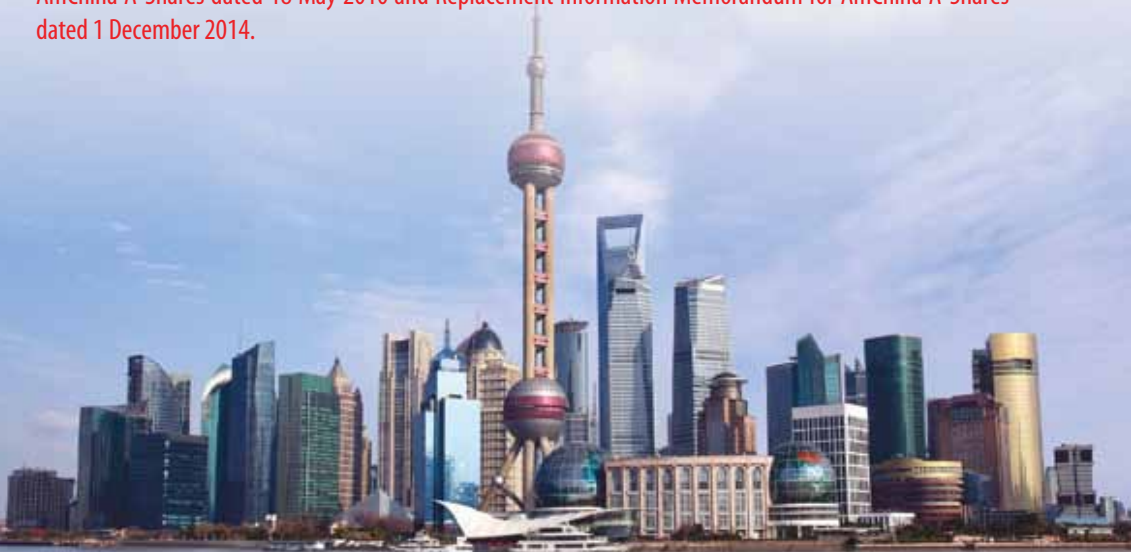


Second Replacement Information Memorandum for **AmChina A-Shares**

This Second Replacement Information Memorandum supersedes/replaces the Information Memorandum for AmChina A-Shares dated 18 May 2010 and Replacement Information Memorandum for AmChina A-Shares dated 1 December 2014.



The Manager

AmFunds Management Berhad

Company number: 198601005272 (154432-A)

The Trustee

Deutsche Trustees Malaysia Berhad

Company number: 200701005591 (763590-H)



AmInvest

This Second Replacement Information Memorandum is dated 5 May 2020

Growing Your Investments in a Changing World

ABOUT THIS SECOND REPLACEMENT INFORMATION MEMORANDUM

This is a Second Replacement Information Memorandum which introduces you to AmFunds Management Berhad and the AmChina A-Shares ("Fund"), which is a wholesale fund. This Second Replacement Information Memorandum outlines in general what you would need to know about the Fund and is intended for the exclusive use by prospective Sophisticated Investors (as defined herein) who should ensure that all information contained herein remains confidential.

This Second Replacement Information Memorandum is strictly private and confidential and solely for your own use. It is not to be circulated to any third party. No offer or invitation to purchase the units of the Fund, the subject of this Second Replacement Information Memorandum, may be made to anyone who is not a Sophisticated Investor.

Unless otherwise indicated, any reference in this Second Replacement Information Memorandum to any legislation, statute or statutory provision is a reference to that legislation, statute or statutory provision for the time being, as amended or re-enacted, and to any repealed legislation, statute or statutory provision which is re-enacted (with or without modification).

SOPHISTICATED INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF SOPHISTICATED INVESTORS ARE UNABLE TO MAKE THEIR OWN EVALUATION, THEY ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS IMMEDIATELY.

DISCLAIMER

An investment in the Fund carries with it a degree of risk. The value of units and the income from it, if any, may go down as well as up, investment in wholesale fund involve risks including the risk of total capital loss and no income distribution. Sophisticated Investors should consider the risk factors set out under Section 5: Risk Factors.

Statements made in this Second Replacement Information Memorandum are based on the law and practices currently in force in Malaysia and are subject to changes in such law and practices.

Any references to a time or day in this Second Replacement Information Memorandum shall be a reference to that time or day in Malaysia, unless otherwise stated.

No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, placing, subscription, sale, switching or redemption of units in the Fund other than those contained in this Second Replacement Information Memorandum or any supplemental document and, if issued, given or made, such advertisement, information or representations must not be relied upon by an investor. Any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information and representations in this Second Replacement Information Memorandum or any supplemental document will be solely at the risk of the Sophisticated Investor. Sophisticated Investors may wish to consult their independent professional adviser about the suitability of the Fund for their investment needs.

This Second Replacement Information Memorandum does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The Manager has the right to reject any application by a US Person. However, if you are investing through our appointed distributor who operates under a nominee system of ownership, kindly consult the respective distributor accordingly.

Personal Data

As part of our day to day business, we collect your personal information when you apply to open an account with us, subscribe to any of our products or services or communicate with us. In return, we may use this information to provide you with our products or services, maintain our records or send you relevant information. We may use your personal information which includes information on any transactions conducted with us, for one or more of the following purposes, whether in Malaysia or otherwise:

- a. Assess your eligibility or suitability for our products which you had applied for and to verify your identity or financial standing through credit reference checks;
- b. To notify you of more and up-to-date information such as improvements and new features to the existing products and services, development of new products, services and promotions which may be of interest to you;
- c. Manage and maintain your account(s) through regular updates, consolidation and improving the accuracy of our records. In this manner we can respond to your enquiries, complaints and to generally resolve disputes quickly so that we can improve our business and your relationship with us;
- d. Conduct research for analytical purposes, data mining and analyse your transactions / use of products and services to better understand your current financial / investment position and future needs. We will also produce data, reports and statistics from time to time, however such information will be aggregated so that your identity will remain confidential;
- e. Comply with the requirements of any law and regulations binding on us such as conducting anti-money laundering checks, crime detection / prevention, prosecution, protection and security;
- f. Enforcement of our rights to recover any debt owing to us including transferring or assigning our rights, interests and obligations under any of your agreement with us;
- g. In the normal course of general business planning, oversight functions, strategy formulation and decision making within AmBank Group;
- h. To administer and develop the Manager's and/or the Manager's associated companies within the AmBank Group business relationship with you;
- i. Outsourcing of business and back-room operations within AmBank Group and/or other service providers; and
- j. Any other purpose(s) that is required or permitted by any law, regulations, standards, guidelines and/or relevant regulatory authorities including with the trustee of the Fund.

Sophisticated Investors are advised to read our latest or updated Privacy Notice (notice provided as required under the Personal Data Protection Act 2010) available on our website at aminvest.com. Our Privacy Notice may be revised from time to time and if there is or are any revision(s), it will be posted on our website and/or other means of communication deemed suitable by us. However any revision(s) will be in compliance with the Personal Data Protection Act 2010.

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1 DEFINITIONS

AFM, the Manager, us, our or we	AmFunds Management Berhad.
AmBank	AmBank (M) Berhad.
AmBank Group	Refers to AMMB Holdings Berhad and all its direct and indirect subsidiaries, including, but not limited to: AmBank (M) Berhad, AmBank Islamic Berhad, AmInvestment Bank Berhad, AmInvestment Group Berhad, AmFunds Management Berhad, AmIslamic Funds Management Sdn Bhd, AmFutures Sdn Bhd, AmCard Services Berhad and AmGeneral Insurance Berhad.
AmInvest	The brand name for the funds management business of AMMB Holdings Berhad comprising AmFunds Management Berhad and AmIslamic Funds Management Sdn Bhd.
A-Shares	Securities issued by companies incorporated in the PRC and listed on the stock exchanges in the PRC, traded in RMB and available for investment by domestic (Chinese) investors and holders of QFII license.
AUD	Australian Dollar
Auditor	Has the same meaning as defined in the CMSA 2007.
BNM	Bank Negara Malaysia established under the Central Bank of Malaysia Act 2009.
B-Shares	Securities issued by companies incorporated in the PRC and listed on the stock exchange in the PRC, traded in USD or HKD and available for investment by domestic (Chinese) and foreign investors.
Business Day	<p>A day on which the Bursa Malaysia and/or commercial banks in Kuala Lumpur are open for business.</p> <p>The Manager may declare certain Business Days to be non-Business Days although banks in Kuala Lumpur are open, if the markets in which the Fund is invested in are closed for business. This is to ensure that investors are given a fair valuation of the Fund when making subscriptions or redemptions. This information will be communicated to you via our website at www.aminvest.com. Alternatively, you may contact our Customer Service at 603- 2032 2888.</p>

Class(es)	<p>Any number of class(es) of units representing similar interests in the assets of the Fund and Class means any one class of units.</p> <p>Classes that may be offered by the Fund are as follows:</p> <ul style="list-style-type: none"> • AUD-Hedged Class • EUR-Hedged Class • RM-Hedged Class • SGD-Hedged Class • USD Class • AUD Class • EUR Class • RM Class • SGD Class <p>For the life of this Second Replacement Information Memorandum, only these two (2) Classes (each a “Class” and collectively “Classes”) will be offered for subscriptions:</p> <ul style="list-style-type: none"> • RM Class – a class issued by the Fund which is denominated in RM of the Fund; and • RM-Hedged Class – a class issued by the Fund which is denominated in RM and will be hedged against the base currency of the Target Fund.
CMSA 2007, CMSA, the Act	Capital Markets and Services Act 2007 and any amendments made thereto.
CRS	Common Reporting Standards.
Deed	The deed and any supplemental deeds entered into between the Manager and the Trustee in relation to the Fund.
EUR	Euro
FATCA	Foreign Account Tax Compliance Act.
FIMM	Federation of Investment Managers Malaysia
Fund	AmChina A-Shares.
IUTA	Institutional Unit Trust Scheme Adviser registered with the Federation of Investment Managers Malaysia (FIMM) to market and distribute unit trust funds.
HKD	Hong Kong Dollar
H-Shares	Securities issued by companies incorporated in the PRC and listed on the stock exchange of Hong Kong, traded in HKD.
Latest Practicable Date (LPD)	31 January 2020
Launch date	RM Class : 18 May 2010. RM-Hedged Class : 25 April 2019
long-term	The investment horizon should be at least ten years.

MSCI	<p>Morgan Stanley Capital International.</p> <p><i>Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an “as is” basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the “MSCI Parties”) expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com).</i></p>
MYR, RM	Ringgit Malaysia.
NAV per unit	Net Asset Value attributable to a Class divided by the number of units in circulation of that Class, at the valuation point.
Net Asset Value (NAV)	The value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point. For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is inclusive of the management fee and trustee fee for the relevant day.
p.a.	Per annum.
PRC	People’s Republic of China
QFII	Qualified Foreign Institutional Investor
Red Chips	Securities issued by companies incorporated outside of the PRC, generating a predominant proportion of their sales and/or profits from the PRC and listed on the stock exchange of Hong Kong.
Redemption	Repurchase of units of the Fund.
Second Replacement Information Memorandum	Second Replacement Information Memorandum of the Fund.
RMB	The official currency of the PRC and, unless the context otherwise requires, the term “RMB” refers to offshore Chinese Renminbi (CNH) traded offshore in Hong Kong or markets outside the PRC and not to onshore Chinese Renminbi (CNY)

SC Guidelines	Guidelines on the Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC, and shall include any amendments and revisions contained herein or made pursuant thereto.
SC, the SC	Securities Commission Malaysia.
SGD	Singapore Dollar
Sophisticated Investor(s)	Means any person who comes within any of the categories of investors set out in Part 1, Schedule 6 and 7 of the CMSA.
Special Resolution	<p>Means a resolution passed by a majority of not less three-fourths of the Unit Holders present and voting at the meeting in person or by proxy.</p> <p>For the purposes of terminating the Fund, “Special Resolution” is passed by a majority in number holding not less than three-fourths of the value of the votes cast by the Unit Holders present and voting at the meeting in person or by proxy.</p>
Target Fund	Allianz China A-Shares
Target Fund’s Dealing Day	A day on which banks and exchanges in Luxembourg, Hong Kong as well as China in which at least 70% of the investments of the Target Fund are quoted, listed or dealt in, are all open for business, or any other day determined by the board of directors of the Target Fund.
Trustee	Deutsche Trustees Malaysia Berhad.
Unit Holder(s), you	<p>The person(s) for the time being registered under the provisions of the Deed as a holder of units of the Fund including the joint holders, whose name appears in the Manager’s register of Unit Holders.</p> <p>Please note that if a Sophisticated Investor invests through a distributor via nominee system of ownership, the Sophisticated Investor will not be deemed a Unit Holder under the Deed.</p>
US (United States) Person	A US citizen or resident individual, a partnership or corporation organized in the US or under the laws of the US or any State thereof, a trust if: (i) a court within the US would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (ii) one or more US persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the US as defined in the Malaysia-US IGA Guidance Notes on Compliance Requirements for Malaysia-US Intergovernmental Agreement on Foreign Account Tax Compliance Act (FATCA) issued by Inland Revenue Board Of Malaysia dated 11 September 2015, including any amendments, guidelines and other administrative actions made thereunder.
USD	US Dollar.

Wholesale Fund

A fund, the units which are issued, offered for subscription or purchase, or for which invitations to subscribe for or purchase the units have been made, exclusively to Sophisticated Investors.

2 CORPORATE DIRECTORY

MANAGER

AmFunds Management Berhad
Company number: 198601005272
(154432-A)

Registered office

22nd Floor, Bangunan AmBank Group,
No.55, Jalan Raja Chulan,
50200 Kuala Lumpur.
Tel: (03) 2036 2633

Business office

9th & 10th Floor, Bangunan AmBank Group,
No.55, Jalan Raja Chulan,
50200 Kuala Lumpur.
Tel: (03) 2032 2888
Fax: (03) 2031 5210
Email: enquiries@aminvest.com
Website: www.aminvest.com

TRUSTEE

Deutsche Trustees Malaysia Berhad
Company number: 200701005591
(763590-H)

Registered office / Business office

Level 20, Menara IMC,
8 Jalan Sultan Ismail,
50250 Kuala Lumpur.
Tel: (03) 2053 7522
Fax: (03) 2053 7526

TRUSTEE'S DELEGATE (CUSTODIAN)

Deutsche Bank (Malaysia) Berhad
Company number: 199401026871
(312552-W)

Registered office

Level 18, Menara IMC
No. 8, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : (603) 2053 6788
Fax: (603) 2031 8710

Business office

Level 18-20, Menara IMC,
No. 8, Jalan Sultan Ismail,
50250 Kuala Lumpur.
Tel : (603) 2053 6788
Fax: (603) 2031 8710

3 THE FUND'S DETAILED INFORMATION

3.1 Fund Information

Fund Name	AmChina A-Shares
Fund Type	Growth
Fund Category	Wholesale (Feeder Fund)
Investment Objective	<p>The Fund seeks to provide long-term capital growth by investing in the Target Fund which invests primarily in the A-Shares equity markets of the People's Republic of China.</p> <p><i>Note: Any material change to the investment objective of the Fund would require Unit Holders' approval.</i></p>
Investment Strategy	<p>A minimum of 95% of the Fund's NAV will be invested in the Allianz China A-Shares (the "Target Fund").</p> <p>However, the Manager may adopt temporary defensive strategy by maintaining 100% in liquid assets or cash that may be inconsistent with the Fund's principal investment and asset allocation strategy. This will be done with consent of the investment committee. In addition, we may choose to replace the Target Fund with another fund with a similar objective, if in our view, the Target Fund no longer meets the Fund's investment objective, or when acting in the interest of the Unit Holders.</p> <p><i>Note: A replacement of the Target Fund would require Unit Holder's approval.</i></p>
Performance Benchmark	<p>MSCI China A Onshore Total Return (Net) [formerly known as MSCI China A Total Return (Net)] (available at www.aminvest.com or www.msci.com)</p> <p><i>Note: The risk profile of the Fund may not be the same as the risk profile of the performance benchmark. The performance benchmark is only a measurement of the Fund's performance and there is no guarantee it will be achieved. The above benchmark may be changed to reflect any material change to the Fund's asset allocation range as permitted by the prevailing regulations.</i></p>
Asset Allocation	<p>A minimum of 95% of the Fund's NAV will be invested in the Target Fund while maintaining up to a maximum of 5% of the Fund's NAV in liquid assets.</p> <p><i>Note: The limits on the asset allocation of the Fund may be temporarily exceeded as a result of price movements or due to reasons beyond the control of the Manager. The Manager will rectify such situation within seven (7) Business Days, taking due account of the interest of its Unit Holders.</i></p>

Income Distribution Policy	<u>RM & RM-Hedged Classes</u> Subject to availability of income, distribution (if any) is incidental.
	<u>Other Classes except for RM & RM-Hedged Classes</u> Subject to availability of income, distribution (if any) is incidental and will be reinvested into the respective Classes.
Base Currency of the Fund	RM
Investor Profile	The Fund is suitable for Sophisticated Investors seeking: <ul style="list-style-type: none"> • capital growth on their investments; • a long-term investment horizon; and • participation in the upside potential of China in particular China A-Shares.

