

INFORMATION MEMORANDUM CIMB-PRINCIPAL GLOBAL TECHNOLOGY FUND

FORWARD  Your Investments



 **CIMB Principal**
ASSET MANAGEMENT

Manager : CIMB-Principal Asset Management Berhad (304078-K)

Trustee : Deutsche Trustees Malaysia Berhad (763590-H)

This Information Memorandum for the CIMB-Principal Global Technology Fund is dated 17 May 2018.

The Fund is constituted on 17 May 2018.

DISCLAIMER: PLEASE READ THE INFORMATION MEMORANDUM AND OBTAIN PROFESSIONAL ADVICE BEFORE SUBSCRIBING TO THE FUND.

THIS FUND IS A MULTI-CLASS FUND AND IS ALLOWED TO ESTABLISH NEW CLASS(ES) FROM TIME TO TIME AS MAY BE DETERMINED BY THE MANAGER.

ABOUT THIS DOCUMENT

This is an information memorandum which introduces you to CIMB-Principal Asset Management Berhad (“CIMB-Principal”) and the CIMB-Principal Global Technology Fund (“Fund”), which is a wholesale fund. This Information Memorandum outlines in general the information you 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. The Fund is established with a multi-class structure and has more than one (1) class.

This 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 Information Memorandum, may be made to anyone who is not a Sophisticated Investor.

If you have any questions about the Fund, please contact our Customer Care Centre at 03-7718 3100 between 8:45 a.m. and 5:45 p.m. (Malaysia time) on Mondays to Thursdays and between 8:45 a.m. and 4:45 p.m.(Malaysia time) on Fridays (except on Selangor public holidays).

Unless otherwise indicated, any reference in this Information Memorandum to any rules, regulations, guidelines, standards, directives, notices, legislations or statutes shall be reference to those rules, regulations, guidelines, standards, directives, notices, legislations or statutes for the time being in force, as may be amended, varied, modified, updated, superseded and/or re-enacted from time to time.

Any reference to a time, day or date in this Information Memorandum shall be a reference to that time, day or date in Malaysia, unless otherwise stated. Reference to “days” in this Information Memorandum will be taken to mean calendar days unless otherwise stated.

As the base currency of the Fund is USD, please note that all references to currency amounts and NAV per unit in the Information Memorandum are in USD unless otherwise indicated.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF YOU ARE IN DOUBT, PLEASE CONSULT YOUR PROFESSIONAL ADVISERS IMMEDIATELY.

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Information Memorandum:

AUD	- Australian Dollar.
Application Fee	- Preliminary charge on each investment.
Business Day	- Mondays to Fridays when Bursa Malaysia Securities Berhad is open for trading, and banks in Kuala Lumpur and/or Selangor are open for business. In respect of the Target Fund, it means a day on which the stock exchange in Luxembourg is open for business. Note: We may declare certain Business Days to be a non-Business Day if the jurisdiction of the Target Fund declares a non-business day and/or if the Target Fund's manager declares a non-dealing day. This information will be communicated to the Unit holders via CIMB-Principal's website at http://www.cimb-principal.com.my .
CIMB Group	- CIMB Group Sdn. Bhd.
CIMB-Principal or the Manager	- CIMB-Principal Asset Management Berhad.
CIMB-Principal Fund	- Any unit trust funds/ wholesale funds that may be offered by CIMB-Principal.
CIS	- Means collective investment schemes.
Class	- Any Class of units representing similar interests in the assets of the Fund. Note: For more information, please see page 1 and Annexure 1 of the respective Class.
Class AUD-Hedged	- The Class of units issued by the Fund denominated in AUD that aims to minimize the effect of exchange rate fluctuations between the base currency of the Fund (i.e. USD) and AUD.
Class GBP-Hedged	- The Class of units issued by the Fund denominated in GBP that aims to minimize the effect of exchange rate fluctuations between the base currency of the Fund (i.e. USD) and GBP.
Class MYR-Hedged	- The Class of units issued by the Fund denominated in MYR that aims to minimize the effect of exchange rate fluctuations between the base currency of the Fund (i.e. USD) and MYR.
Class SGD-Hedged	- The Class of units issued by the Fund denominated in SGD that aims to minimize the effect of exchange rate fluctuations between the base currency of the Fund (i.e. USD) and SGD.
Class USD	- The Class of units issued by the Fund denominated in USD.
CMSA	- Capital Markets and Services Act 2007.
Company	- Franklin Templeton Investment Funds.
CWA	- Refers to the unit trust consultants of CIMB-Principal.
Deed	- The principal deed and any supplemental deed in respect of the Fund entered into between the Manager, the Trustee and the Unit holders, agreeing to be bound by the provisions of the Deed.
Deposit	- As per the definition of "deposit" in the Financial Services Act 2013 and "Islamic deposit" in the Islamic Financial Services Act 2013. Note: To exclude structured deposits.
Distributors	- Any relevant persons and bodies appointed by us from time to time, who are responsible for selling the units of the Fund.
FIMM	- Federation of Investment Managers Malaysia.
Fund	- CIMB-Principal Global Technology Fund.
GBP	- Great Britain Pound.
GST	- Refers to the tax levied on goods and services pursuant to the Goods and Services Tax Act 2014.
Information Memorandum	- Refers to the information memorandum in respect of the Fund and includes any supplemental information memorandum or replacement information memorandum, as the case may be.
IUTA	- Institutional Unit Trust Advisers.
KIID	- Key Investor Information Document.
LPD	- Latest Practicable Date, i.e. 31 March 2018, in which all information provided herein, shall remain current and relevant as at such a date.
Management Company	- Franklin Templeton International Services S.à r.l.
Management Fee	- A percentage of the NAV of the Class that is paid to us for managing the portfolio of the Fund.
MCR	- Multi-class ratio, being the apportionment of the NAV of each Class over the Fund's NAV based on the size of each Class. The MCR is calculated by dividing the NAV of the respective Class by the NAV of the Fund before income and expenses for the day. The apportionment is expressed as a ratio and calculated as a percentage.
Member State	- A member state of the European Union.
Money market instruments	- The investment in money market : (a) has a maturity at issuance of up to and including 397 days; or (b) has a residual maturity of up to and including 397 days.
NAV	- Net Asset Value.
NAV of the Fund	- The NAV of the Fund is the value of all the Fund's assets less the value of all the Fund's liabilities, at the point of valuation. For the purpose of computing the annual Management Fee and annual Trustee Fee, the NAV of the Fund should be inclusive of the Management Fee and

