") would give the Manager the flexibility to increase the amount of income distributable to Unit Holders after taking the distribution out of capital risk into considerations.

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

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

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

Notwithstanding the above, we may also reinvest the distribution proceeds which remain unclaimed after twelve (12) months from the date of payment, provided that you still have an account with us.

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.

To enable the cash payment process, Unit Holders investing in Classes other than MYR/MYR Hedged-classes are required to have a foreign currency account with any Financial Institution denominated in the respective currency Classes.

Reinvestment Process

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

SUSPENSION OF DEALING IN UNITS

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

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

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

RELATED PARTIES TO THE FUND

ABOUT THE MANAGER - AHAM

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

Roles, Duties and Responsibilities of AHAM

AHAM is responsible for the investment management and marketing of the Fund, servicing Unit Holders’ needs, keeping proper administrative records of Unit Holders and the Fund and ensuring compliance with stringent internal procedures and guidelines of relevant authorities.

Our Investment Team

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

ABOUT THE TRUSTEE – DEUTSCHE TRUSTEES MALAYSIA BERHAD

Deutsche Trustees Malaysia Berhad (“DTMB”) was incorporated in Malaysia on 22 February 2007 and commenced business in May 2007. The company is registered as a trust company under the Trust Companies Act 1949, with its business address at Level 20, Menara IMC, 8 Jalan Sultan Ismail, 50250 Kuala Lumpur.

DTMB is a member of Deutsche Bank Group (“Deutsche Bank”). Deutsche Bank provides commercial and investment banking, retail banking, transaction banking and asset and wealth management products and services to corporations, governments, institutional investors, small and medium-sized businesses, and private individuals.

Duties and Responsibilities of the Trustee

DTMB’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, the Trustee has to exercise due care and vigilance and is required to act in accordance with the provisions of the Deed, the Act and all relevant laws.

RELEVANT INFORMATION

SALIENT TERMS OF THE DEED

Your Rights and Liabilities

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

- (a) To receive the distribution of income and/or capital (if any), 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 in accordance with the Deed at the time the Units were purchased and any charges payable in relation thereto; or
- (b) For any obligation to indemnify the Trustee and/or the Manager in the event that the liabilities incurred by the Trustee and the Manager in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the assets of the Fund, and any right of indemnity of the Trustee and/or the Manager shall be limited to recourse to the Fund.

Provisions Regarding Unit Holders' Meetings

Quorum Required for Convening a Unit Holders' Meeting

- (a) The quorum required for a meeting of the Unit Holders of the Fund or a Class, as the case may be, shall be five (5) Unit Holders (irrespective of the Class), whether present in person or by proxy; however, if the Fund or a Class, as the case may be, has five (5) or less Unit Holders (irrespective of the Class), the quorum required for a meeting of the Unit Holders of the Fund or a Class, as the case may be, shall be two (2) Unit Holders (irrespective of the Class), whether present in person or by proxy.
- (b) If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty-five per centum (25%) of the Units in Circulation (irrespective of the Class) of the Fund or a particular Class, as the case may be, at the time of the meeting.
- (c) If the Fund or a Class, as the case may be, has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders of the Fund or a Class, as the case may be.

Unit Holders' Meeting convened by the Unit Holders

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

- (a) sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders of the Fund or Unit Holders of a particular Class, as the case may be, at the Unit Holders' last known address or, in the case of jointholders, to the jointholder whose name stands first in the records of the Manager at the jointholder's last known address; and
- (b) publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

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

- (a) requiring the retirement or removal of the Manager;
- (b) requiring the retirement or removal of the Trustee;
- (c) considering the most recent financial statements of the Fund;
- (d) giving to the Trustee such directions as the meeting thinks proper; or
- (e) considering any matter in relation to the Deed,

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

Unit Holders' Meeting Convened By 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 Trustee

The Trustee may summon a Unit Holders' meeting in the event:

- (a) the Manager is in liquidation;
- (b) in the opinion of the Trustee, the Manager has ceased to carry on business;
- (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;
- (d) requiring the retirement or removal of the Manager;
- (e) 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;
- (f) securing the agreement of the Unit Holders to release the Trustee from any liability;
- (g) deciding on the next course of action after the Trustee has suspended the sale and repurchase of Units pursuant to clause 5.9.3 of the Deed; and
- (h) 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 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 Manager may, in its sole discretion and without having to obtain the prior approval of the Unit Holders, determine the trust and wind up the Fund upon the occurrence of any of the following events:

- (a) if any new law shall be passed which renders it illegal; or
- (b) if in the reasonable opinion of the Manager it is impracticable or inadvisable to continue the Fund and the termination of the Fund is in the best interests of the Unit Holders.

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

Termination of a Class

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

The Manager may, in its sole discretion and without having to obtain the prior approval of the Unit Holders, determine the trust and wind up the Class upon the occurrence of any of the following events:

- (a) if any new law shall be passed which renders it illegal; or
- (b) if in the reasonable opinion of the Manager it is impracticable or inadvisable to continue the Class and the termination of the Class is in the best interests of the Unit Holders.

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

Procedures to be taken to increase the fees and charges from the current amount stipulated in this Information Memorandum

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

- (a) we have notified the Trustee in writing of the higher charge and the effective date for the higher charge; and
- (b) a supplemental/replacement information memorandum in respect of the Fund setting out the higher charge is lodged and issued.

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

- (a) the Manager has come to an agreement with the Trustee on the higher rate;
- (b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective; and
- (c) a supplemental/replacement information memorandum stating the higher rate is lodged and issued.

INCORRECT PRICING

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

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

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

FINANCING AND SECURITIES LENDING

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

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

UNCLAIMED MONIES

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

- (a) we may reinvest the unclaimed distribution proceeds provided that you still have an account with us; or
- (b) we will pay to the Registrar of Unclaimed Monies in accordance with the requirements of the Unclaimed Monies Act 1965.

INVESTORS INFORMATION

How can I keep track of my investment?

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

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

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

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

Anti-Money Laundering Policies and Procedures

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

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

DIRECTORY OF SALES OFFICES

AHAM ASSET MANAGEMENT BERHAD

(FORMERLY KNOWN AS AFFIN HWANG ASSET MANAGEMENT BERHAD):

HEAD OFFICE

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

PENANG

B-16-2, Lorong Bayan Indah 3
11900 Bayan Lepas
Pulau Pinang
Toll Free No : 1800-888-377

PERAK

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

JOHOR

Unit 22-05, Level 22
Menara Landmark
No. 12, Jalan Ngee Heng
80000 Johor Bahru
Johor
Tel : 07 – 227 8999
Fax : 07 – 223 8998

MELAKA

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

SABAH

Unit 1.09(a), Level 1, Plaza Shell
29, Jalan Tunku Abdul Rahman
88000 Kota Kinabalu, Sabah
Tel : 088 - 252 881
Fax : 088 - 288 803

SARAWAK

Ground Floor, No. 69
Block 10, Jalan Laksamana Cheng Ho
93200 Kuching, Sarawak
Tel : 082 – 233 320
Fax : 082 – 233 663

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

AHAM Asset Management Berhad

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