3.2 Other Information

Launch Date	RM Class : 18 May 2010. RM-Hedged Class : 25 April 2019					
Financial Year End	31 January					
Initial offer period	<u>RM Class</u> A period of up to nine (9) days commencing from 18 May 2010 to 26 May 2010. <u>RM-Hedged Class</u> A period of up to twenty-one (21) days commencing from 25 April 2019 to 15 May 2019.					
Initial offer price	<table border="1"> <tr> <td>RM Class</td> <td>RM-Hedged Class</td> </tr> <tr> <td>RM1.0000 per unit</td> <td>RM1.0000 per unit</td> </tr> </table>	RM Class	RM-Hedged Class	RM1.0000 per unit	RM1.0000 per unit	
RM Class	RM-Hedged Class					
RM1.0000 per unit	RM1.0000 per unit					
Permitted Investment	As permitted under the Deed and the requirements of the SC, the Fund will invest in any of the following investments: <ol style="list-style-type: none"> the Target Fund or a collective investment scheme having a similar objective; liquid assets which include but not limited to cash, deposits and money market instruments; financial derivatives for hedging purposes; and any other form of investments as may be permitted by the SC from time to time. 					
List of current deed and supplementary deeds	<ul style="list-style-type: none"> • Master deed dated 18 May 2010 • First supplemental deed dated 23 October 2013 • Second supplemental deed dated 28 November 2014 • Third supplemental deed dated 25 March 2015 • Fourth supplemental deed dated 19 April 2019 					

4 INFORMATION ON ALLIANZ GLOBAL INVESTORS FUND – ALLIANZ CHINA A-SHARES (THE TARGET FUND)

Name of Target Fund	Allianz China A-Shares
Regulatory Authority	Commission de Surveillance du Secteur Financier, Luxembourg
Management Company	Allianz Global Investors GmbH
Investment Manager of the Target Fund	Allianz Global Investors Asia Pacific Limited
Domicile	Luxembourg
Date of establishment	31 March 2009
Name of share class	AT (USD)
Base Currency of the Target Fund	USD

4.1 About Allianz Global Investors Fund

Allianz Global Investors Fund (“the Company”) was incorporated for an unlimited period as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and qualifies as an open-ended *Société d’Investissement à Capital Variable* (SICAV) under the Part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended from time to time.

The Company is an umbrella fund, and as such offers the Fund the opportunity to invest in one or more sub-funds (each “Sub-Fund” and collectively the “Sub-Funds”). Each sub-fund has its own specific investment objective and an independent portfolio of assets. Each sub-fund is treated as a separate entity. The assets of a specific sub-fund only cover the debts and obligations of that sub-fund, even those that exist in relation to third parties.

The Target Fund is a sub-fund under the Company. The Target Fund was launched on 31 March 2009 and the total fund size of the Target Fund was USD 1.87 billion as at 31 January 2020. The Target Fund is regulated by Luxembourg Supervisory Authority, the Commission de Surveillance du Secteur Financier (“CSSF”).

4.2 Management of the Company and the Investment Manager of the Target Fund

The Company has appointed Allianz Global Investors GmbH to act as the Management Company, responsible for the day-to-day operations and investment management.

The Management Company is an investment management company within the meaning of the German Investment Code and was incorporated as a limited liability company (Gesellschaft mit beschränkter Haftung) under the laws of the Federal Republic of Germany in 1955. Its registered office is located at Bockenheimer Landstrasse 42-44, 60323 Frankfurt/Main,

Germany (Headquarter). The Management Company is authorized and regulated by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin).

The Management Company has transferred fund management of Allianz China A-Shares to Allianz Global Investors Asia Pacific Limited ("AllianzGI AP"). Its registered office at 27/F, ICBC Tower, 3 Garden Road, Central, Hong Kong and is domiciled in Hong Kong. AllianzGI AP is regulated by the Hong Kong Securities and Futures Commission and has been managing collective investment schemes and discretionary funds since its establishment in 2007.

4.3 Investment Objective and Restrictions

The investment policy is geared towards capital growth over the long term. The Target Fund will seek to achieve its investment objective primarily through investment in the A-Share equity markets of the People's Republic of China ("PRC").

Detailed below are excerpts of the investment principles applicable to Allianz China A-Shares set out in the Company's prospectus dated 23 December 2019, which may be amended from time to time. If you need more information, kindly visit their website at <http://www.allianzgi.sg>.

The investment strategy and principles of the Target Fund are as follows:

- a) The Target Fund assets may be invested in emerging markets.
- b) Maximum 69% of the Target Fund assets may be invested via RQFII.
- c) Maximum 20% of the Target Fund assets may be invested in equities of the PRC markets other than the China A-Shares market such as China B-Shares and China H-Shares.
- d) Maximum 10% of the Target Fund assets may be invested in equities outside the PRC.
- e) The Target Fund assets may not be invested in convertible debt securities including contingent convertible bonds.
- f) Maximum 10% of the Target Fund assets may be held directly in deposits and/or invested in money market instruments and/or in debt securities and/or in money market funds for liquidity management.
- g) Maximum 10% of the Target Fund assets may be invested in close ended funds listed on the Shanghai Stock Exchange or Shenzhen Stock Exchange.
- h) Hong Kong Restriction applies.
- i) VAG Investment Restriction applies.
- j) GITA Restriction (Alternative 1) applies, however at least 70% of the Target Fund assets are invested in equity participation according to article 2, section 8 GITA.

4.4 Share Classes

The Target Fund has many share classes and each share class may have different characteristics including, but not limited to, fee structures, dividend policy, permitted investors, minimum investment amount and etc. In addition, share classes may contain an additional name which can be found in Appendix 6 of the Company's Prospectus.

Share classes A, C, D, F, I, N, P, R, S, W, X and Y are distribution shares the distribution of which will generally be made on 15 December of each year or, if such day is not a valuation day, the next applicable valuation day unless otherwise stated in Appendix 6 of the Company's Prospectus. Share Classes T are accumulation shares and retain all income (while accounting for income equalisation) less payable charges, fees, taxes and other expenses and reinvest these amounts. No distributions are expected to be paid to holders of accumulation shares.

4.5 Valuation of Assets

Detailed below are excerpts of valuation of assets applicable to Allianz China A-Shares set out in the Company's prospectus dated 23 December 2019, which may be amended from time to time. If you need more information, kindly visit their website at <http://www.allianzgi.sg>.

The net asset value per share of a class of shares will be calculated in the base currency of the Target Fund and, if share classes are issued with other reference currencies in the Target Fund, such net asset value will be published in the currency in which that class of shares is denominated, unless there is a suspension of the calculation of the net asset value. On each business day or at some time during a business day, the net asset value per share is calculated by dividing the net assets of the Company attributable to the respective share class, that is, the proportional share of the assets attributable to such a share class less the proportional share of the liabilities attributable to a share class on this business day or this time during this business day, by the number of shares in circulation of the relevant share class. Net asset value may be rounded up or down to the next applicable currency unit in accordance with the decision of the Board of Directors of the Target Fund.

If since the determination of the share value there have been significant changes in the prices on markets in which a significant portion of the assets attributable to a share class are traded or listed, the Company may, in the interest of the shareholders and the Company, cancel the first valuation and perform a second valuation.

The value of the assets is determined as follows:

- a) Cash, term deposits and similar assets are valued at their face value plus interest. If there are significant changes in market conditions, the valuation may be made at the realisation price if the Company can cancel the investment, the cash or similar assets at any time; the realisation price in this sense corresponds to the sales price or the value that must be paid upon cancellation to the Company.
- b) Investments that are listed or traded on an exchange will be valued based on the latest available trade price on the stock exchange which constitutes in principle the principal market for this investment.
- c) Investments traded on another regulated market are valued at the latest available trade price.
- d) Securities and money-market instruments whose latest available trade prices do not correspond to appropriate market prices, as well as securities and money-market instruments not officially listed or traded on an exchange or on another regulated market, and all other assets, are valued on the basis of their probable sales price, determined prudently and in good faith.
- e) Claims for reimbursement from securities lending are valued at the respective market value of the securities and money-market instruments lent.
- f) The liquidation proceeds of futures, forward or options contracts not traded on exchanges or on other regulated markets means their net liquidating value determined, pursuant to the policies established by the Board of Directors of the Target Fund, on the basis of calculations consistently applied for all types of contracts. The liquidation proceeds of futures, forward or options contracts traded on exchanges or on other regulated markets will be based upon the latest available trade price of these contracts on exchanges and regulated markets on which the particular futures, forward or options contracts are traded by the Company. If futures, forward or options contracts cannot be liquidated on the day

with respect to which net assets are being determined, the basis for determining the liquidating value of such contracts will be such value as the Board of Directors of the Target Fund deems fair and reasonable.

- g) Interest-rate swaps are valued at their market value by reference to the applicable interest rate curve.
- h) Index and financial instrument-related swaps will be valued at their market value established by reference to the applicable index or financial instrument. The valuation of the index or financial instrument-related swap agreement is based upon the market value of such swap transaction established in good faith pursuant to procedures established by the Board of Directors.
- i) Target fund units in UCITS or UCI are valued at the latest redemption price determined and obtainable.

The value of all assets and liabilities not expressed in the base currency of the Target Fund will be converted into such currency at the latest available exchange rates. If such rates are not available, the rate of exchange will be determined in good faith pursuant to procedures established by the Company.

In derogation of aforementioned rules a fair value pricing model could be used. Fair value pricing model means that the value of certain assets will be adjusted to more actual figures in case that certain criteria are fulfilled. Such adjustment may happen during monitoring periods as defined by the Board of Directors of the Target Fund from time to time, if (i) a single country equity risk exposure (excluding equity exposure held via target funds) of the Target Fund reaches or exceeds a certain trigger level, as defined by the Board of Directors of the Target Fund from time to time, on the first business day of the respective monitoring period and (ii), at the Target Fund's order deadline, the main stock exchange of the respective country is already closed during normal course of business. If the aforementioned conditions are fulfilled the value of the Target Fund's assets which form part of the respective single country equity risk exposure based on the closing prices of the respective country's main stock exchange is compared to their estimated value at the moment when the Target Fund's net asset value is calculated; the estimation is based on the movement of index orientated instruments since the close of business of the respective country's main stock exchange. If such comparison leads to an estimated Target Fund's net asset value which deviates by, at least, a certain trigger level, as defined by the Board of Directors of the Target Fund from time to time, from a net asset value calculated without a fair value pricing adjustment, for the purpose of calculation of Target Fund's net asset value the value of the respective assets will be adjusted accordingly as far as their non-adjusted value does not seem to represent their actual value.

The Company, at its sole discretion, may permit some other method of valuation to be used if it considers such valuation to be a more fair valuation of an asset of the Company.

4.6 Performance of the Target Fund

The performance figures in respect of the Target Fund is not presented in the Target Fund's prospectus as it recently merged from Allianz Global Investors Opportunities – Allianz China A Shares into Allianz Global Investors Fund – Allianz China A Shares on 23 October 2019 and accordingly, a track record of at least one year is not available. The benchmark used for the Target Fund is MSCI China A Onshore Index (Net).

Target Fund	One Year (%)	Three Year (%)	Five Year (%)	Since Inception (%)
Allianz China A Shares AT (USD)	13.32	12.35	19.51	9.28
Benchmark: MSCI China A Onshore Total Return (Net)	8.58	0.61	5.29	4.27

**Information above is as at 31 July 2019*

4.7 Fees charged by the Target Fund

Sales Charge	Up to 5.00% p.a. of the NAV of the Target Fund
Conversion Fee	Up to 5.00% p.a. of the NAV of the Target Fund
All-in-Fee	Up to 2.25% p.a. of the NAV of the Target Fund <i>The All-in-Fee replaced the expenses previously called management fee and administration fee in which prior to the introduction of the All-in-Fee were charged 1.75% p.a. and 0.50% p.a. respectively. The concept of All-in-Fee represents a rewording and consolidation of fees and currently does not change the actual fees charged to the Target Fund previously. There will be no double charging of management fee. Please refer to page 26 for further details on the management fee charged for the Fund.</i>
Taxe d'Abonnement	0.05% p.a. of the NAV of the Target Fund

Note:

The Management Company has the discretion to levy lower fees and expenses.

The Conversion Fee refers to a conversion into the mentioned share class of the Target Fund.

If you need more information, kindly visit their website at <http://www.allianzgi.sg>.

4.8 Deferral of Redemption and Conversion Requests

If redemption applications (including the redemption portion of conversion applications) exceed 10% of the shares in issue or NAV of the Target Fund on any dealing day, the Company may in their absolute discretion defer some or all of such applications for such period of time (which shall not exceed two valuation days) that the Company considers to be in the best interest of the Target Fund, provided that, on the first valuation day following this period, such deferred redemption and conversion applications will be given priority and settled ahead of newer applications received after this period.

The "Dealing Day / Valuation Day" refers to each day on which banks and exchanges in the countries and/or cities indicated are open for business. In case that a specific day indicated is not a day on which banks and exchanges in such countries and/or cities are open for business the next day on which banks and exchanges in such countries and / or cities are open for business shall be considered.

Dealing Day / Valuation Day	Luxembourg / Hong Kong / PRC
Trading Deadline	11.00 a.m. Central European Time or Central European Summer Time on any Dealing Day.

If you need more information, kindly visit their website at www.allianzgi.com.

4.9 Temporary Suspension of the Calculation of NAV and Resulting Suspension of Dealing

The Company may temporarily suspend the calculation of the NAV per unit of the Target Fund as well as any dealing in any shares upon the occurrence of any of the following:

- i. during any period (with the exception of regular bank holidays) in which any of the principal stock exchanges or other markets on which a substantial portion of the assets of a Target Fund is listed or dealt in is closed, or during any period in which trade on such an exchange or market is restricted or suspended, provided that such closure, restriction or suspension affects the valuation of the assets of the Target Fund in question listed on such exchange or market; or
- ii. during any period in which, in the view of the Company, there is an emergency, the result of which is that the sale or valuation of assets cannot, for all practical purposes, be carried out; or
- iii. at times when there is a breakdown in the means of communication or calculation normally used on an exchange or other market to determine the price or the value of investments of the Target Fund or to determine the current price or value of investments of the respective Target Fund; or
- iv. if, for any other reason, the prices for assets of the Company attributable to the Target Fund cannot be determined rapidly or precisely; or
- v. during any period in which it is not possible for the Company to repatriate the necessary funds for the redemption of shares, or in which the transfer of funds from the sale or for the acquisition of investments or for payments resulting from redemptions of shares cannot be carried out at normal exchange rates; or
- vi. from the time of the announcement of a call by investors for an extraordinary meeting of shareholders for the purpose of liquidating the Company or for the purpose of carrying out a merger of the Company, the Target Fund, or for the purpose of informing investors of the decision by the Company's board of directors, to liquidate the Target Fund or for the purpose of merging the sub-funds or share classes; or
- vii. during any period in which the valuation of the currency hedges of sub-funds or share classes whose respective investment objectives and policies make hedging of currencies at the share class or sub-fund level desirable cannot be adequately carried out or cannot be carried out at all.