	Trustee Fee for the relevant day. The NAV of a Class is the NAV of the Fund attributable to a Class at the same valuation point.
NAV per unit	- The NAV attributable to a Class of units divided by the number of units in circulation for that Class, at the valuation point.
OTC	- Over-the-counter.
PFG	- Principal Financial Group and its affiliates.
PIA	- Principal International (Asia) Ltd.
Prospectus	- Refers to the prospectus in respect of the Company and includes any supplemental prospectus, addendum or replacement prospectus, as the case may be. The Prospectus is available on Franklin Templeton's website at https://www.franklintempletongem.com/ .
RM or MYR	- Malaysian Ringgit.
SC	- Securities Commission Malaysia.
SC Guidelines	- SC Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.
SGD	- Singapore Dollar.
Sophisticated Investor	- Refers to investors as we determine as qualified or eligible to invest in the Fund and that fulfil any laws, rules, regulation, restrictions or requirements imposed by the respective country's regulators where the Fund is open for sale. For investors in Malaysia, this refers to any person who falls within any of the categories of investors set out in Part 1, Schedules 6 and 7 of the CMSA. Note: For more information, please see Annexure 2 for the current excerpts of Part 1, Schedules 6 and 7 of the CMSA.
Special Resolution	- A resolution passed by a majority of not less than three-fourth (3/4) of the Unit holders of the Fund or a Class, as the case may be, voting at a meeting of Unit holders duly convened and held in accordance with the provisions of the Deed and representing at least three-fourth (3/4) of the value of the Units held by Unit holders of the Fund or a Class, as the case may be, voting at the meeting (whether in person or by proxy) duly convened and held in accordance with the provisions of the Deed.
Switching Fee	- A charge that may be levied when switching is done from one fund or class to another.
Target Fund	- The collective investment scheme that the Fund invests predominantly in. Currently, it refers to Franklin Technology Fund.
Target Fund Investment Manager	- Franklin Advisers, Inc.
Transfer Fee	- A nominal fee levied for each transfer of units from one Unit holder to another.
Trustee	- Deutsche Trustees Malaysia Berhad.
Trustee Fee	- A percentage of the NAV of the Fund that is paid to the Trustee for its services rendered as trustee for the Fund.
UK	- United Kingdom.
Unit holder	- The registered holder for the time being of a unit of any Class including persons jointly registered.
US or USA	- United States of America.
USD	- United States Dollar.
Wholesale Fund	- A unit trust scheme established in Malaysia where the units are to be issued, offered for subscription or purchase, or for which invitations to subscribe for or purchase the units are to be made, exclusively to Sophisticated Investor.
Withdrawal Fee	- A charge levied upon redemption under certain terms and conditions (if applicable).

Note: Unless the context otherwise requires, words importing the singular number should include the plural number and vice versa.

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1. FUND INFORMATION

1.1. CIMB-PRINCIPAL GLOBAL TECHNOLOGY FUND

- Fund Category/Type** : Feeder fund/ Growth.
- Investment Objective** : The Fund aims to provide capital appreciation through investments in one collective investment scheme, which invests primarily in a diversified portfolio of technology related companies.
We will require your approval if there is any material change to the Fund's investment objective.
- Benchmark** : The Fund adheres to the benchmark of the Target Fund for performance comparison. The benchmark of the Target Fund may be found on KIID of the Target Fund available on the www.ftidocuments.com website. Alternatively, kindly refer to the product highlights sheet for the current benchmark of the Target Fund.
- Distribution Policy** : The distribution policy of each of the Class may differ. Please refer to the Annexure 1 of the respective Class for more information. You may also refer to page 25 for information on the distribution payment.

Base Currency and Classes

The base currency of the Fund is USD.

Currently, the Fund has five (5) Classes, i.e. Class USD, Class AUD-Hedged, Class GBP-Hedged, Class MYR-Hedged and Class SGD-Hedged. Other classes may be offered for sale in the future and on such date to be determined by us.