Appropriate notice of any such suspension as considered necessary will be published by the Company. The Company may notify shareholders applying to deal in shares for which the calculation of NAV has been suspended. Any such suspension in a share class has no effect on the calculation of the NAV per share or the dealing of shares of other share classes.

4.10 General Investment Principles

Allowable Investment of Assets:

- a) Securities and money market instruments that are traded on a stock exchange or another regulated market of an EU Member State or of a third country, which operates regularly and is recognised and open to the public, or are offered within the scope of initial public offerings, the issuing terms of which include the obligation to apply for admission to official listing on a stock exchange or in another regulated market and the admission of which is obtained no later than one year after the issue;
- b) Units of UCITS or other UCIs established in an EU member state or in a third country;

- c) Deposits with a credit institution 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 third country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law. The deposits may in principle be denominated in all currencies permitted by the investment policy of the Target Fund;
- d) Financial derivative instruments;
- e) Money market instruments that are not traded on a regulated market and do not fall under the definition under 1.a) above, provided that the issue or issuer of these instruments is itself subject to regulations concerning deposit and investor protection;
- f) Invest of up to 10% of its assets in securities and money market instruments other than those listed under 1. (subject to the provisions of the relevant investment restrictions of the Target Fund); or
- g) Raise short-term loans of up to 10% of the Target Fund net assets, provided to the terms of the Target Fund investment restrictions or in the Target Fund specific asset class principles will give an only declarative indication.

The Company is not permitted to enter into the following transactions:

- a) No Sub-Fund may assume liabilities in connection with the purchase of partly paid securities.
- b) No Sub-Fund may grant loans, or act as guarantor on behalf of third parties.
- c) No Sub-Fund may acquire securities the disposal of which is subject to any kinds of restrictions due to contractual provisions.
- d) No Sub-Fund may invest in real estate, although real-estate-backed securities or money market instruments or interests in such investments, or investments in securities or money market instruments issued by companies which invest in real estate (such as REITs), and interests in such investments are permitted.
- e) No Sub-Fund may acquire precious metals or certificates on precious metals.
- f) No Sub-Fund may pledge or charge assets, transfer them as collateral, or assign them as collateral, unless this is required within the framework of a transaction permitted under the Prospectus.
- g) No Sub-Fund may conduct short sales of securities, money market instruments or target fund shares.
- h) Pursuant to the investment restrictions applicable under Hong Kong requirements, the total aggregate investments by the Company in any ordinary shares issued by any single issuer may not exceed 10%.

4.11 Use of Techniques and Instruments / Risk Management Process

Use of Techniques and Instruments

Subject to the specific investment restrictions of the Target Fund, the investment objective and the General Investment Principles may be achieved through the use of techniques and instruments as described below.

Techniques and Instruments refer to the purchase of listed and non-listed (OTC) derivatives, including, without limitation, futures, options, forward transactions, financial instruments with embedded derivatives (structured products), credit default swaps, other swaps and instruments which provides returns based on other investments, securities, money market instruments, funds, other derivatives, financial indices, basket of securities, currencies, exchanges rates, interest rates, commodities, and other eligible so called “underlyings” etc.

In the case of credit default swaps, the respective counterparties of such credit default swaps must be top-rated financial institutions specialising in such transactions. Both the underlying and the counterparties to the credit default swap must be taken into account with regard to the investment limits set out above. Credit default swaps are valued on a regular basis using clear and transparent methods, which will be monitored by the Company and their independent auditor. If the monitoring should reveal irregularities, the Company will arrange for these to be resolved and eliminated.

Subject to specific investment restrictions of the Target Fund, techniques and instruments may be either:

- (i) used for efficient portfolio management (including hedging) and/or
- (ii) investment purposes.

The use of techniques and instruments may involve entering into market-contrary transactions, which, for example, could lead to gains if prices of underlyings fall, or to losses if the prices rise. They may also be restricted by market conditions or regulatory restrictions and there are no assurances that their implementation will achieve the desired result.

Use of such investment strategies may be restricted by market conditions or as a result of regulatory restrictions and there is no assurance that the pursuit of such strategies will in fact achieve the desired aim.

The Investment Manager may, in particular, invest either directly or indirectly in eligible assets by using techniques and instruments relating to transferable securities and money markets instruments for efficient portfolio management (including hedging) and/or investment purposes, if it is ensured by the Investment Manager that the Target Fund adheres to its investment limits. The use of such techniques and instruments should not result in a change of the declared investment objective of a Target Fund or substantially increase the risk profile of a Target Fund.

For this purpose, the techniques and instruments are taken into account with the delta-weighted value of the respective underlyings in the manner prescribed in the Target Fund's prospectus. Market-contrary techniques and instruments are considered to reduce risk even when their underlying and the assets of the Target Fund are not precisely matched.

In the case of efficient portfolio management, techniques and instruments are used where:

- (a) they are cost-effective;
- (b) they are entered into to reduce risk or cost or to generate additional capital or income with risk levels which is consistent with the risk profile of the Target Fund and applicable risk diversification rules;
- (c) their risks are adequately captured by the risk management process of the Company.

The use of techniques and instruments may not

- (a) result in a change of the Target Fund's investment objective;
- (b) add substantial risks to the risk profile of the Target Fund.

The Investment Managers follows a risk controlled approach in the use of techniques and instruments. In order to limit the exposure of the Company to the risk of default of the counterparty under securities lendings, repurchase or reverse repurchase transactions, the Company will receive cash or other Assets in collateral, as further specified in the section below.

Risk Management Process

The Management Company will calculate the global exposure of each Sub-Fund. The Management Company will use for each Sub-Fund either the commitment approach, the

relative Value-at-Risk approach or the absolute Value-at-Risk approach. The Management Company is adopting the commitment approach for the Target Fund.

The Management Company adopt the commitment approach to limit market risk in respect of the Target Fund. The commitment approach measures the global exposure related solely to positions on financial derivative instruments which are converted into equivalent positions on the underlying assets with the Management Company's total commitment to financial derivative instruments being limited to 100% of the portfolio's total net value after taking into account the possible effects of netting and coverage.

4.12 Investor Profile

Allianz China A-Shares is aimed at investors who pursue the objective of general capital appreciation/asset optimisation and/or above-average participation in price changes. It may not be suitable for investors who wish to withdraw their capital from the fund within a short or medium timeframe. The Target Fund is aimed at investors with basic knowledge and/or experience of financial products. Sophisticated Investors should be capable of bearing a financial loss and should not attach any importance to capital protection.

For detailed information of the Target Fund, please refer to the Target Fund's prospectus available on <https://sg.allianzgi.com>.

5 RISK FACTORS

All investments carry some degree of risk. Therefore, before making an investment decision, you may consider the different types of risk that may affect the Fund or you individually. This section provides you with information on the general risks involved when investing in a wholesale fund and the specific risk associated with the Fund.

General risks associated with investing in a wholesale fund	
Financing Risk	<p>This risk occurs when an investor obtains financing to finance the investor's purchase of units of the Fund. The inherent risk of investing with borrowed money includes the investor's inability to service the loan repayments and the adverse impact of an increase in interest rates on the loan repayments, where the investor may be subject to higher loan repayment instalments.</p> <p>In the event units are used as collateral, an investor may be required to provide cash or units as additional collateral if unit prices fall beyond a certain level due to market conditions, failing which, the investor's units may be sold towards settling the loan.</p>
Inflation Risk	<p>This is the risk that Sophisticated Investors' investment in the fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce Sophisticated Investors' purchasing power even though the value of the investment in monetary terms has increased.</p>
Market Risk	<p>This is the risk of prices of assets falling in response to general market factors as opposed to company-specific factors, which may affect the Fund's underlying investments and hence the NAV of the Fund. Factors influencing the performance of markets include:</p> <ul style="list-style-type: none"> (a) Economic factors such as changes in interest rates, inflation and foreign exchange rates; (b) Socio-political environment; (c) Regulatory factors; and (d) Broad investor sentiment.
Mismatch Risk	<p>The choice of investing in the Fund is made at the discretion of Sophisticated Investors. Mismatch risk is the risk that the Fund chosen by the investor may not be suitable for the needs and circumstances of the investor.</p>
Non-Compliance Risk	<p>This is the risk of the manager or the trustee not complying with their respective internal policies, the deed and its supplemental deed, securities law or guidelines issued by the regulators relevant to each party, which may adversely affect the performance of the fund when the manager or the trustee takes action to rectify the non-compliance. For example, non-compliance could occur due to factors such as human error or shortfalls in operational and administrative processes, or external factors such as market movements.</p> <p>This risk may be mitigated by having sufficient internal controls in place to ensure compliance with all applicable requirements at all times.</p>

Specific risks associated with the investment portfolio of the Fund.

Country Risk	<p>As the Fund invests in the Target Fund which operates in country other than Malaysia, the Fund will be exposed to the risks specific to the country in which the Target Fund operates. Such risk includes changes in the country's economic fundamentals, socio-political environment, exchange rates and foreign investment policies. These factors may have a negative impact on the Fund and consequently adversely affect the Fund's NAV.</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. Sophisticated Investors 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. Sophisticated Investors should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.</p> <p>Note that the Fund also offers multiple currency classes. As such, Class(es) which is denominated in currency different from the base currency of the Target Fund would be exposed to currency risk. When the base currency of the Target Fund depreciates against the denominated currency of the Class(es), the Class(es) will suffer currency losses. This is in addition to any gains or losses derived from the Fund's investments.</p> <p>The Manager may at its discretion hedge the currency exposure of any of the currency Class(es) against the base currency of the Target Fund to mitigate currency risk for the benefit of the Class(es). Note that while hedging protects the Fund against depreciation in the base currency of the Target Fund against the currency Class(es), it also caps the Class(es) from benefiting from an appreciation in the base currency of the Target Fund against the currency of the Class(es).</p> <p>As the Fund offers hedged currency Class(es), the risk associated with investments in those hedged currency Class(es) will be hedged to the base currency of the Target Fund at all times. However, there is no guarantee that such hedging strategy will be effective and that such hedging will be a perfect hedge.</p>
Liquidity Risk	<p>The Fund will be investing a minimum of 95% of its assets in the Target Fund. In the event that the Target Fund is forced to dispose its illiquid stocks at a discount to the fair value of the security due to several factors such as large redemptions, the net asset value of the Target Fund would be adversely affected, hence, the NAV of the Fund would also be similarly impacted.</p> <p>There may be exceptional circumstances under which the liquidity of securities held by the Target Fund cannot be guaranteed and this will</p>

	<p>in turn cause delays in the redemption of units in the Target Fund and the Fund. The exceptional circumstances are as follows:</p> <ul style="list-style-type: none"> (a) the Target Fund may experience redemption applications and conversion applications (with reference to their redemption portion) which exceed 10% of the shares in circulation of the Target Fund on a dealing day, the Company may also decide to suspend redemption applications in excess of 10% of the shares in circulation for a period of time that the Company considers to be in the best interest of the Target Fund, such suspension should not exceed three dealing days; and (b) the existence of specific statutory provisions such as foreign exchange restrictions, or any circumstances beyond the Target Fund manager's control which will make it impossible to transfer the redemption proceeds as requested by the Fund. <p>In any of the above circumstances, the determination of the Fund's NAV may be suspended and redemption requests may be deferred or partially deferred, until after the exceptional circumstances have passed and normal conditions have resumed.</p>
<p>Regulatory and Legal Risk</p>	<p>The value of the Fund's investments may be affected by uncertainties such as political developments, changes in government policies, changes in taxation, restrictions on repatriation of investment proceeds and other developments in the law and regulations of the countries in which investments are made. The legal infrastructure, accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to Sophisticated Investors.</p>
<p>Risk of a Passive Strategy</p>	<p>As the Fund adopts a passive strategy of investing a minimum of 95% of its NAV into the Target Fund at all times, this strategy would result in the Fund being exposed to the risk of its NAV declining when the Target Fund's NAV declines. This is because the Fund is closely mirroring the performance of the Target Fund and will not be adopting any temporary defensive strategies in response to such declines. All investment decisions are left with the fund manager of the Target Fund.</p>
<p>Risk of Not Meeting the Fund's Investment Objective</p>	<p>This is the risk that the Fund may deviate from the intended investment objective, under circumstances including but not limited to the following:</p> <ul style="list-style-type: none"> (a) there is an adverse change in the regulatory and political regime in which the Target Fund operates; (b) there is a material change in the investment objective of the Target Fund; and (c) there is an unfavorable change in the feature of the Target Fund (e.g. fees, distribution policy) <p>The Manager may, in consultation with the Trustee and investment committee of Fund, liquidate the investments in the Target Fund and subsequently call for a Unit Holders' meeting to decide on whether to terminate the Fund or to replace the Target Fund with a new Target Fund.</p>

Taxation Risk	This is the risk that the proceeds from the sale of securities and/or the receipt of income in some markets may be subject to tax, levies, duties or other charges imposed by the authorities in those markets. Tax law and practice in certain countries may not be clearly established. It is therefore possible that the current interpretation of the law or understanding of practice might change or that the law might be changed with retrospective effect, and this may be detrimental to the Fund.
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Note: The abovementioned risks which Sophisticated Investors should consider before investing into the Fund should not be considered to be an exhaustive list. Sophisticated Investors should be aware that investments in the Fund may be exposed to other risks of an exceptional nature from time to time.