Please note that the Fund is established with a multi-class structure where the Deed allows for the establishment of more than one (1) Class with similar interests in the assets of the Fund, i.e. the Fund is allowed to establish new Class(es) from time to time without your prior consent. Each Class may be different in terms of currency denomination, fees and charges and/or distribution policy and hence, will have its respective NAV per unit, denominated in its respective currency taking into account the aforementioned features. Although the Fund has multiple Classes, Unit holders should note that the assets of the Fund are pooled for investment purpose.

Information on the Classes are available in this Information Memorandum and all references to the Classes or Fund in this Information Memorandum will be applicable and/or refers (as the case may be) to the relevant Classes offered for sale, unless otherwise stated. For detailed information of the Classes, please refer to the Annexure 1 of the respective Class. When in doubt, you should consult professional advisers for a better understanding of the multi-class structure before investing in the Fund.

As the Manager, we shall have the sole and absolute right to issue other classes of units to the Fund in the future with different and/or similar features including but not limited to fees, charges, currency and/or distribution policy with that of the units without the need to obtain or seek your approval provided that the issuance of other classes shall not in our opinion prejudice the rights of the Unit holders of the current Classes of the Fund.

Launch Date, Initial Offer Period & Initial Offer Price Per Unit

Name of Class	Launch date	Initial offer period	Initial offer price per unit
Class USD	17 May 2018	Up to 21 days	USD 1.0000
Class AUD-Hedged	17 May 2018	Up to 21 days	AUD 1.0000
Class GBP-Hedged	17 May 2018	Up to 21 days	GBP 1.0000
Class MYR-Hedged	17 May 2018	Up to 21 days	MYR 1.0000
Class SGD-Hedged	17 May 2018	Up to 21 days	SGD 1.0000

Investment Policy and Principal Investment Strategy

The Fund is a feeder fund and it invests in a single collective investment scheme, i.e. Franklin Technology Fund. The Fund may also invest in liquid asset for liquidity purpose.

In order to achieve its investment objective, the Fund will invest at least 95% of its NAV in the Target Fund; a portfolio established on 4 March 2000 under the Franklin Templeton Investment Funds. The Fund will also maintain up to 5% of its NAV in liquid assets for liquidity purposes.

The Fund will be actively rebalanced from time to time to meet sales and redemptions transactions. This is to enable a proper and efficient management of the Fund. As this is a feeder fund that invests predominantly in the Target Fund, we do not intend to take temporary defensive position for the Fund during adverse market, economic and/or any other conditions. This is to allow the Fund to mirror the performance of the Target Fund in either bullish or bearish market conditions. However, the Target Fund Investment Manager may take temporary defensive position when deemed necessary.

We do not employ risk management strategy on the portfolio of the Target Fund. However, the Management Company and/or the Target Fund Investment Manager will employ a risk management process in respect of the Target Fund that enables the Management Company to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile

of the Target Fund. Please refer to page 6 under the “Investment objective and investment strategies of the Target Fund” for more information.

We will employ risk management strategy at the Fund level, where we will continuously monitor the investment objective, performance and suitability of the Target Fund to ensure that it is in line with the investment objective of the Fund. If we are of the opinion that the Target Fund no longer meets the Fund’s investment objective, we may, with your approval, replace the Target Fund with another CIS that is in line with the Fund’s objective. In such circumstances, we will redeem our investment in the Target Fund and invest in another CIS on a staggered basis for a smooth transition, if the Target Fund imposes any conditions in relation to redemption of units or if the manager of the newly identified target fund exercises its discretion to apply anti dilution levy* in relation to the applications for units. Thus, the time frame required to perform the transition will depend on such conditions, if any, imposed by the Target Fund as well as any conditions associated with a dilution adjustment that may be made by the newly identified target fund. Hence during the transition period, the Fund’s investments may differ from the stipulated investment objective, investment strategies and/or investment restrictions and limits. The Fund also may, with the concurrence of the Trustee, hold more than 5% of liquid assets on a temporary basis to meet redemption requests and to manage expenses of the Fund.

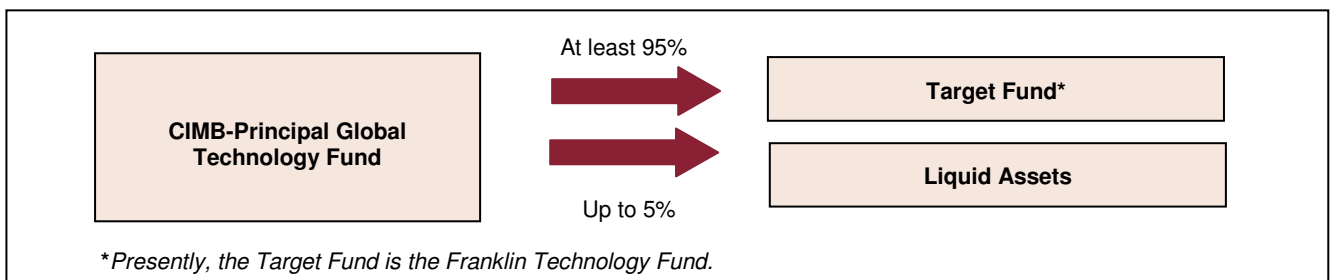
Currently, the Fund invests in Class I (USD) of the Target Fund, which is an institutional share class denominated in USD launched on 27 May 2011. The Fund may change its entire investment into another class of the Target Fund (which must be denominated in the same currency) if we are of the opinion that the change is in the interest of the Unit holders. If we wish to effect such change, we will seek concurrence from the Trustee and you will be notified before implementation.

Note:

* *Anti dilution levy is an allowance for fiscal and other charges that is added to the NAV per unit to reflect the costs of investing application monies in underlying assets of the Target Fund or newly identified target fund.*

Information on the Target Fund

Company	:	Franklin Templeton Investment Funds
Management Company	:	Franklin Templeton International Services S.à r.l.
Investment Manager	:	Franklin Advisers, Inc.
Regulatory authority	:	Commission de Surveillance du Secteur Financier



Asset Allocation

- At least 95% of the Fund’s NAV will be invested in the Target Fund; and
- Up to 5% of the Fund’s NAV will be invested in liquid assets for liquidity purposes.

1.2. PERMITTED INVESTMENTS

The Fund will invest in the following investments:

- One collective investment scheme (local or foreign) provided it is not a Fund-of-Funds or a Feeder Fund or any sub-fund of an umbrella fund which is a Fund-of-Funds or a Feeder Fund;
- Deposits and money market instruments;
- Derivative instruments, including but not limited to options, futures contracts, forward contracts and swaps for hedging purposes; and
- Any other form of investments as may be determined by us from time to time that is in line with the Fund’s objective.

1.3. INVESTMENT RESTRICTIONS AND LIMITS

The Fund is subject to the following investment restrictions and limits:

Collective investment scheme: The Fund must invest in one (1) CIS.

Liquid assets: The Fund may invest up to 5% of the NAV of the Fund in liquid assets. The Fund may, with the concurrence of the Trustee, hold more than 5% of liquid assets on a temporary basis to meet redemption requests and to manage expenses of the Fund.

1.4. APPROVALS AND CONDITIONS

There is no exemption and/or variation to the SC Guidelines for the Fund.

1.5. BORROWINGS OR FINANCING

The Fund may not obtain cash financing or other assets in connection with its activities. However, the Fund may obtain cash financing for the purpose of meeting withdrawal requests for units and for short-term bridging requirements.

1.6. RISK FACTORS

1.6.1. GENERAL RISKS OF INVESTING IN A COLLECTIVE INVESTMENT SCHEME

Before investing, you should consider the following risk factors in addition to the other information set out in this Information Memorandum.

Returns not guaranteed

The investment of the fund is subject to market fluctuations and its inherent risk. There is **NO GUARANTEE** on the investment returns, nor any assurance that the fund's investment objective will be achieved.

Market risk

Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the fund's NAV.

Inflation risk

This is the risk that your investment in the fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.

Loan financing risk

This risk occurs when you take a loan/financing to finance your investment. The inherent risk of investing with borrowed money includes you being unable to service the loan repayments. In the event units are used as collateral, you may be required to top-up your existing instalment if the prices of units fall below a certain level due to market conditions. Failing which, the units may be sold at a lower NAV per unit as compared to the NAV per unit at the point of purchase towards settling the loan.

1.6.2. SPECIFIC RISK RELATED TO THE FUND

Currency risk

You should be aware that currency risk is applicable to Class(es) (e.g. Class MYR) which is in a different currency than the base currency of the Fund (i.e. USD). The impact of the exchange rate movement between the base currency of the Fund and the currency denomination of the respective Class(es) may result in a depreciation of the value of your holdings as expressed in the currency denomination of the Class(es).

As for a hedged Class, the Class itself provides mitigation to the currency risk arising from the difference between the currency denomination of the Class and the base currency of the Fund. While we aim to fully hedge the currency risk for a hedged Class, you should note that it may not entirely eliminate currency risk. In addition, you should note that, as a result of hedging, a hedged Class will not be able to enjoy the full benefits of the currency movement in the event of a favourable movement of the currency denomination of the hedged Class against the base currency of the Fund. You should also note that hedging incurs costs, in which will impact the NAV of a hedged Class.

Fund manager's risk

Since the Fund invests into a CIS managed by another manager, the Management Company has absolute discretion over the Target Fund's investment technique and knowledge, operational controls and management. In the event of mismanagement of the Target Fund, the NAV of the Fund, which invests into the Target Fund, would be affected negatively. Although the probability of such occurrence is minute, should the situation arise, we reserve the right to seek for an alternative CIS that is consistent with the objective of this Fund, subject to your approval.

Country risk

As the Fund invests in the Target Fund which is domiciled in Luxembourg, the Fund's investments in the Target Fund may be affected by risks specific to Luxembourg. Such risks include adverse changes in Luxembourg's economic fundamentals, social and political stability, laws and regulations and foreign investments policies. These factors may be an adverse impact on the prices of the Target Fund's investments, which will depress the Target Fund's NAV growth, and consequently depress the Fund's NAV growth.

1.6.3. SPECIFIC RISKS RELATED TO THE TARGET FUND

As the Fund invests predominantly in the Target Fund, the Fund also assumes the risks associated with the Target Fund, which include but not limited to the following:

Biotechnology, Communication and Technology Sectors risk

Investment in the biotechnology, communication and technology sectors may present a greater risk and a higher volatility than investment in a broader range of securities covering different economic sectors. In addition, these sectors may be subject to greater government regulation than other sectors and, as a result, changes to such government regulation may have a material adverse effect on these sectors. Such investments may therefore drop sharply in value in response to market, regulatory or research setbacks in addition to possible adverse effects from the competition of new market entrants, patent considerations and product obsolescence. Particularly within technology, short product cycles and diminishing profit margins are additional factors to consider when investing.