Specific risks associated with the Target Fund	
Company-Specific Risk	The price development of the securities and money-market instruments directly or indirectly held by the Target Fund is also dependent on company-specific factors, for example, the issuer's business situation. If the company-specific factors deteriorate, the price of the respective security may drop significantly and for an extended period of time, possibly even without regard to an otherwise generally positive market trend.
Concentration Risk	As the Target Fund focuses its investments on certain markets or types of investment, by definition this concentration does not allow the same scope of diversification of risks across different markets as would be possible if investments were not as concentrated. Consequently, the Target Fund is particularly dependent on the development of these investments or of individual or related markets or of companies included in those markets.
Currency and Foreign Exchange / Chinese Renminbi Currency Risk	<p>A-Shares and other PRC securities are priced in RMB and the PRC government controls future movements in exchange rates and currency conversion. The exchange rate floats against a basket of foreign currencies, therefore such exchange rate could fluctuate widely against the USD and HKD or other foreign currencies in the future. Currently, there is no market or instrument in which an investor may engage in hedging transactions to effectively minimize RMB foreign exchange risk, and there can be no guarantee that instruments suitable for hedging currency will be available at any time in the future. In particular any depreciation of RMB will decrease the value of any dividends and other proceeds an investor may receive from its investments.</p> <p>In addition, investors should note that RMB which is traded within the onshore Renminbi currency market (i.e. the CNY) may trade at a different rate compared to RMB which is traded within the offshore Renminbi currency market (i.e. the CNH). The Target Fund's investments may be exposed to both the CNY and the CNH, and the Target Fund may consequently be exposed to greater exchange risks and/or higher costs of investment. The Chinese government's policies on exchange control are subject to change, and the Target Fund's investments may be adversely affected.</p>

Custodial Arrangements in the PRC	<p>A-Shares or other permissible PRC securities acquired by the Company through the QFII investment quota will be maintained by the Management Company's local custodian in the PRC ("PRC Sub-Custodian"). The PRC Sub-Custodian is the Industrial and Commercial Bank of China Limited which is one of the largest banks in the PRC. Pursuant to an agreement entered into between the Management Company as QFII and the PRC Sub-Custodian and an agreement between the custodian and the PRC Sub-Custodian, the PRC Sub-Custodian is responsible for providing custody services to the Company assets and uninvested cash in the PRC. (Except for interests in open-ended funds which are not registered with the Central Securities Depository and Clearing Corporation Limited and so acquired for the account of the Company in respect of the Target Fund. Such interests will be maintained in the accounts opened with the registration institutions as appointed by the relevant fund managers). Further, brokers in the PRC ("PRC Brokers") will also be appointed to execute transactions for the Company for the account of the Target Fund in the PRC markets. The Company for the account of the Target Fund may incur losses due to the acts or omissions of the PRC Brokers, the PRC Sub-Custodian or the Management Company, and will be exposed to the risk involved in the execution or settlement of any transaction or in the transfer of any funds or securities in the PRC settlement system.</p>
Liquidity of PRC Securities Market	<p>Because of local restrictions capital cannot flow freely into the A-Share, other PRC securities and B-Share market which could – along with the potentially low trading volume – lead to a market disruption of these share markets and difficulties in realising the value of investments. Therefore the liquidity and trading prices of these shares could be more severely affected than the liquidity and trading prices of markets where securities are freely tradable.</p>
Ownership of Investment Assets	<p>According to the CSRC's Notice of Issues relating to the QFII Measures ("CSRC Notice"), the securities account for Target Fund in the PRC is currently required to be maintained in the joint names of the Management Company and the Target Fund. Although the CSRC Notice indicates that assets in such accounts would belong to the Target Fund, the CSRC Notice may serve as an administrative guidance and may not have equal force of the law enacted by legislative bodies.</p>
PRC Economic, Social and Political Policy	<p>In addition investments in PRC are especially sensitive to any major change in economic, social and political policy. There is relatively less regulation and monitoring of the securities market and the activities of investors, brokers and other participants. Accordingly, issuers of securities in PRC are subject to less severe regulations with respect to such matters as insider trading rules, tender offer regulation, stockholder proxy requirements and the requirements mandating timely disclosure of information. In addition PRC accounting standards and practice may significantly differ from international accounting, disclosure and regulatory standards. These circumstances could lead to difficulties in the rating and evaluation process as well as an unfavourable development of the capital growth and thus the performance of the investments. Furthermore the assets and profits appearing on the financial statements of a Chinese issuer may not</p>

	completely reflect its financial position or results of operations which could lead to a higher valuation in comparison to the adequate valuation.
PRC Securities Generally	The evidence of title of exchange traded securities consists only of electronic book-entries in the depository and/or registry associated with the relevant exchange. These systems are relatively new and might not have been fully tested with regard to their efficiency, accuracy and security. Besides, the legal and regulatory framework for capital markets and joint stock companies in the PRC is less accomplished than in developed countries.
QFII Rules and Compliance	<p>The QFII status could be revoked in particular because of material violations of rules and regulations by the QFII. If the operation of the securities account of a QFII materially violates laws and regulations applicable to the QFII, China Securities Regulatory Commission ("CSRC") may adopt penalty measures such as restricting transactions of the relevant securities account and SAFE may adopt penalty measures such as restricting funds remittance or repatriation of the QFII. Further, SAFE Rules provide that the QFII quota may be reduced in size or cancelled entirely by the SAFE under the following circumstances: (i) a QFII commits an illegal act of using foreign exchange, including transferring or selling its QFII quota; (ii) a QFII provides fictitious information or material to the QFII custodian or the SAFE; (iii) a QFII fails to carry out investment-related conversion, purchase or sale of foreign exchange in accordance with applicable provisions; (iv) a QFII fails to provide relevant information or material on its fund conversion or securities investments in China as requested by the SAFE; and (v) a QFII otherwise violates foreign exchange control provisions. All negative impacts on the QFII status or the QFII quota of the Management Company might not necessarily result from transactions on behalf of the Target Fund itself but possibly from transactions or breach of rules by the other subfund(s), the Management Company on behalf of its other clients or the Management Company itself.</p> <p>Investors should note that there can be no assurance that the Management Company will continue to make available its QFII quota, or the Target Fund will be allocated a sufficient portion of the QFII quota to meet all applications for subscription to the Target Fund, or that realisation requests can be processed in a timely manner due to repatriation restrictions or adverse changes in relevant laws or regulations. Such restrictions may result in a rejection of applications and a suspension of dealings of the Target Fund. In extreme circumstances, the Target Fund may incur significant losses due to limited investment capabilities, or may not be able to fully implement or pursue its investment objective or strategy, due to QFII investment restrictions, illiquidity of the Chinese domestic securities market, and/or delay or disruption in execution of trades or in settlement of trades.</p> <p>Also, direct investments in securities in China through QFIIs are subject to compliance with the following investment restrictions imposed under QFII regulations and rules in the PRC (which may be amended from time to time):</p>

- i. shares held by each underlying foreign investor who makes investment through QFII investment quota in one listed company should not exceed 10 per cent of the total outstanding shares of the company; and
- ii. total shares held by all underlying foreign investors who make investment through QFII investment quotas in the A-Shares of one listed company should not exceed 30 per cent of the total outstanding shares of that company.

Since there are limits on the total shares held by all underlying foreign investors in one listed company, the capacity of Allianz Global Investor Opportunities (“Company”) to make investments in A-Shares will be affected by the activities of all underlying foreign investors who make investment through QFIIs.

The current QFII laws, rules and regulations are subject to change, which may take retrospective effect. In addition, there can be no assurance that the QFII laws, rules and regulations will not be abolished. The Company may be adversely affected as a result of such changes.

Qualified Foreign Institutional Investor (QFII) Quota, Investments and Repatriations

In addition the liquidity and value of A-Shares and other PRC securities as well as the ability to buy and sell A-Shares and other PRC securities may also be affected in particular by rules and regulations issued by the PRC government imposing investment restrictions on the QFII regarding minimum investment holding periods, investment quotas and repatriations and other aspects. It should be noted that each QFII is granted an investment quota of available securities applicable for all assets invested through this QFII. The quota is granted to the Management Company as a QFII as a whole and not only to investments made by the Target Fund. Should the Management Company lose its QFII status or in the event that the Management Company is not able to provide the whole or part of the agreed portion of its QFII investment quota to the Target Fund, the Target Fund may not be able to invest through the Management Company’s QFII investment quota directly in A-Shares, other PRC securities and other financial instruments permitted under the regulations around QFII, and the Target Fund may be required to dispose of its holdings which would likely have a material adverse effect on the Target Fund. In the event that subscription demand exceeds the agreed portion of the QFII investment quota of the Target Fund, shares will be allocated at the discretion of the Board of Directors of the Target Fund on a first-come-first-served basis regardless of the share class of the Target Fund applied for.

Further, certain restrictions imposed by the Chinese government on QFIIs (including rules on remittance of investment capital within the prescribed timeframe, investment restrictions, lock-up period of investment capital, and repatriation of investment capital and profits) may have an adverse effect on the Target Fund’s liquidity and performance. According to the Administrative Measures on Foreign Exchange of Domestic Securities Investments by QFII (“SAFE Rules”) issued by State Administration of Foreign Exchange (China) (“SAFE”),

a QFII must fully remit investment principal into China within a six month period from the date the QFII quota is approved by SAFE; failing to do so will render the QFII quota (i) be compulsorily reduced to the amount actually remitted (where the amount actually remitted exceeds the equivalent of USD20 million), or (ii) be revoked entirely (where the amount actually remitted is less than the equivalent of USD20 million). Also, there is an initial lock-up period of 3 months for the repatriation of the investment capital and repatriation of investment capital and profits can only be done on a weekly basis. According to the SAFE Rules, the Target Fund can remit in or out the net amount, on weekly basis in accordance with the gap of the subscription and redemption. The accumulative capital amount of net remit out per month should not exceed 20% of domestic total assets held by the Company in the end of the last calendar year. In case a new subfund is launched during a calendar year, the domestic assets held by the subfund at the expiration of the 3-month-lock-up period applicable to this Target Fund will be considered to determine the monthly remittance threshold.

In case the amount to be remitted in a month exceeds the 20% threshold, the amount due on the realisation of shares will be paid to shareholders as soon as practicable after completion of repatriation. The time required for the completion of such repatriation will be beyond the Company's control. QFII quotas are generally granted to a QFII and not specifically for investment by the Target Fund. The rules and restrictions under the QFII regulations generally apply to the QFII as a whole and not only to the investments made by the Target Fund. In this regard, the capacity of the Target Fund to make investments in A-Shares and other PRC Securities and the ability to repatriate monies from the QFII investment quota granted to the Management Company may be adversely affected by the investments, performance and/or repatriation of monies invested by the other subfund(s) or other clients of the Management Company utilising its QFII investment quota or by the Management Company itself.

For Chinese Renminbi denominated interest - bearing securities issued or listed within and outside the PRC, e.g. in Hong Kong, market depth may be limited and the remaining duration of such securities may be short, potentially resulting in reduced liquidity of the aforementioned securities. The Target Fund may suffer loss in trading such securities, in particular in circumstances where the Target Fund may have to liquidate such investment at a discount in order to meet redemption requests. The Target Fund may not be able to sell the securities at the time desired.

In addition, Investors should be aware that the bid and offer spread of the price of Chinese Renminbi denominated interest-bearing securities may be large. Therefore, the Target Fund may incur significant trading and realisation costs, and may suffer significant losses when selling such investments.

	<p>Investments in Chinese Renminbi denominated interest-bearing securities are also subject to the general risk of an investment in bonds, including, but not limited to interest-rate risks, Chinese Renminbi Currency Risk, creditworthiness risk, company specific risk, default / credit risk, general market risk and counterparty risk.</p>
<p>Risk of Investing in the Security Markets of the People's Republic of China (PRC)</p>	<p>i. <u>The PRC Market</u></p> <p>The PRC has in particular two different stock exchanges in Shanghai and Shenzhen for PRC companies to list and trade their shares and for other PRC Securities including interest-bearing securities issued by PRC issuers to be listed and traded.</p> <p>Two different types of shares are being traded in the Shanghai and Shenzhen Stock Exchanges: A-Shares (denominated in RMB) and B-Shares (denominated in US dollars or Hong Kong dollars). A third type of shares, namely H-shares (denominated in Hong Kong dollars), are issued by PRC companies and listed and traded on the Stock Exchange of Hong Kong. The Stock Exchanges in Shanghai and Shenzhen may be more volatile than the major securities markets in developed countries. Initially, trading in A-Shares was restricted to domestic investors while B-Shares were available for foreign investors only. After reforms were implemented, foreign investors are now allowed to trade in A-Shares and other PRC Securities via the Qualified Foreign Institutional Investor (QFII), Renminbi Qualified Foreign Institutional Investors (RQFII) status, Stock Connect program and B-Shares are available to both domestic and foreign investors. The Management Company of the Target Fund, Allianz Global Investors GmbH ("Management Company") holds a QFII license.</p> <p>The Target Fund will invest into the China A-Shares market via the QFII license of the Management Company.</p> <p>ii. <u>A-Shares and Other Shares</u></p> <p>As a matter of principle the issuance of different shares-classes of the same company offered at different stock exchanges in different currencies is likely to lead to a deviation in the rating and performance of the diverse share-classes due to particularities of the respective stock exchange and/or the currencies. Therefore such deviation may not necessarily reflect any material and fundamental difference in the essential value of the share. Any kind of performance deviation bears the risk of significant discrepancies in the future development of the respective share-class and a possible depression of the stock exchanges in order to correct such deviation. Specifically, because in the past domestic investors were restricted to trading in A-Shares, the government of the PRC has taken policy measures to influence investment decisions of holders of these shares which has in particular led to a rush demand of domestic investors and a possible overvaluation of A-Shares when compared with B-Shares or H-Shares of the same companies that could still affect the future market situation.</p>

Risks of Utilising Stock Connect programmes

The Target Fund may invest in Chinese A-Shares via Stock Connect programmes.

i. Regulatory Risks

Stock Connect is a securities trading and clearing linked program initially developed to achieve mutual stock market access between Mainland China via the Shanghai Stock Exchange (“SSE”) and Hong Kong via the Hong Kong Stock Exchange (“HKEx”). The Target Fund and other overseas investors may have direct access to certain eligible Chinese A-Shares under the Northbound Trading Link by routing orders to the SSE. Stock Connect is novel in nature and is subject to regulations promulgated by regulatory authorities in Mainland China and in Hong Kong and implementation rules made by the relevant stock exchanges. Regulations are untested and there is no certainty as to how they will be applied. The current regulations are also subject to change which may have potential retrospective effect and there can be no assurance that Stock Connect will not be abolished. Investors should note that the Target Fund which may invest in the markets of Mainland China through Stock Connect may be adversely affected as a result of any such changes.

To the extent the Stock Connect programme would be extended to Chinese A-Shares listed on the Shenzhen Stock Exchange (“SZSE”), and provided that the conditions and risks in respect of the legal and operational arrangements do not differ significantly and disproportionately from those in relation to the Shanghai-Hong Kong Stock Connect, the Target Fund may be invested in Chinese A-Shares dealt on the SZSE as well.

ii. Eligible Stocks and Suspension Risks

Eligible securities include all constituent stocks of the SSE 180 Index and SSE 380 Index as well as the SZSE Component Index, as the case may be, and all Chinese A-Shares listed on the respective exchange that are not included as constituent stocks of the relevant indices but have corresponding Chinese H-Shares listed on the HKEx (except those not traded in RMB or are included in the “risk alert board”). When a stock is recalled from the scope of eligible stocks for trading via Stock Connect, the stock can only be sold but will be restricted from being purchased. This may affect the investment portfolio or strategies of the Target Fund. In addition, investors should be aware of the risk that the stock exchanges in both Mainland China and Hong Kong reserve the right to suspend the trading link upon consent by the other if necessary for ensuring an orderly and fair market and for managing risks prudently. Where a suspension in the trading through Stock Connect is effected, the Target Fund’s ability to invest in Chinese A-Shares or access the Mainland China market through Stock Connect will be adversely affected. In such event, the Target Fund’s ability to achieve its investment objective could be negatively affected.

iii. Trading Day, Quota and Foreign Shareholding Limits

Stock Connect will only operate on days when both, the Mainland China and Hong Kong markets, are open for trading and when banks in both markets are open on the corresponding settlement days. Trading is also subject to a maximum crossborder daily quota (“Daily Quota”). The Daily Quota limits the maximum net buy value of cross-boundary trades under Stock Connect each day. Once the remaining balance of the Northbound Daily Quota drops to zero or the Northbound Daily Quota is exceeded during the opening call session, new buy orders may be rejected. The quota may only be utilized on a first-come-first-served basis and therefore the Target Fund may not be able to make its intended investments. There are also limitations on the aggregate foreign investors’ shareholding by all Hong Kong and overseas investors and on single foreign investors’ shareholding. Investors should be aware that the differences in trading day and certain restrictions imposed on the quota and shareholding may restrict the Target Fund’s ability to make timely investments and pursue their investment strategies effectively. Day trading is not allowed on both the SSE and SZSE. Under Stock Connect, Hong Kong and foreign investors would be subject to the same prohibition. Therefore, Hong Kong and foreign investors buying shares via Stock Connect may only sell those shares one day after the initial trading day (T), on which the shares were bought, i.e. T+1. The Target Fund may also be exposed to a risk of price fluctuations in Chinese A-Shares during the time when Stock Connect is not trading.

iv. Settlement and Custody

The Hong Kong Securities Clearing Company Limited (“HKSCC”), a wholly-owned subsidiary of the HKEx, is responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by Hong Kong market participants and investors. The HKSCC and China Securities Depository and Clearing Corporation Limited (“ChinaClear”) have established the clearing links and each will become a participant of the other to facilitate clearing and settlement of cross-boundary trades. Should the remote event of a default by ChinaClear occur and ChinaClear is declared to be a defaulter, HKSCC’s liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will, in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear’s liquidation. In that event, the Target Fund may suffer delay in the recovery process or may not be able to fully recover their losses from ChinaClear. On the other hand, a failure or delay by the HKSCC in the performance of its obligations may result in a failure of settlement, or the loss, of Stock Connect securities and/or monies in connection with them and the Target Fund and its investors may suffer losses as a result.

v. Beneficial Owner of the Stock Connect Shares and Corporate Actions

Chinese A-Shares traded through Stock Connect are issued in scripless form, so the relevant Subfunds will not hold any physical Chinese A-Shares and should maintain the shares via or with the brokers' or depositaries' stock accounts with the Central Clearing and Settlement System ("CCASS") operated by HKSCC for the clearing securities listed or traded on the HKEx). HKSCC in turn holds Stock Connect shares of all its participants through a "single nominee omnibus securities account" in its name registered with ChinaClear, the central securities depository in Mainland China. HKSCC is only a nominee holder and the Target Fund remain the beneficial owner of the Stock Connect shares. The Target Fund's title or interests in, and entitlements to Stock Connect securities (whether legal, equitable or otherwise) will therefore be subject to applicable requirements, including laws relating to any disclosure of interest requirement or foreign shareholding restriction. CCASS Rule 824 confirms that all proprietary interests in respect of Chinese A-Shares held by HKSCC as nominee holder belong to CCASS Participants or their clients (as the case may be). Also as set out in CCASS Rule 824, HKSCC is prepared to provide assistance to the beneficial owners of China Chinese A-Shares, where necessary, to provide certification to ChinaClear for the purpose of providing evidential proof of the CCASS participant's or its client's holding in Chinese A-Shares; and to assist the CCASS participant or its client bringing the legal action in Mainland China in the manner as may be required under PRC law, after having regard to its statutory duties and subject to such conditions as HKSCC may reasonable require (including payment of fees and costs upfront and indemnities to the satisfaction of HKSCC).