Counterparty risk

Counterparty risk is the risk to each party of a contract that the counterparty will fail to perform its contractual obligations and/or to respect its commitments under the term of such contract, whether due to insolvency, bankruptcy or other cause.

When over-the-counter (OTC) or other bilateral contracts are entered into (inter alia OTC derivatives, repurchase agreements, security lending, etc.), the Company may find itself exposed to risks arising from the solvency of its counterparties and from their inability to respect the conditions of these contracts.

Equity risk

The value of the Target Fund that invests in equity and equity-related securities fluctuate daily. Prices of equities can be influenced and affected by many micro and macro factors such as economic, political, market, and issuer-specific changes. Such changes may adversely affect the value of the equities which can go up and down, regardless of company-specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Target Fund's value are often exacerbated in the short-term as well. The risk that one or more companies in the Target Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period and the Target Fund investing in equities could incur significant losses.

Foreign Currency risk

Since the Company values the portfolio holdings of the Target Fund in either US dollar, Japanese yen or euro, changes in currency exchange rates adverse to those currencies may affect the value of such holdings and the Target Fund's yield thereon.

Since the securities, including cash and cash equivalents, held by the Target Fund may be denominated in currencies different from its base currency, the Target Fund may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between such reference currency and other currencies. Changes in currency exchange rates may influence the value of the Target Fund's Shares, and also may affect the value of dividends and interests earned by the Target Fund and gains and losses realised by the Target Fund. If the currency in which a security is denominated appreciates against the base currency, the price of the security could increase. Conversely, a decline in the exchange rate of the currency would adversely affect the price of the security.

To the extent that the Target Fund seeks to use any strategies or instruments to hedge or to protect against currency exchange risk, there is no guarantee that hedging or protection will be achieved. Unless otherwise stated in the Target Fund's investment policy, there is no requirement that the Target Fund seeks to hedge or to protect against currency exchange risk in connection with any transaction.

Currency management strategies may substantially change the Target Fund's exposure to currency exchange rates and could result in losses to the Target Fund if currencies do not perform as the Investment Manager expects. In addition, currency management strategies, to the extent that they reduce the Target Fund's exposure to currency risks, may also reduce the Target Fund's ability to benefit from favourable changes in currency exchange rates. There is no assurance that the Investment Manager's use of currency management strategies will benefit the Fund or that they will be, or can be, used at appropriate times. Furthermore, there may not be perfect correlation between the amount of exposure to a particular currency and the amount of securities in the portfolio denominated in that currency. Investing in foreign currencies for purposes of gaining from projected changes in exchange rates, as opposed to hedging currency risks applicable to the Target Fund's holdings, further increases the Target Fund's exposure to foreign investment losses.

Investors should be aware of the fact that the Chinese Renminbi (RMB) is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of currencies. Currently, the RMB is traded in two markets: one in Mainland China, and one outside Mainland China (primarily in Hong Kong). The RMB traded in Mainland China is not freely convertible and is subject to exchange controls and certain requirements by the government of Mainland China. The RMB traded outside Mainland China, on the other hand, is freely tradable. Whilst the RMB is traded freely outside Mainland China, the RMB spot, forward foreign exchange contracts and related instruments reflect the structural complexities of this evolving market. Accordingly, Alternative Currency Classes denominated in RMB may be exposed to greater foreign exchange risks.

Growth Stocks risk

Funds investing in growth stocks can be more volatile and may react differently to economic, political, market, and issuer-specific developments than the overall market. Historically, the prices of growth stocks have been more volatile than other securities, especially, over short term periods of time. Growth stocks may also be more expensive, relative to their earnings, than the market in general. As such, growth stocks can experience greater volatility in reaction to changes in earnings growth.

Liquidity risk

Liquidity risk takes two forms: asset side liquidity risk and liability side liquidity risk. Asset side liquidity risk refers to the inability of a Fund to sell a security or position at its quoted price or market value due to such factors as a sudden change in the perceived value or credit worthiness of the position, or due to adverse market conditions generally. Liability side liquidity risk refers to the inability of the Target Fund to meet a redemption request, due to the inability of the Target Fund to sell securities or positions in order to raise sufficient cash to meet the redemption request. Markets where the Target Fund's securities are traded could also experience such adverse conditions as to cause exchanges to suspend trading activities. Reduced liquidity due to these factors may have an adverse impact on the Net Asset Value of the Target Fund and, as noted, on the ability of the Target Fund to meet redemption requests in a timely manner.

Certain securities are illiquid due to a limited trading market, financial weakness of the issuer, legal or contractual restrictions on resale or transfer, or that are otherwise illiquid in the sense that they cannot be sold within seven days at approximately the price at which the Target Fund values them. Securities that are illiquid involve greater risk than securities with more liquid markets. Market quotations for such securities may be volatile and/or subject to large spreads between bid and ask prices. Illiquidity may have an adverse impact on market price and the Target Fund's ability to sell particular securities when necessary to meet the Target Fund's liquidity needs or in response to a specific economic event.