Although the relevant CSRC regulations and ChinaClear rules generally provide for the concept of a "nominee holder" and recognise the Hong Kong and overseas investors (including the Target Fund) as the ultimate owners who would be recognised under the laws and regulations of Mainland China as having beneficial ownership in the Chinese A-Shares traded via the Stock Connect, how an investor such as the Target Fund, as the beneficial owner of the Chinese A-Shares, under the Stock Connect structure, exercises and enforces its rights over the Chinese A-Shares in the PRC courts are to be tested.

ChinaClear, as the share registrar for SSE and SZSE listed companies, will treat HKSCC as one of the shareholders when it handles corporate actions in respect of such securities. Where the articles of association of a listed company do not prohibit the appointment of proxy/multiple proxies by its shareholder, HKSCC will make arrangements to appoint one or more investors as its proxies or representatives to attend shareholders' meetings when instructed. Further, investors (with holdings reaching the thresholds required under the PRC regulations and the articles of associations of listed companies) may, through their CCASS participants, pass on proposed resolutions to listed companies

via HKSCC under the CCASS rules. HKSCC will pass on such resolutions to the companies as shareholder on record if so permitted under the relevant regulations and requirements. The Target Fund need to comply with the arrangement and deadline specified by their respective brokers or depositaries. However, the time to take actions for some types of corporate actions of Stock Connect securities may be very short and the Target Fund may not be able to participate in some corporate actions in a timely manner. Also, due to the lack of multiple proxies in mainland practice, the Target Fund may not be able to appoint proxies to attend or participate in shareholders' meetings in respect of the Stock Connect securities.

vi. Local Market Rules and Disclosure Obligations

Under Stock Connect, China A-Shares listed companies and trading of China A-Shares are subject to market rules and disclosure requirements of the Chinese A-Shares market. In this respect, the Target Fund is required to disclose any change in its shareholding and comply with related trading restrictions in accordance with the Mainland China rules. In addition, securities exchanges in China typically have the right to suspend or limit trading in any security traded on the relevant exchange. In particular, trading band limits are imposed by the stock exchanges in China on Chinese A-Shares, where trading in any China A-Share security on the relevant stock exchange may be suspended if the trading price of the security has increased or decreased to the extent beyond the trading band limit. New measures such as circuit breaker mechanism may be introduced from time to time. Under the circuit breaker mechanism, trading on the stock exchanges in China may be suspended if the daily trading limit of the relevant benchmark index reaches a specified threshold value. Investors should be aware that any changes in laws, regulations and policies of the Chinese A-Shares market or rules in relation to Stock Connect may affect share prices and the Target Fund.

vii. Investor Compensation

Hong Kong's Investor Compensation Fund is established to pay compensation to any investor who suffers pecuniary losses as a result of default of a licensed intermediary or an authorised financial institution in relation to exchange-traded products offered in Hong Kong. Since default matters in Northbound trading via Stock Connect do not involve products listed on or traded in HKEx or Hong Kong Futures Exchange Limited, the Target Fund's investment in A-Shares will not be covered by the Investor Compensation Fund and will be subject to the risks of default by brokers' in their obligations. The investments are also not protected by the China Securities Investor Protection Fund in Mainland China as dealing carried out by security brokers in Hong Kong, not Mainland Chinese brokers.

viii. Taxation

Investments via the Stock Connect are subject to Mainland China's tax regime. The PRC State Administration of Taxation has reaffirmed the application of normal Chinese stamp duty and a 10% dividend withholding tax, while the business tax and income tax on capital gains are temporarily exempted for an unspecified period. The tax regime may change from time to time and the Target Fund is, thus, subject to such uncertainties in their Mainland China tax liabilities.

ix. RMB Currency Risk in relation to Stock Connect

Chinese A-Shares are priced in RMB and the Target Fund will need to use RMB to trade and settle Stock Connect securities. Mainland Chinese government controls future movements in exchange rates and currency conversion. The exchange rate floats against a basket of foreign currencies, therefore such exchange rate could fluctuate widely against the USD, HKD or other foreign currencies in the future. In particular, any depreciation of RMB will decrease the value of any dividends and other proceeds an investor may receive from its investments. Further, investors should note that CNY may trade at a different rate compared to CNH. The Target Fund's investments may be exposed to both the CNY and the CNH, and the Target Fund may consequently be exposed to greater exchange risks and/or higher costs of investment. The PRC government's policies on exchange control are subject to change, and the Target Fund may be adversely affected.

RQFII Risk

The Target Fund may invest in securities and investments permitted to be held or made by Renminbi Qualified Foreign Institutional Investors (RQFII) under the relevant RQFII Regulations through institutions that have obtained RQFII status in China.

i. Regulatory Risks

The RQFII regime is governed by RQFII Regulations. Certain parts of the Allianz Global Investors Group meet the relevant prescribed eligibility requirements under the RQFII Regulations and have been granted or might be granted a RQFII license and quota. RQFII Regulations may be amended from time to time. It is not possible to predict how such changes would affect the Target Fund.

Under the respective RQFII quota administration policy, set inter alia by the People's bank of China, the RQFII has the flexibility to allocate its quota across different funds. Subject to applicable rules and approvals, the RQFII quota obtained may be utilized by sub-funds the RQFII manage, by sub-funds the RQFII acts as Sub-Investment Manager, by sub-funds the RQFII acts as Investment Advisors or by sub-funds the RQFII is contracting with the Investment Manager to act as RQFII Holder.

Rules on investment restrictions and rules on repatriation of principal and profits, imposed by the Chinese government on the RQFII may be applicable to the latter as a whole and not only to

the investments made by the Target Fund and may have an adverse effect on the Target Fund's liquidity and performance.

ii. RQFII Quota Risks

Investors should be aware that there can be no assurance that a RQFII will continue to maintain its RQFII status or make available its RQFII quota, and/or the Target Fund will be allocated a sufficient portion of the RQFII quota granted to the RQFII to meet all applications for subscription to the Target Fund, and/or that redemption requests can be processed in a timely manner due to changes in RQFII Regulations. Therefore, Target Fund may no longer be able to invest directly in the PRC or may be required to dispose of its investments in the PRC domestic securities market held through the quota, which could have an adverse effect on its performance or result in a significant loss.

Regulatory sanctions may be imposed on the RQFII if the RQFII itself or the local custodian breach any provision of the relevant rules and regulations, which could potentially result in the revocation of the RQFII quota or other regulatory sanctions that may impact on the portion of the quota made available for investment by the Target Fund.

Such restriction may result in a rejection of applications or a suspension of dealings of the Target Fund. Should the RQFII lose its RQFII status or retire or be removed, or the RQFII quota be revoked or reduced, the Target Fund may not be able to invest in RQFII Eligible Securities through the RQFII quota, and the Target Fund may be required to dispose of its holdings, which would likely have a material adverse effect on the Target Fund.

iii. Limits on Redemption

The Target Fund may be impacted by the rules and restrictions under the RQFII regime (including investment restrictions, limitations on foreign ownership or holdings), which may have an adverse impact on its performance and/or its liquidity. Currently, for open-ended funds, no repatriation restrictions exist and no regulatory prior approval is required for repatriation of funds from the RQFII quota. However, the RQFII Regulations are subject to uncertainty in their application and there is no certainty that no other regulatory restrictions will apply or that repatriation restrictions will be imposed in the future.

Any restrictions on repatriation of the invested capital and net profits may impact on the Target Fund's ability to meet redemption requests from the shareholders. In extreme circumstances, the Target Fund may incur significant loss due to limited investment capabilities, or may not be able fully to implement or pursue its investment objectives or strategies, due to RQFII investment restrictions, illiquidity of the PRC's securities market, and delay or disruption in execution of trades or in settlement of trades.

iv. RQFII Custodian Risks under the RQFII regime

Where the Target Fund invests in eligible securities traded through the RQFII quota, such securities will be maintained by a local custodian pursuant to PRC regulations through appropriate securities accounts and such other relevant depositories in such name as may be permitted or required in accordance with PRC law.

The Target Fund may incur losses due to the acts or omissions of the RQFII custodian in the execution or settlement of any transaction.

The depository will make arrangements to ensure that the relevant RQFII Custodian has appropriate procedures to properly safe-keep the assets of the Target Fund. The securities and cash accounts are to be maintained and recorded in the name of the Target Fund and segregated from the other assets of the same local custodian. However, the RQFII Regulations are subject to the interpretation of the relevant authorities in the PRC.

Any securities acquired by the Target Fund through a RQFII quota held by the RQFII will be maintained by the RQFII custodian and should be registered in the joint names of the RQFII and the Target Fund and for the sole benefit and use of the Target Fund. Providing that the RQFII will be the party entitled to the securities, the related security may be vulnerable to a claim by a liquidator of the RQFII and may not be as well protected as if they were registered solely in the name of the Target Fund.

In addition, investors should note that cash deposited in the cash account of the Target Fund with the relevant local custodian will not be segregated but will be a debt owing from the local custodian to the Target Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of that local custodian. In the event of bankruptcy or liquidation of the local custodian, the Target Fund will not have any proprietary rights to the cash deposited in such cash account, and the Target Fund will become an unsecured creditor, ranking equal with all other unsecured creditors, of the local custodian. The Target Fund may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Target Fund will suffer losses.

v. PRC Broker Risks under the RQFII regime

The execution and settlement of transactions may be conducted by PRC brokers appointed by the RQFII, as the case may be. There is a risk that the Target Fund may suffer losses from the default, bankruptcy or disqualification of the PRC brokers. In such event, the Target Fund may be adversely affected in the execution or settlement of any transaction.

In selection of PRC brokers, the RQFII will have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. If the RQFII, as the

	<p>case may be, consider appropriate and if under market or operational constraints, it is possible that a single PRC broker will be appointed and the Target Fund may not necessarily pay the lowest commission or spread available in the market at the relevant time.</p>
<p>Tax</p>	<p>Concerning tax and other policies there can be no assurance that the PRC government will not abolish tax incentives currently offered to foreign companies or will not change tax rules or their interpretation or other policies which could lead to changes with even retrospective effect, or will continue to pursue economic policies or, if it does, that those policies will continue to be successful. Any adjustment and modification of the incentives, rules, interpretation and policies may have an adverse impact on the securities markets in the PRC. In addition, the investor may be subject to withholding and other taxes imposed which cannot be eliminated by any applicable double taxation treaty. Furthermore, except for the general tax rules on withholding tax for foreign companies and individuals, currently there are no rules specifically governing the PRC income tax treatment of gains and incomes derived by QFII from the securities investment in the PRC. The regulations around the tax treatment on QFII investments are not entirely clear and there is no certainty as to how they will be interpreted and applied by tax authority in the PRC.</p>

Risk Management Strategy

Risk management of the Fund forms an integral part of the investment process. The Fund's portfolio is constructed and managed within pre-determined guidelines including risk returns trade-off, which will be reviewed periodically by the Manager. Assessment of risk is an important part of the asset allocation process. The investment team of the Manager has the discretion to select instruments/securities from the authorised investment list.

6 FEES, CHARGES AND EXPENSES

Unless stated otherwise, all fees, charges and/or expenses disclosed in the Second Replacement Information Memorandum are exclusive by way of example and not limitation; goods and services tax, value added tax, consumption tax, levies, duties and other taxes as may be imposed by the Government of Malaysia from time to time (collectively known as “Taxes”). If these fees, charges and/or expenses are subject to any Taxes, such Taxes shall be borne and payable by the Unit Holders and/or the Fund (as the case may be) at the prevailing rate, including any increase or decrease to the rate, in addition to the fees, charges and/or expenses stated herein.

6.1 Charges

This table describes the charges that you may **directly** incur when you buy or redeem units of the Fund:

Entry Charge	The maximum rate imposed by each distribution channel during the life of this Second Replacement Information Memorandum is as follows :					
	<table border="1"> <thead> <tr> <th>Distribution Channel</th> <th>Maximum entry charge</th> </tr> </thead> <tbody> <tr> <td>Direct Sales</td> <td>Up to 5.00% of NAV per unit of the Class(es)</td> </tr> <tr> <td>IUTA</td> <td>Up to 5.00% of NAV per unit of the Class(es)</td> </tr> </tbody> </table> <p><i>All entry charges will be rounded up to two (2) decimal points. There will be no entry charge payable by AmBank Group staff. Sophisticated Investors are advised that they may negotiate for lower entry charge prior to the conclusion of sales. The Manager reserves the right to waive or reduce the entry charge from time to time at its absolute discretion.</i></p>	Distribution Channel	Maximum entry charge	Direct Sales	Up to 5.00% of NAV per unit of the Class(es)	IUTA
Distribution Channel	Maximum entry charge					
Direct Sales	Up to 5.00% of NAV per unit of the Class(es)					
IUTA	Up to 5.00% of NAV per unit of the Class(es)					
Exit Penalty	There will be no exit penalty for this Fund.					
Other Charges	<p>Other direct charges that you may incur are as follows:</p> <p>Transfer fee Nil</p> <p>Bank charges or fees Bank charges or fees, if any, will be borne by you.</p> <p>Switching fee <u>Switching between funds managed by the Manager</u> Unit Holders are only allowed to switch to other funds where the currency denomination is the same as the Class of the Fund switched out. For switches between any of the funds managed by the Manager, Sophisticated Investors will be charged on the differences of entry charge between funds switched, which is up to a maximum of 6.00% of NAV per unit of the fund switched into. No entry charge will be imposed if the fund to be switched into has a lower entry charge.</p>					

Switching between Class(es) of the Fund

Unit Holders are not allowed to switch between Class(es).