Market risk

The market values of securities owned by the Target Fund will go up or down, sometimes rapidly or unpredictably. Securities may decline in value due to factors affecting individual issuers, securities markets generally or particular industries or sectors within the securities markets. The value of a security may go up or down due to general market conditions which are not specifically related to a particular issuer, such as real or perceived adverse economic conditions, changes in the general outlook for revenues or corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also go up or down due to factors that affect an individual issuer or a particular industry or sector, such as changes in production costs and competitive conditions within an industry. During a general downturn in the securities markets, multiple asset classes may decline in value. When markets perform well, there can be no assurance that securities held by the Target Fund will participate in or otherwise benefit from the advance.

Stock prices tend to go up and down more dramatically than those of debt securities. A slower-growth or recessionary economic environment could have an adverse effect on the prices of the various stocks held by the Target Fund.

Smaller and Midsize Companies risk

While smaller and midsize companies may offer substantial opportunities for capital growth, they also involve substantial risks and should be considered speculative. Historically, smaller and midsize company securities have been more volatile in price than larger company securities, especially over the short term. Among the reasons for the greater price volatility are the less certain growth prospects of smaller and midsize companies, the lower degree of liquidity in the markets for such securities, and the greater sensitivity of smaller and midsize companies to changing economic conditions.

In addition, smaller and midsize companies may lack depth of management, be unable to generate funds necessary for growth or development, have limited product lines or be developing or marketing new products or services for which markets are not yet established and may never become established. Smaller and midsize companies may be particularly affected by interest rate increases, as they may find it more difficult to borrow money to continue or expand operations, or may have difficulty in repaying any loans which are floating-rate.

These risks are typically increased for securities issued by smaller companies registered or performing a significant part of their activities in developing countries and Emerging Markets, especially as the liquidity of securities issued by companies in Emerging Markets may be substantially smaller than with comparable securities in industrialised countries.

Past performance of the Target Fund is not an indication of its future performance.

The above summary of risks does not purport to be an exhaustive list of all the risk factors relating to investments in the Fund and are not set out in any particular order of priority. You should be aware that investments in the Fund may be exposed to other risks from time to time. If in doubt, please consult your professional advisers for a better understanding of the risks.

This Fund is a multi-class fund and is allowed to establish new Class(es) from time to time without your prior consent subject to the concurrence of the Trustee.

2. TARGET FUND INFORMATION

2.1. ABOUT FRANKLIN TECHNOLOGY FUND (“TARGET FUND”)

Franklin Templeton Investment Funds (the “Company”) is incorporated in Luxembourg under the laws of the Grand Duchy of Luxembourg as a société anonyme and qualifies as a société d’investissement à capital variable (“SICAV”).

The Company is registered on the official list of undertakings for collective investment in transferable securities pursuant to Part I of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time (the “Law of 17 December 2010”). The Company qualifies as an Undertaking for Collective Investment in Transferable Securities (“UCITS”) under Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended. The Company is structured as an “umbrella fund” comprising separate pools of assets each, a portfolio, including the Target Fund.

The Company has appointed Franklin Templeton International Services S.à r.l., société à responsabilité limitée with its registered office at 8A, rue Albert Borschette, L-1246 Luxembourg, Grand-Duchy of Luxembourg as management company (the “Management Company”) to provide investment management, administration and marketing services to the Company with the possibility to delegate part or all of such services to third-parties. In such capacity the Management Company is responsible for the general administrative functions of the Target Fund required by Luxembourg law, such as the calculation of the NAV of the shares and the maintenance of accounting records.

The Management Company has delegated the investment management activities of the Target Fund to Franklin Advisers, Inc., which act as investment manager of the Target Fund and provide day-to-day management in respect of the investment and re-investment of the net assets of the Target Fund.

J.P. Morgan Bank Luxembourg S.A. (the “Depositary”) has been appointed as depositary to provide depositary, custodial, settlement and certain other associated services to the Company. The Depositary is a credit institution established in Luxembourg, whose registered office is situated at 6C, route de Trèves, L-2633 Senningerberg.

This Information Memorandum describes the features of the Target Fund in accordance with the prospectus of the Target Fund (the “Prospectus”) and we recommend this document should be read in conjunction with the Prospectus and the relevant key investor information document. We take all reasonable efforts to ensure the accuracy that the disclosure in this Information Memorandum in relation to the Target Fund, including obtaining the confirmation from the Investment Manager. However, in the event of any inconsistency or ambiguity in relation to the disclosure, including any word or phrase used in this Information Memorandum regarding the Target Fund as compared to the Prospectus, the Prospectus shall prevail.

Investment Objective and Investment Strategies of the Target Fund

The Target Fund’s investment objective is capital appreciation.

The Target Fund invests at least two thirds of its net invested assets in equity securities of US and non US companies expected to benefit from the development, advancement, and use of technology and communication services and equipment. These may include, for example, companies in the following industries:

- communication and computing related outsourcing services;
- technology services, including computer software, data services, and Internet services;
- electronic technology, including computers, computer products, and electronic components;
- telecommunications, including networking, wireless, and wire-line services and equipment;
- media and information services, including the distribution of information and content providers;
- semiconductors and semiconductor equipment; and
- precision instruments.

The Target Fund invests in securities of US and non US large, well-established companies, as well as small to medium-sized companies, that the Investment Manager believes provide good emerging growth opportunities.

The Target Fund may also invest in equity or debt securities of any type of foreign or US issuer as well as in American, European or Global Depositary Receipts.

The Target Fund uses a growth approach that employs intensive, bottom-up, fundamental research of companies. The Investment Manager also takes into consideration broad-based trends when considering the selection of investments. In general, the Investment Manager looks for companies it believes display, or will display, some of the following characteristics, among others: quality management; robust growth prospects; strong market positioning; high, or rising profit margins; and good return on capital investment.

Benchmark

The benchmark of the Target Fund may be found on the Key Investor Information Document (KIID) of the Target Fund available on the www.ftidocuments.com website.

Dividend Policy

No distribution of dividends shall be made but the net income attributable will be reflected in the increased value of the shares.

2.2. INVESTMENT AND BORROWING RESTRICTIONS OF THE TARGET FUND

The investment restrictions imposed by Luxembourg law must be complied with by the Target Fund. Those restrictions in paragraph 1. e) below are applicable to the Company as a whole.

2.2.1. INVESTMENT IN TRANSFERABLE SECURITIES AND LIQUID ASSETS

- a) The Company will invest in one or more of the following type of investments:
- (i) transferable securities and money market instruments admitted to or dealt on a regulated market within the meaning of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments;
 - (ii) transferable securities and money market instruments dealt on another market in a member state of the European Economic Area (a "Member State") which is regulated, operates regularly and is recognised and open to the public;
 - (iii) transferable securities and money market instruments admitted to official listing on a stock exchange in a non-EU Member state or dealt on another market in a non-EU Member State, which is regulated, operates regularly and is recognised and open to the public;
 - (iv) recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or on another regulated market, in the countries of the areas referred to under (i), (ii) and (iii) above, which operates regularly and is recognised and open to the public, and such admission is secured within a year of the purchase;
 - (v) units of UCITS and/or other UCIs, whether situated in a Member State or not, provided that:
 - such other UCIs have been authorised under the laws of any EU Member State or under laws which provide that they are subject to supervision considered by the Luxembourg supervisory authority to be equivalent to that laid down in EU law and that cooperation between authorities is sufficiently ensured,
 - the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009,
 - the business of such other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period,
 - no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs;
 - (vi) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in an EU Member State or, if the registered office of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the Luxembourg supervisory authority as equivalent to those laid down in EU law;
 - (vii) financial derivative instruments, including equivalent cash-settled instruments, dealt on a regulated market referred to in subparagraph (i) to (iv) above, and/or financial derivative instruments dealt over-the-counter ("OTC derivatives"), provided that:
 - the underlying consists of instruments covered under 1. a), financial indices, interest rates, foreign exchange rates or currencies, in which the Target Fund may invest according to its investment objectives,
 - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg supervisory authority,
 - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative,
 - (viii) money market instruments other than those dealt on a regulated market and which fall under 1. a), if the issuer or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:
 - issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
 - issued by an undertaking any securities of which are dealt on regulated markets referred to above, or
 - issued or guaranteed by an establishment subject to prudential supervision in accordance with criteria defined by the EU law, or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg supervisory authority to be at least as stringent as those laid down by EU law, or
 - issued by other bodies belonging to the categories approved by the Luxembourg supervisory authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least 10 million euro and which presents and publishes its annual accounts in accordance with the fourth directive 78/660/EEC, is an entity which, within a group of companies which include one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.
- b) The Company may invest up to 10% of the net assets of the Target Fund in transferable securities and money market instruments other than those referred to in (a) above;
- c) The Target Fund may hold ancillary liquid assets;

- d) (i) The Target Fund may invest no more than 10% of its net assets in transferable securities and money market instruments issued by the same body. The Target Fund may not invest more than 20% of its net assets in deposits made with the same body. The risk exposure to a counterparty of the Target Fund in an OTC derivative transaction may not exceed 10% of its assets when the counterparty is a credit institution referred to in 1. a) (vi) above or 5% of its net assets in other cases.

(ii) The total value of the transferable securities and money market instruments held in the issuing bodies in the Target Fund invests more than 5% of its net assets must not exceed 40 % of the value of its assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision. Notwithstanding the individual limits laid down in paragraph 1. d) (i), the Target Fund may not combine:

- investments in transferable securities or money market instruments issued by a single body,
- deposits made with a single body, and/or
- exposures arising from OTC derivative transactions undertaken with a single body,

in excess of 20% of its net assets.

(iii) The limit laid down under the first sentence of paragraph 1. d) (i) above shall be of 35% where the Target Fund has invested in transferable securities or money market instruments issued or guaranteed by a Member State, by its local authorities, by a non-Member State or by public international bodies of which one or more Member States are members.

(iv) The limit laid down under the first sentence of paragraph 1. d) (i) above shall be of 25% for bonds issued by a credit institution which has its registered office in a Member State and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued interest.

If the Target Fund invests more than 5% of its net assets in the bonds above and issued by one issuer, the total value of such investments may not exceed 80% of the value of the assets of the Target Fund.