6.2 Ongoing Fees and Expenses

Due to the multiple Classes in the Fund, the fees and expenses for the Fund are apportioned based on the size of the Class relative to the whole Fund. This means the multi-class ratio ("MCR") is calculated by taking the "Opening Value of a Class" for a particular day and dividing it with the "Opening Value of the Fund" 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 RM100 and the size of the RM Class is 60%, RM-Hedged Class is 30% and USD Class is 10% of the Fund, the ratio of the apportionment based on the percentage will be 60:30:10 (RM: RM-Hedged: USD) i.e. 60% being borne by RM Class, 30% being borne by RM-Hedged Class and 10% being borne by USD Class.

"Opening Value of the Fund" refers to the NAV of the Fund before income and expenses.

"Opening Value of a Class" refers to the NAV of a Class before income and expenses.

The fees and expenses that you may indirectly incur are as follow:

(a) Annual Management Fee

An annual management fee of up to 1.80% p.a. of the Fund's NAV or its equivalent in the base currency of the Fund is charged and then apportioned to each Class based on the MCR. The management fee is calculated on a daily basis and will be paid monthly.

From the illustration below, it shows that there is no double charging of management fee.

An illustration of the calculation and apportionment of the daily management fee is as follows:

Assuming fund size of the Fund is RM100 million. Out of this, 95% of it is invested in the Target Fund (RM95 million).

	<u>RM</u>
95% of the Fund's NAV in investment in the Target Fund	95,000,000.00
5% of the Fund's NAV in others (liquid assets)	5,000,000.00
NAV (before fees)	<u>100,000,000.00</u>

Management fee for the day:

$[(\text{Investments} + \text{Liquid Assets}) \times 1.80\%] \div \text{Number of days in a year}$

Charged by the Target Fund

$$\begin{aligned} &= [\text{RM}95,000,000.00 \times 1.75\%] \div 365 \\ &= \text{RM } 4,554.79 \end{aligned}$$

Charged by the Fund

a) Investments

$$= [\text{RM}95,000,000.00 \times 0.05\%] \div 365$$

= RM 130.14

b) Liquid assets
= [RM 5,000,000.00 x 1.80%] ÷ 365
= RM 246.58

c) = RM130.14 + RM 246.58
= RM 376.72

Class-level apportionment (assumed ratio: 60:30:10)

RM Class	226.03
RM-Hedged Class	113.02
USD Class	<u>37.67</u>
Total	<u>376.72</u>

(b) Annual Trustee Fee

The Trustee is entitled to an annual trustee fee for acting as trustee for the Fund. This fee is calculated daily and paid monthly. The trustee fee is up to 0.05% p.a. of the NAV of the Fund (excluding foreign sub-custodian fee and charges, where applicable), subject to a minimum fee of RM10,000.00 p.a.

An illustration of the trustee fee per day is as follows:

Assuming the NAV of the Fund is RM100 million and the trustee fee is 0.05% p.a. of the NAV of the Fund, then the daily accrued trustee fee would be:

	<u>RM</u>
Trustee's fee for the day charged to the Fund:	
(NAV of the Fund x Trustee fee) ÷ Number of days in a year	
= (RM100,000,000.00 x 0.05%) ÷ 365	136.72

(c) Fund Expenses

The Manager and the Trustee may be reimbursed out of the Fund for any cost reasonably incurred in the administration of the Fund. The Fund's expenses currently include but are not limited to audit fees, tax agent's fees, printing and postages of annual and quarterly reports, bank charges, investment committee fee for independent members, lodgement fees for Fund's reports, foreign custodians' charges (if any) in respect of any foreign investments of the Fund, fees paid to brokers or dealers (if any) and other expenses as permitted by the Deed.

(d) Expenses indirectly charged by Target Fund

The Target Fund pays a fixed applied service to the Management Company for its ordinary operating expenses to protect the investors from fluctuation of the ordinary operating expenses. These expenses may include, without limitation, the costs of:-

- (i). directors' fees and expenses, and remuneration of officers and employees distribution fees;
- (ii). the depositary's administration and custody fees, the registrar and transfer agent fees, the auditor fees, the paying and information agent(s) fees and of any

- representatives in jurisdictions where the shares of the Target Fund are qualified for sale, and of all other agents employed on behalf of the Target Fund;;
- (iii). the cost of preparing, printing and publishing in such languages as are necessary, and distributing offering information or documents concerning the Target Fund, annual and semi-annual reports and such other reports or documents;
 - (iv). the cost of printing certificates and proxies;
 - (v). the cost of preparing and filing the Articles of Incorporation of the Target Fund and all other documents concerning the Target Fund;
 - (vi). the cost of qualifying the Target Fund or the sale of shares of the Target Fund in any jurisdiction or of a listing on any exchange;
 - (vii). the cost of accounting and bookkeeping;
 - (viii). maintenance of in-house or third-party computer systems used by the Investment Managers;
 - (ix). legal fees;
 - (x). the cost of calculating the net asset value of each share class of the Target Fund;
 - (xi). insurance, postage, telephone and telex and any communication mean;
 - (xii). distribution and sales support costs (including costs charged by local routing order platforms, local transfer agent costs, local representative agent and the translation costs); and
 - (xiii). all similar charges and expenses.

THERE ARE FEES AND CHARGES INVOLVED AND SOPHISTICATED INVESTORS ARE ADVISED TO CONSIDER THEM BEFORE INVESTING IN THE FUND.

7 TRANSACTION INFORMATION

7.1 Valuation of Assets

In undertaking any of its investments, the Manager will ensure that all the assets of the Fund are valued at fair value in compliance with the SC guidelines and relevant laws at all times.

Investments of the Fund are valued in accordance to the following:

- **Collective investment schemes**

The value of any investment in unlisted collective investment schemes shall be determined by reference to the last published repurchase price.

- **Fixed deposits and cash placements**

The value of any fixed deposits and cash placements placed with financial institutions shall be determined by reference to the principal value of such investments and the accrued income thereon for the relevant period.

- **Derivatives**

The Manager shall ensure that the investment is valued at fair value, as determined in good faith by the Manager and valued by counterparty at least once a week. The methods or bases of valuation will have to be verified by the Auditor of the Fund and approved by the Trustee.

7.2 Pricing and Valuation Points

The Fund adopts a single pricing policy i.e. which means subscription and redemption of units will be carried out at the NAV per unit of the relevant Class(es).

The Fund adopts forward pricing which means price for units will be calculated at the next valuation point. Valuation point refers to such time(s) on a Business Day as may be decided by the Manager wherein the NAV per unit of the relevant Class(es) is calculated. The valuation of the Class(es) will be carried out on the next Business Day by 5.00 p.m. This is to cater for the currency translation of the Target Fund's currency to the Class(es)'s currency based on the bid exchange rate quoted by Bloomberg or Reuters at 4.00 pm (UK time) which is equivalent to 11.00 p.m., on the same day or 12.00 a.m. midnight (Malaysian time), or such other time as stipulated in the Investment Management Standards issued by the Federation of Investment Managers Malaysia (FIMM).

Sophisticated Investors will buy units at the NAV per unit of the relevant Class as at the next valuation point after an instruction for purchase is received plus applicable entry charge of the Class; and redemption will be calculated based on the NAV per unit of the relevant Class as at the next valuation point after an instruction for redemption is received.

In the event of any incorrect pricing of units of the Class(es), the Manager shall take immediate remedial action to rectify the incorrect pricing. The pricing error threshold for the Fund will follow the pricing error policy of the Target Fund which is at 1.00% of the NAV per unit. Where the incorrect pricing:

- (i) is equal or more than one per centum (1.00%) of the NAV per unit; and
- (ii) results in a sum total of RM10.00 or USD10.00 (for respective Class) or more.

The Manager shall reimburse the relevant Class and the affected Unit Holder in the following manner:

- (a) where the error is as a result of over valuation (i.e. the price quoted is higher than the actual price), the Manager shall reimburse:
 - (i) the relevant Class (for the difference between the redemption amount paid out by the relevant Class and the amount per the amended valuation) and/or
 - (ii) the Unit Holders (for the difference between the value of subscription amount paid by the Unit Holder and the amount per the amended valuation);
- (b) where the error is as a result of under valuation (i.e. the price quoted is lower than the actual price), the Manager shall reimburse:
 - (i) the relevant Class (for the difference between the value of subscription amount paid by the Unit Holder and the amount per the amended valuation) and/or
 - (ii) the Unit Holders (for the difference between the redemption amount paid out by the relevant Class and the amount per the amended valuation)

Subject to any regulatory requirements, the Manager shall have the right to amend, vary or revise the above said limits or threshold from time to time.

Note: The NAV per unit for the Class(es) is rounded to four (4) decimal points. Redemption proceeds, units created, fees and charges are rounded to two (2) decimal points.

Illustration of computation of NAV per unit, subscription of units and redemption of units are as follows:

NAV per Unit of the Class(es)

Due to the multiple Classes in the Fund, the valuation of the Fund will be done in the Fund's base currency i.e. RM. As such, all assets and/or cash that are not denominated in RM will be converted to RM for valuation purposes. The foreign exchange rate used for this purpose shall be based on the bid exchange rate quoted by Bloomberg or Reuters at 4.00 pm (UK time) which is equivalent to 11.00 p.m., on the same day or 12.00 a.m. midnight (Malaysian time), or such other time as stipulated in the Investment Management Standards issued by the FIMM.

Illustration:

The following is a hypothetical example of the computation of the NAV per unit in Class currency at each valuation point based on the Multi Class Fund (MCF) Ratio with the assumption that the investment has been made in RM-Hedged Class and AUD-Hedged Class:

“Opening Value of the Fund” refers to the NAV of the Fund before income and expenses.
 “Opening Value of a Class” refers to the NAV of a Class before income and expenses.

		<u>Fund (RM)</u>	<u>RM-Hedged</u>	<u>AUD-Hedged</u>
		<u>Total</u>	<u>Class (RM)</u>	<u>Class (AUD)</u>
Day 1 – by 4.00pm				
Sales amount received	A	20,000,000.00	10,000,000.00	
NAV per unit	B	1.0200	1.0000	
Units in Circulation	C=A/B	19,607,843.14	10,000,000.00	
Foreign exchange (“FX”) translation on Day 1 (FX as per Valuation date – using FIMM FX guidelines)	D	1.00	3.00	

Value of the Fund (USD)	E=AxD	50,000,000.00	20,000,000.00	30,000,000.00
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Day 2

Opening Value of the Fund (RM)	E	50,000,000.00	20,000,000.00	30,000,000.00
Multi Class Fund (MCF) Ratio [^]	F	100%	40.0%	60.0%
Add: Income (RM) (Proportionate based on MCF Ratio [^])	G	15,000.00	6,000.00	9,000.00
Less: Administration expenses (RM) (Proportionate based on MCF Ratio [^])	H	(1,000.00)	(400.00)	(600.00)

NAV before management fee and trustee fee for the day

I=E+G-H	50,014,000.00	20,005,600.00	30,008,400.00
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- investment in Target Fund (95% of NAV)
- investment in other liquid assets (5% of NAV)

J=Ix95%	47,513,300.00
K=Ix5%	2,500,700.00

Class expenses

Management fee (% p.a.)

- charged on investment in Target Fund

L	0.05%
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- charged on other liquid assets

M	1.80%
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Management fee for the day (RM) (Proportionate based on MCF Ratio[^])

N= [(JxL)+ (KxM)] / 365

(188.41)	(75.36)	(113.05)
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Trustee fee (% p.a.)

O	0.05%
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Trustee fee for the day (RM) (Proportionate based on MCF Ratio[^])

P=(I x O) / 365

(68.51)	(27.40)	(41.11)
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NAV

Q=I-N-P	50,013,743.08	20,005,497.24	30,008,245.84
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Units in Circulation

C	19,607,843.14	10,000,000.00
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NAV per unit in Base Currency (RM)

R=Q/C	1.0203	3.0008
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FX translation on Day 2 (FX as per Valuation date – as per FIMM FX guidelines)

S	1.00	3.02
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NAV per unit in Class currency

R/S	1.0203	0.9936
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Sales/(Redemption) amount received for Day 2	T		2,000,000.00	(500,000.00)
Value of the sales/redemption (RM)	$V = T \times S$	490,000.00	2,000,000.00	(1,510,000.00)
Value of the Fund (RM)	$W = Q + V$	50,503,743.08	22,005,497.24	28,498,245.84

Day 3

Opening Value of the Fund (RM)	X	50,503,743.08	22,005,497.24	28,498,245.84
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Note: ^ Multi Class Fund (MCF) Ratio is apportioned based on the size of the Class relative to the whole Fund. This means the MCF Ratio is calculated by taking the Opening Value of a Class divided by the Opening Value of the Fund. This apportionment is expressed as a ratio and calculated as a percentage.

Making an investment

Assuming a Sophisticated Investor wants to invest RM10,000 in the RM-Hedged Class of the Fund. The NAV per unit is RM1.0000 and entry charge is 5.00% of NAV per unit of the RM-Hedged Class. The Sophisticated Investor will need to pay the amount as illustrated below to the Manager:

Items	RM/Units	Explanation
(i) Amount to be invested (investment amount)	RM10,000	
(ii) Units issued to Sophisticated Investor	10,000 units	RM10,000/ RM1.0000 per unit
(iii) Entry charge incurred by Sophisticated Investor	RM500	10,000 units x RM1.0000 per unit x 5.00%
(iv) Amount payable by Sophisticated Investor	RM10,500	RM10,000 + RM500

Redeeming an investment

Assuming a Sophisticated Investor wishes to redeem 10,000 units from the RM-Hedged Class of the Fund. The NAV per unit of the RM-Hedged Class is RM1.0005 with no exit charge. Hence, the total amount payable to the Sophisticated Investors (total payment amount) is RM10,005 as illustrated below:

Items	RM/Units	Explanation
(i) Units redeemed	10,000 units	
(ii) Gross amount payable to Sophisticated Investor	RM10,005	10,000 units x RM1.0005
(iii) Exit penalty incurred by Sophisticated Investor	0	10,000 units x RM1.0005 per unit x 0%
(iv) Amount payable to Sophisticated Investor	RM10,005	RM10,005 – RM0

SOPHISTICATED INVESTORS ARE ADVISED NOT TO MAKE PAYMENT TO ANY INDIVIDUAL AGENT IN CASH WHEN PURCHASING UNITS OF A FUND.

7.3 Making an Investment

No cash is accepted by the Manager. If you give any of our licensed distributors which include persons dealing in unit trust cash, you do so at your own risk. We shall not be held responsible in any way.

<p>Minimum Initial Investment</p>	<p>RM-Class: RM5,000; RM-Hedged Class: RM5,000; or such amount the Manager may from time to time decide.</p> <p><i>Note: The Manager reserves the right to change the stipulated amount from time to time. You may request for a lower amount subject to the Manager discretion to accept.</i></p>
<p>Minimum Additional Investment</p>	<p>RM-Class: RM5,000; RM-Hedged Class: RM5,000; or such amount the Manager may from time to time decide.</p> <p><i>Note: The Manager reserves the right to change the stipulated amount from time to time. You may request for a lower amount subject to the Manager discretion to accept.</i></p>
<p>Step 1 Eligibility</p>	<p>Sophisticated Investors, with 18 years of age and above for individual who are not US Persons.</p> <p><i>Notes:</i></p> <p>(1) <i>The Manager has the right to reject any application by a US Person. However, if you are investing through our appointed distributor who operates under a nominee system of ownership, kindly consult the respective distributor accordingly.</i></p> <p>(2) <i>If a Unit Holder is a US Person or subsequently becomes a US Person and such fact comes to the attention of the Manager:</i></p> <p>a) <i>The Manager is entitled to act in accordance with FATCA, relevant laws, rules, regulations, notes and circulars issued by the relevant authorities from time to time including but not limited to withholding such amount of the income derived from the units held by such US Person (if any); and</i></p> <p>b) <i>The Manager shall by a notice in writing to that US Person require him/her to either redeem all the units of the Fund or transfer all the units of the Fund to a non-US Person within thirty (30) days from the date of the notice. Upon expiry of thirty (30) days from the date of such notice, the Manager reserves the right to compulsorily redeem all the units held by such US Person.</i></p>

<p>Step 2 Forms To Be Completed and Documents Required</p>	<p><u>For initial investment:</u></p> <ol style="list-style-type: none"> (1) A full set of account opening form; (2) Proof of payment; (3) Suitability assessment form; (4) Wholesale fund declaration form; (5) Specimen signature form; (6) Personal Data Protection Act consent form (if applicable); (7) FATCA and CRS documentation: <ol style="list-style-type: none"> a) Self-certification by individual / entity; b) W-8BEN / W-8BEN-E Form (if applicable); and c) W-9 Form (if applicable); and (8) Additional documents requested by the Manager (if applicable). <p><i>Individual investor/ jointholder</i></p> <p>For a single applicant, photocopy of National Registration Identity Card (NRIC) for Malaysian or passport for foreigner.</p> <p>For joint applicant, photocopy of NRIC for Malaysian or passport for foreigner of first named joint applicant and the subsequent named joint applicant.</p> <p><i>Non-individual/ corporate investors</i></p> <ol style="list-style-type: none"> (1) Copy of NRIC / passport of all authorised signatory(ies); (2) Copy of NRIC / passport of directors / shareholders / partners; (3) A certified true copy of the Memorandum and Articles of Association, business registration documents, certificate of registration or its equivalent; (4) A certified true copy of Form 24 and 49 or its equivalent; (5) An original / extract copy of a board resolution approving investments in the Fund or its equivalent; (6) List of authorised personnel to effect any instructions pertaining to the Fund if the list of authorised personnel is not mentioned in the board resolution or its equivalent; (7) A copy of the latest audited financial statement of accounts; (8) Any other approvals required from relevant authorities; and (9) Any other documents requested by the Manager. <p><u>For additional investment:</u></p> <ol style="list-style-type: none"> (1) Transaction form or letter of instruction (for non-individual or corporate investors only); and (2) Proof of payment.
<p>Step 3 Manner of Payment and Delivery</p>	<p>Upon clearance based on our “Know-Your-Customer” (KYC) policy, you can deposit payment into our account upon being advised by us. Your application will be accepted and shall be processed based on the net amount received. If you deposit payment into our account without notifying us, we reserve the right to reject your application and hold such amount until claimed.</p> <p>Payments can be made by depositing payment into our account using either cheque, bank draft or telegraphic transfer payable to:</p>

	<p>“AmFunds Management Berhad – Trust A/C”</p> <p>For individual investors: You are advised to write your name, NRIC/ passport number and contact number at the back of the cheque or bank draft.</p> <p>For corporate investors: You are advised to write your company name, company no. and contact number at the back of the cheque or bank draft.</p> <p>You can submit the application with complete documentation (including the proof of payment) and payment to us or submit the same to any of our appointed distributors. If we do not receive complete documentation with the payment we reserve the right to reject the application. If you deposit payment into our account and do not notify or provide us with the complete documentation, we shall reject your application and hold such amount until claimed. Sales of units will be processed upon receipt of complete documentation and proof of payment.</p> <p>We reserve the right to vary the manner of payment from time to time, and shall be communicated to you.</p> <p><i>Note: Where payment is by cheque, the cheque must be issued by the Sophisticated Investor. In the case of bank draft, a copy of the application for the bank draft as approved by the relevant bank must be submitted with the bank draft. Any payment from third party other than the Sophisticated Investor will be rejected.</i></p>
<p>Processing an Application/ Cut-off Time</p>	<ul style="list-style-type: none"> • If an application with complete documentation is accepted by the Manager or our appointed distributors before 4.00 p.m. on a Business Day, it will be processed at the closing NAV per unit of the same Business Day. • If an application with complete documentation is accepted by the Manager or our appointed distributors after 4.00 p.m. or on a non-Business Day, it will be processed at the closing NAV per unit of the next Business Day. <p><i>Notes:</i></p> <ul style="list-style-type: none"> • <i>The Manager reserves the right to reject any application that is unclear, incomplete and/or not accompanied by the required documents or proof of payment. Incomplete applications will not be processed until all the necessary information has been received.</i> • <i>You should note that different distributors may have different cut off times in respect of receiving application request. You are advised to contact the relevant distributors to obtain further information and should check with the relevant distributors on their cut off time in respect of receiving application request.</i>
<p>Cooling-off Right</p>	<p>Not applicable for this Fund.</p>
<p>Confirmation of an Application</p>	<p>You shall be issued a transaction advice upon the processing of your application. No certificates are issued. Instead your details</p>

	are entered into the register of Unit Holders, which is kept at our head office and can be inspected during business hours.
Miscellaneous Application Information	You will be responsible for all losses and expenses of the Fund in the event of any failure to make payments according to the procedures outlined in this Second Replacement Information Memorandum. In addition, a RM20 charge will be imposed if a cheque does not clear. Such losses and expenses shall be deducted by the Manager from your account with us. We reserve the right to reject any application. We also reserve the right to change or discontinue any of our application procedures.

SOPHISTICATED INVESTORS ARE ADVISED NOT TO MAKE PAYMENT IN CASH TO ANY INDIVIDUAL AGENT WHEN PURCHASING UNITS OF THE FUND.

7.4 Making Redemptions

Minimum Redemption / Switching	<p>All Classes: 5,000 units or such amount the Manager may from time to time decide.</p> <p><i>Note: The Manager reserves the right to change the stipulated amount from time to time. You may request for a lower amount subject to the Manager discretion to accept.</i></p>
Minimum Holding or Balance	<p>All Classes: 5,000 units or such amount the Manager may from time to time decide.</p> <p><i>Note: The Manager reserves the right to change the stipulated amount from time to time. You may request for a lower amount subject to the Manager discretion to accept.</i></p>
Forms To Be Completed	<p>(1) Transaction form signed by individual unit holder(s)/ authorised signatory(ies); or</p> <p>(2) Letter of instruction (for non-individual or corporate investors only).</p>
Access To Money	<p>Redemption request can be made on any Business Day by completing the transaction form or letter of instructions.</p> <ul style="list-style-type: none"> • If a redemption request with complete documentations is accepted by the Manager or our appointed distributors before 4.00 p.m. on a Business Day, it will be processed at the closing NAV per unit of the same Business Day. • If a redemption request with complete documentations is accepted by the Manager or our appointed distributors after 4.00 p.m. or on a non-Business Day, it will be processed at the closing NAV per unit of the next Business Day. • The redemption proceeds will be paid to investors by the 12th Business Day of receiving the redemption request with complete documents <p><i>Notes:</i></p> <ul style="list-style-type: none"> • <i>The Manager reserves the right to reject any application that is unclear, incomplete and/or not accompanied by the</i>

	<p>required documents. Incomplete applications will not be processed until all the necessary information has been received.</p> <ul style="list-style-type: none"> You should note that different distributors may have different cut off times in respect of receiving redemption request. You are advised to contact the relevant distributors to obtain further information and should check with the relevant distributors on their cut off time in respect of receiving redemption request.
Manner of Payment	<p>All redemption proceeds will be made in the currencies which the units are denominated will be paid to a bank account (active account) held in your own name or the first named Unit Holder (for joint account) either by telegraphic transfer, cheque or bank draft.</p> <p><i>Note: We reserve the right to vary the manner of payment from time to time, and shall be communicated to you.</i></p>
Miscellaneous Redemption Information	<p>We reserve the right to defer the calculation of redemption price with the consent of the Trustee (or as permitted by the SC) after receiving the redemption request if in our judgment, an earlier payment would adversely affect the Fund.</p>

No redemption will be paid in cash under any circumstances.

7.5 Distribution payment

Mode of Income Distribution	<p><u>RM & RM-Hedged Classes</u> Subject to availability of income, distribution (if any) is incidental.</p> <p><u>Other Classes except for RM & RM-Hedged Classes</u> Subject to availability of income, distribution (if any) is incidental and will be reinvested into the respective Classes.</p>
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7.6 Unclaimed Moneys

Any moneys payable to you which remains unclaimed (hereinafter referred to as unclaimed amount) for the last twelve (12) months or such period as may be prescribed under the Unclaimed Moneys Act 1965 from the date of payment will be paid to Registrar of Unclaimed Moneys in accordance with the requirements of the Unclaimed Moneys Act 1965. Thereafter, all claims need to be made to the Registrar of Unclaimed Moneys.

7.7 Other Relevant Information when Making an Investment

Switching Facility

Switching between funds managed by the Manager

Unit Holders are only allowed to switch to other funds where the currency denomination is the same as the Class of the Fund switched out. For switches between any of the funds managed by the Manager, Sophisticated Investors will be charged on the differences of entry charge between funds switched, which is up to a maximum of 6.00% of NAV per unit of the fund switched into. No entry charge will be imposed if the fund to be switched into has a lower entry charge.

Switching between Class(es) of the Fund

Unit Holders are not allowed to switch between Class(es).

Transfer Facility

Transfer facility is not available for this Fund.

Temporary Suspension of Determination of NAV and of the Issue and Redemption of Units

The Manager may suspend the determination of the NAV of the Fund, the issue of units and the redemption of units in the following circumstances:

- (a) during any period when the Malaysian market on which a material part of the investments of the Fund is closed, or during which dealings are substantially suspended or restricted;
- (b) during the existence of any state of affairs which constitutes an emergency as a result of which disposal of investments of the Fund is not possible;
- (c) during any breakdown in the means of communication normally employed in determining the price of the Fund's investments on any market;
- (d) when for any other reason the prices of any investments owned by the Fund cannot promptly or accurately be ascertained;
- (e) during any period when remittance of monies which will or may be involved in the realization of or in the payment for any of the Fund's investments cannot, in the opinion of the Manager, be carried out at normal rates of exchange;
- (f) in the event of the publication of a notice convening a Unit Holders meeting; or
- (g) if in our judgement, an earlier payment of redemption proceeds would adversely affect the Fund

Unit Holders who have requested for subscription and/or switching and/or redemption of their units will be notified in writing of any such suspension of the right to subscribe, to switch or to require redemption of units and will be promptly notified upon termination of such suspension. Any suspension shall be in accordance with the Deed.

Customer Identification Program

Pursuant to the relevant laws of Malaysia on money laundering, we have an obligation to prevent the use of the Fund for money laundering purposes. As such, we and/or our appointed distributors have put in place a "Know Your Customer" ("KYC") policy where procedures are in place to identify and verify the investor's identification through documents such as identity card, passport, constituent documents or any other official documents.

We and/or our appointed distributors reserve the right to request such information, either at the time an application is made or thereafter, as is necessary to verify the identity of an investor (or each of the investors in the case of joint investors) and/or to periodically update our records. We and/or our appointed distributors require you to provide us with your information and information of beneficial owner such as name, date of birth, national registration card number, residential and business address, (and mailing address if different), name of beneficial owner, address of beneficial owner, national registration card number of beneficial owner, date of birth of beneficial owner or other information and official identification.

For corporate clients, we and/or our appointed distributors require you to provide us the name of the company, principal place of business, source of income/asset, identification documents of the directors/shareholders/partners, board resolution pertaining to the investment and the

person authorized to operate the account, all of which as per requirements under regulation when you open or re-open an account.

We and/or our appointed distributors also reserve the right to request additional information including the source of the funds and identity of any beneficial owners as may be required to support the verification information and to allow us to complete adequate due diligence. In the event of delay or failure by the investor to produce any information required for verification purpose, we and/or our appointed distributors may refuse to accept an application request. In relation to a subscription application, any monies received will be returned without interest to the account from which the monies were originally debited, and in relation to redemption application, no units will be redeemed to the investor. We and/or our appointed distributors also reserve the right to place restrictions on transactions or redemptions on your account until your identity is verified.

In the event of any breaches to the applicable laws on money laundering, we have a duty to notify the relevant authority of the said breaches.

Anti-Money Laundering (“AML”)/ KYC Obligation on distributor

If you have invested in the Fund via a distributor, there may be additional information that the distributor may need to provide to us, which may include the release of your particulars and details of ultimate beneficiaries / ultimate beneficial owners investing in the Fund to us. Without such information being provided, we may be required to reject your subscription or redemption request until such information is provided by the distributor to us.

Cross Trade

The Manager may conduct cross trades between funds and private mandates it currently manages provided that all criteria imposed by the regulators are met.

Notwithstanding, cross trades between the personal account of an employee of the Manager and the Fund's account and between the Manager's proprietary trading accounts and the Fund's account are strictly prohibited. The execution of cross trade will be reported to the investment committee and disclosed in the Fund's report accordingly.

Rebates and Commission

It is our policy to channel all rebates, if any, received from brokers or dealers to the Fund. However, soft commissions received for goods and services which are of demonstrable benefit to Unit Holders and in the form of research and advisory services that assist in the decision making process relating to the Fund's investments as allowed under regulatory requirements and incidental to investment management of the Fund and the dealing with the broker or dealer is executed on terms which are the most favourable for the Fund are retained by us.

Borrowing/Financing

The Fund is prohibited from borrowing other assets (including borrowing of securities within the meaning of *Securities Borrowing and Lending Guidelines*) in connection with its activities. However, the Fund may borrow cash for the purpose of meeting repurchase requests for units of the Fund and for short-term bridging requirements. Such borrowings are subject to the following:

- (a) the Fund's cash borrowing is only on a temporary basis and that borrowings are not persistent;
- (b) the borrowing period should not exceed one month;
- (c) the aggregate borrowings of the Fund should not exceed 10% of the Fund's NAV at the time the borrowing is incurred; and
- (d) the Fund only borrows from financial institutions.

8 THE MANAGEMENT COMPANY

8.1 Corporate Information of the Manager

AFM was incorporated on 9 July 1986 and is a wholly owned by AmInvestment Bank Berhad with effective from 21 July 2016. As at LPD, AFM has more than thirty (30) years of experience in the unit trust industry.

AFM is the holder of a Capital Markets and Services Licence for the regulated activities of fund management, dealing in securities restricted to unit trusts and dealing in private retirement scheme issued under the Act.

8.2 Roles, Duties and Responsibilities of the Manager

The Manager is responsible for setting the investment policies and objective for the Fund. The Manager is also responsible for the promotion and administration of the Fund which include but not limited to issuing units, preparing and issuing information memorandum.

AFM is responsible to manage, invest, realize, reinvest or howsoever deal with the Fund in accordance with the investment objective and guidelines, including investment limits and restrictions of the Fund.

8.3 Designated Fund Manager

Wong Yew Joe

Wong Yew Joe is the Chief Investment Officer (CIO) of AmFunds Management Berhad overseeing investments in the firm. He has more than 20 years of experience in financial services and funds management. Over this tenure, his roles covered investment analysis, trading and portfolio management. He also played a key role in product development, business development and managing client relationships. Yew Joe first joined the Funds Management Division in 2006 as a fund manager. His last post was the Head of Fixed Income reporting to the Chief Investment Officer and oversaw investments in Islamic fixed income instruments and other related instruments. He holds a Bachelor of Commerce (Accounting and Finance) from the University of Southern Queensland, Australia. He also holds a Capital Markets Services Representative's License for the regulated activity of fund management.

8.4 Material Litigation

As at the LPD, the Manager is not engaged in any material litigation and arbitration, including those pending or threatened, and any facts likely to give rise to any proceedings which might materially affect the business or financial position of the Manager and of its delegates.

Note: Please refer to our website (www.aminvest.com) for further information in relation to the Manager which may be updated from time to time.

9 THE TRUSTEE

9.1 About Deutsche Trustees Malaysia Berhad

Deutsche Trustees Malaysia Berhad (“DTMB”) (Company No. 763590-H) 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.

9.2 Experience in Trustee Business

DTMB is part of Deutsche Bank’s Securities Services, which provides trust, custody and related services on a range of securities and financial structures. As at LPD, DTMB is the trustee for 181 collective investment schemes including unit trust funds, wholesale funds, exchange-traded funds and private retirement schemes.

DTMB’s trustee services are supported by Deutsche Bank (Malaysia) Berhad (“DBMB”), a subsidiary of Deutsche Bank, financially and for various functions, including but not limited to financial control and internal audit.

9.3 Roles, 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 of the Fund. In performing these functions, the Trustee has to exercise due care and vigilance and is required to act in accordance with the relevant provisions of the Deed, the Capital Markets & Services Act 2007 and all relevant laws.

9.4 Material Litigation and Arbitration

As at LPD, neither the Trustee nor its delegate is (a) engaged in any material litigation and arbitration, including those pending or threatened, nor (b) aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the trustee and any of its delegate.

9.5 Trustee’s Delegate

The Trustee has appointed DBMB as the custodian of the assets of the Fund. DBMB is a wholly-owned subsidiary of Deutsche Bank AG. DBMB offers its clients access to a growing domestic custody network that covers over 30 markets globally and a unique combination of local expertise backed by the resources of a global bank. In its capacity as the appointed custodian, DBMB’s roles encompass safekeeping of assets of the Fund; trade settlement management; corporate actions notification and processing; securities holding and cash flow reporting; and income collection and processing.

All investments of the Fund are registered in the name of the Trustee for the Fund, or where the custodial function is delegated, in the name of the custodian to the order of the Trustee for the Fund. As custodian, DBMB shall act only in accordance with instructions from the Trustee.

9.6 Disclosure on Related-Party Transactions/ Conflict of Interests

As the Trustee for the Fund and the Manager's delegate for the fund accounting and valuation services, there may be related party transactions involving or in connection with the Fund in the following events:

- (1) Where the Fund invests in the products offered by Deutsche Bank AG and any of its group companies (e.g. money market placement, etc.);
- (2) Where the Fund has obtained financing from Deutsche Bank AG and any of its group companies, as permitted under the SC Guidelines and other applicable laws;
- (3) Where the Manager appoints the Trustee to perform its back office functions (e.g. fund accounting and valuation); and
- (4) Where the Trustee has delegated its custodian functions for the Fund to Deutsche Bank Malaysia Berhad.

The Trustee will rely on the Manager to ensure that any related party transactions, dealings, investments and appointments are on terms which are the best available for or to the Fund and are on an arm's length basis as if between independent parties.

While the Trustee has internal policies intended to prevent or manage conflicts of interests, no assurance is given that their application will necessarily prevent or mitigate conflicts of interests. DTMB's commitment to act in the best interests of the Unit Holders of the Fund do not preclude the possibility of related party transactions or conflicts.

10 SALIENT TERMS OF THE DEED

Please note that if an investor invests through a distributor via a nominee system of ownership, the investor will not be deemed a Unit Holder under the Deed.

10.1 Rights and Liabilities of Unit Holders

A Sophisticated Investor is deemed to be a Unit Holder when units are issued upon the Manager accepting completed documentation with payment.

Each unit held in the Fund entitles a Unit Holder to an equal and proportionate beneficial interest in the Fund. However, a Unit Holder does not own or have a right to any particular asset held by the Fund and cannot participate in management decisions except in very limited circumstances as set out in the Deed.

As a Unit Holder, you have the right to:

- (a) Receive income distribution (if any);
- (b) Have your units redeemed;
- (c) Transfer your units, subject to Manager's discretion;
- (d) Participate in termination or winding up of the Fund;
- (e) Call, attend and vote at meetings of unit holders (the rules governing the holding of meetings are set out in the law and the Deed);
- (f) Receive monthly statement of accounts, annual and quarterly reports of the Fund; and
- (g) To exercise such other rights and privileges as provided for in the Deed.

The law and the Deed limit a Unit Holder's liability to the value of their investments in the Fund. Accordingly, if the Fund's liabilities exceed its assets, no Unit Holder by reason alone of being a Unit Holder, will be personally liable to indemnify the Trustee or the Manager or any of their respective creditors.

10.2 Fees and Charges Permitted by the Deed

The following are the maximum fees and charges as provided in the Deed:

Annual Management Fee	Up to 2.50% p.a. of the NAV per unit of the Class
Annual Trustee Fee	Up to 0.08% p.a. of the NAV of the Fund, subject to a minimum fee of RM10,000.00 p.a.
Entry Charge	Up to 5.00% of the NAV per unit of the Class
Exit penalty	Nil

The increase in the fees and charges can only be made in accordance with the Deed and the relevant laws. Any increase in the fees and/or the charges above the level disclosed in the Second Replacement Information Memorandum may be made provided that the maximum level stated in the Deed shall not be breached. Any increase in the fees or charges above the maximum level disclosed in the Deed shall require Unit Holders' approval at a duly convened Unit Holders' meeting and subsequently a supplemental deed and supplemental information memorandum will be issued.

In the event of any increase in the fees and/or the charges above the level disclosed in the Second Replacement Information Memorandum and within the level disclosed in the Deed, a supplemental information memorandum will be issued.

10.3 Permitted Expenses Payable out of the Fund

The expenses (or parts thereof) which are directly related and necessary for the day to day operation and administration of the Fund are payable out of the Fund's assets. As provided in the Deed, these would include (but are not limited to) the following:

- (a) commissions/fees paid to brokers in effecting dealings in the Fund's property, shown on the contract notes or confirmation notes;
- (b) (where the custodial function is delegated by the Trustee) charges/fees paid to sub-custodians;
- (c) taxes and other duties charged on the Fund by the government and/or other authorities;
- (d) costs incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- (e) costs incurred for any meeting of the Unitholders save where such meeting is convened by, or for the benefit of, the Manager and/or the Trustee;
- (f) costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund;
- (g) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- (h) costs, fees and expenses incurred in engaging any valuer, adviser or contractor for the benefit of the Fund;
- (i) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- (j) costs, fees and expenses incurred in the termination of the Fund or the removal of the Trustee or the Manager and the appointment of a new trustee or management company;
- (k) 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); and
- (l) 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.

10.4 Retirement, Removal or Replacement of the Trustee

The Trustee may retire upon giving twelve (12) months' notice in writing to the Manager of the Fund of its desire to do so, or such other period as the Manager and the Trustee may agree, and the Manager shall appoint in writing some other corporation to be the trustee of the Fund.

The Trustee may be removed and another trustee may be appointed by special resolution of the Unit Holders at a duly convened meeting of which notice has been given to the Unit Holders in accordance with the Deed.

10.5 Retirement, Removal or Replacement of the Manager

The Manager may be removed by the Trustee where:

- (a) if the Manager has failed or neglected to can't out its duties to the satisfaction of the

Trustee and the Trustee considers that it would be in the interests of Unit Holders for it to do so after the Trustee has given notice to it of that opinion and the reasons for that opinion, and has considered any representations made by the Manager in respect of that opinion, and after consultation with the relevant authorities and with the approval of the Unit Holders by way of a Special Resolution;

- (b) unless expressly directed otherwise by the relevant authorities, if the Manager is in breach of any of its obligations or duties under this Deed or the relevant laws, or has ceased to be eligible to be a management company under the relevant laws; or
- (c) the Manager has gone into liquidation, except for the purpose of amalgamation or reconstruction or some similar purpose, or has had a receiver appointed or has ceased to carry on business;
- (d) and the Manager shall not accept any extra payment or benefit in relation to such removal.

Subject to the approval of the relevant authorities, the Manager may retire in favour of some other corporation and as necessary under any relevant law upon giving to the Trustee twelve (12) months' notice in writing of its desire to retire, or such shorter period as the Manager and the Trustee may agree upon.

10.6 Termination of Trust / Winding Up of the Fund

The Fund may be terminated or wound up upon the occurrence of any of the following:

- (a) the approvals of the relevant authorities have been revoked under any of the relevant laws;
- (b) a special Resolution is passed following the occurrence of any of the events stipulated under any relevant law, with the sanction of the Court if so required;
- (c) a special Resolution is passed to terminate or wind up the Fund;
- (d) the Fund has reached its maturity date; or
- (e) the effective date of an approved transfer scheme has resulted in the Fund, being subject of the transfer scheme, being left with no asset or property.

Upon the occurrence of any of the abovementioned events:

- (a) the provisions in the Deed and all the relevant laws shall cease to be applicable in respect of the Fund;
- (b) the Trustee shall cease to create and cancel Units;
- (c) the Manager shall cease to deal in Units; and
- (d) the Trustee shall proceed to wind up the Fund in accordance with the provisions of the Deed.

10.7 Termination of Trust by the Trustee

In any of the following events:

- (a) if the Manager has gone into liquidation except for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee and the relevant authorities;
- (b) if, in the opinion of the Trustee, the Manager has ceased to carry on business; or
- (c) if, in the opinion of the Trustee, the Manager has to the prejudice of Unit Holders failed to comply with the provisions of the Deed or contravened any of the provisions of any relevant law;

the Trustee shall summon a meeting of Unit Holders in accordance with the provisions of the Deed for the purpose of seeking directions from the Unit Holders.

If at any such meeting a Special Resolution to terminate the trust in respect to the Fund and to wind-up the Fund is passed by the Unit Holders, the Trustee shall apply to the court for an order confirming such Special Resolution.

Upon such application by the Trustee, the court may, if it considers it to be in the interests of the Unit Holders, confirm the Special Resolution and make such orders as it thinks necessary or expedient for the termination of the trust in respect of the Fund and the effective winding-up of the Fund.

The termination of the trust and the winding up of the Fund shall not affect the continuity of any other trusts and wholesale funds created and established hereunder.

10.8 Termination of a Class of Units

If the Fund has more than one class of Units, the Manager may terminate a particular class of Units in accordance with the relevant laws. The Manager may only terminate a particular class of Units if the termination of that class of Units does not prejudice the interests of Unit Holders of any other class of Units. For the avoidance of doubt, the termination of a class of Units shall not affect the continuity of any other class of Units of the Fund.

If at a meeting of Unit Holders to terminate a class of Units, a Special Resolution to terminate the class Units is passed by the Unit Holders of that class:

- (a) the Trustee and the Manager shall notify the relevant authorities in writing of the passing of the Special Resolution;
- (b) the Trustee or the Manager shall as soon as practicable inform all Unit Holders of the Fund of the termination of that class of Units; and
- (c) the Trustee or the Manager shall publish a notice on the termination of that class of Units in at least one (1) national Bahasa Malaysia newspaper and one (1) national English newspaper, if those Units are available in Malaysia.

The Trustee shall then arrange for a final review and audit of the final accounts of the Fund attributable to that class of Units by the Auditor. Upon the completion of the termination of that class of Units, the Trustee and the Manager shall notify the relevant authorities of the completion of the termination of that class of Units.

10.9 Unit Holders' Meeting

Quorum required for a unit holders' meeting

The quorum required for a meeting of the Unit Holders shall be five (5) Unit Holders, whether present in person or by proxy, provided always that the quorum for a meeting of the Unit Holders which requires a Special Resolution is five (5) Unit Holders holding in aggregate at least 25% (twenty five per centum) of the Units in issue at the time of the meeting. If the Fund has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund shall be two (2) Unit Holders, whether present in person or by proxy.

10.10 Meeting requested by the Unit Holders

Unless otherwise required or allowed by the relevant laws, the Manager shall, within twenty-one (21) days of receiving an application from not less than fifty (50) or one tenth (1/10) of all the Unit Holders, summon a meeting of the Unit Holders by:

- (a) sending by post to each Unit Holder at his last known address or, in the case of Jointholders, to the Jointholder whose name stands first in the records of the Manager to the Jointholder's last known address at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting, specifying the place, time and terms of resolutions to be proposed; 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 Bahasa Malaysia language newspaper published daily and an English newspaper approved by the relevant authorities.

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

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

provided always that the Manager receives an application of not less than fifty(50) or one-tenth(1/10) of all the Unit holders.

10.11 Meeting summoned by the Manager or the Trustee

The Manager or the Trustee may summon a meeting of Unit Holders for any purpose whatsoever by:

- (a) sending by post to each Unit Holder at his last known address or, in the case of jointholders, to the jointholder whose name stands first in the records of the Manager to the jointholder's last known address at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting, specifying the place, time and terms of resolutions to be proposed; 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 Bahasa Malaysia language newspaper published daily and an English newspaper approved by the relevant authorities.

11 RELATED PARTY TRANSACTIONS OR CONFLICT OF INTEREST

All transactions with related parties are to be executed on terms which are best available to the Fund and which are not less favourable to the Fund than an arm's length transaction between independent parties. The Fund may have dealings with parties related to the Manager. The related parties defined are AmIslamic Funds Management Sdn Bhd ("AIFM"), AmInvestment Bank Berhad, AmInvestment Group Berhad, AmBank (M) Berhad and AmBank Islamic Berhad.

Trading in securities by an employee is allowed, provided that the policies and procedures in respect of the personal account dealing are observed and adhered to. The directors, investment committee members and employees are required to disclose their portfolio holdings and dealing transactions as required under the Conflict of Interest Policy. Further, the abovementioned shall make disclosure of their holding of directorship and interest in any company.

The directors of AFM may have direct or indirect interest through their directorship in AIFM. Following are the details of the directors:

- Sum Leng Kuang is the independent director of AIFM.
- Tai Terk Lin is the independent director of AIFM.
- Goh Wee Peng is the non-independent director of AIFM.

For further details of the director's profile, please refer our website (www.aminvest.com).

To the best of Trustee's knowledge, there has been no event of conflict of interest or related party transaction which exists between the Trustee and the Manager or any potential occurrence of it.

12 ADDITIONAL INFORMATION

12.1 Keeping You Informed

When you invest

A transaction advice slip/ tax invoice will be sent to you.

Statement of investment

We will send you a monthly statement. It will state the balance of units held by you together with all transactions made since the last statement.

Reports

We will send you:

- The annual report within two (2) months of the Fund's financial year end; and
- Quarterly reports within two (2) months of the end of the period covered.

Tax voucher

We will send you tax vouchers (if any) which will set out the information that is needed to complete your tax return form.

Internet

We publish updated information on our website www.ambankgroup.com or www.aminvest.com.

Please take note that if you have invested through our appointed distributor via a nominee system of ownership, please obtain the above-mentioned information from that distributor.

12.2 Keeping Us Informed

Changing your account details

You will be required to inform us or your personal adviser from our appointed distributor in writing on any changes of your account details. Account details will amongst other things, include the following:

- your address;
- bank account details;
- signing instructions; and
- how income distributions are to be paid (if any).

Kindly ensure that you keep us or your personal adviser from our appointed distributor updated on any changes to your account details. This will enable us to keep you informed of the latest development of your investments and to ensure any payment of income distribution (if any) is paid successfully to your account or such cheque/ bank draft reaches you successfully at your updated address. Failure to inform us of any changes to your account details may result in us being unable to contact you and failure to make any income distribution payment to you, such income distribution will become unclaimed moneys and be treated as unclaimed moneys under Section 6.6.

Investor feedback and complaints

We encourage feedback from you in order for us to upgrade our services to meet your needs. Additionally, if you have any complaints, you may direct your complaints to your personal adviser from our appointed distributor. You may also direct your feedback or complaints to us by contacting our customer service representative at (03) 2032 2888 or email enquiries@aminvest.com. If you wish to write to us, please address your letter to:

AmFunds Management Berhad
9th & 10th Floor, Bangunan AmBank Group
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur

13 DIRECTORY

Head Office AmFunds Management Berhad
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P.O. Box 13611, 50816 Kuala Lumpur

For enquiries about this Fund and any other funds offered by AmFunds Management Berhad, please call (03) 2032 2888 between 8.45 a.m. to 5.45 p.m. (Monday-Thursday), 8.45 a.m. to 5.00 p.m. (Friday)

AmFunds Management Berhad

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