(v) The transferable securities and money market instruments referred to in paragraphs 1. d) (iii) and 1. d) (iv) are not included in the calculation of the limit of 40% referred to in paragraph 1. d) (ii).

The limit set out above under 1. d) (i), (ii), (iii) and (iv) may not be combined, and thus investments in transferable securities or money market instruments issued by the same body, in deposits or derivative instruments made with this body carried out in accordance with section 1. d) (i), (ii), (iii) and (iv) may not exceed a total of 35% of the net assets of the Target Fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained under 1. d). The Target Fund may cumulatively invest up to 20% of its net assets in transferable securities and money market instruments within the same group.

(vi) Without prejudice to the limits laid down in paragraph e), the limits laid down in this paragraph d) shall be 20% for investments in shares and/or bonds issued by the same body when the aim of the Target Fund's investment policy is to replicate the composition of a certain stock or bond index which is recognised by the Luxembourg supervisory authority, provided

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

The limit laid down in the subparagraph above is raised to 35% where it proves to be justified by exceptional market conditions in particular in regulated markets where certain transferable securities or money market instruments are highly dominant provided that investment up to 35% is only permitted for a single issuer.

(vii) where the Target Fund has invested in accordance with the principle of risk spreading in transferable securities and money market instruments issued or guaranteed by any EU Member State, its local authorities, or public international bodies of which one or more EU Member States are members, by any other State of the OECD, by Singapore or any member state of the G20, the Company may invest 100% of the assets of the Target Fund in such securities provided that the Target Fund must hold securities from at least six different issues and securities from one issue must not account for more than 30% of the Target Fund's net assets.

- e) The Company or the Target Fund may not invest in voting shares of companies allowing it to exercise a significant influence in the management of the issuer. Further, the Company may acquire no more than (i) 10% of the non-voting shares of any single issuing body, (ii) 10% of the debt securities of any single issuing body, (iii) 25% of the units of any single collective investment undertaking, (iv) 10% of the money market instruments of any single issuing body. However, the limits laid down under (ii), (iii) and (iv) may be disregarded at the time of acquisition if, at that time, the gross amount of the bonds or of the money market instruments or the net amount of the instruments in issue cannot be calculated.

The limits under this section e) shall not apply to (i) transferable securities or money market instruments issued or guaranteed by a Member State, its local authorities, or public international bodies of which one or more Member States are members or by any other State, nor to (ii) shares held by the Company in the capital of a company incorporated in a State which is not a Member State investing its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Company can invest in the securities of issuing bodies of that State, provided that, however, the Company, in its investment policy, complies with the limits laid down in Articles 43 and 46 and in paragraphs (1) and (2) of Article 48 of the Law of 17 December 2010.

- f) (i) Unless otherwise provided in the investment policy of the Target Fund, the Target Fund will not invest more than 10% of its net assets in UCITS and other UCIs.

(ii) In the case restriction f) (i) above is not applicable to the Target Fund, as provided in its investment policy, the Target Fund may acquire units of UCITS and/or other UCIs referred to in paragraph 1. a) (v), provided that no more than 20% of the Target Fund's net assets be invested in the units of a single UCITS or other UCI.

For the purpose of the application of this investment limit, each compartment of a UCITS and/or other UCI with multiple compartments is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments vis-à-vis third parties is ensured.

(iii) Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the net assets of the Target Fund.

(iv) When the Target Fund invests in the units of UCITS and/or other UCIs linked to the Company by common management or control, or by a substantial direct or indirect holding, no subscription or redemption fees may be charged to the Company on account of its investment in the units of such other UCITS and/or UCIs.

In respect of the Target Fund's investments in UCITS and other UCIs linked to the Company as described in the preceding paragraph, the total management fee (excluding any performance fee, if any) charged to the Target Fund and each of the UCITS or other UCIs concerned shall not exceed 2% of the value of the relevant investments. The Company will indicate in its annual report the total management fees charged both to the Target Fund and to the UCITS and other UCIs in which the Target Fund has invested during the relevant period.

(v) The Company may acquire no more than 25% of the units of the same UCITS and/or other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated. In case of a UCITS or other UCI with multiple compartments, this restriction is applicable by reference to all units issued by the UCITS/UCI concerned, all compartments combined.

(vi) The underlying investments held by the UCITS or other UCIs in which the Target Fund invests do not have to be considered for the purpose of the investment restrictions set forth under 1. d) above.

- g) The Target Fund may subscribe, acquire and/or hold shares to be issued or issued by one or more other funds without the Target Fund being subject to the requirements of the law of 10 August 1915 on commercial companies (as amended) with respect to the subscription, acquisition and/or the holding by a company of its own shares, under the conditions however that:

- (i) The destination fund does not, in turn, invest in the Target Fund invested in this destination fund; and
- (ii) No more than 10% of the assets that the destination fund whose acquisition is contemplated may be invested in units of UCITS and/or other UCIs; and
- (iii) Voting rights, if any, attaching to the shares of the destination fund are suspended for as long as they are held by the Target Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- (iv) In any event, for as long as these shares are held by the Target Fund, their value will not be taken into consideration for the calculation of the net assets of the Target Fund for the purposes of verifying the minimum threshold of the net assets imposed by the Law of 17 December 2010; and
- (v) There is no duplication of management/entry or sale charges between those at the level of the Target Fund having invested in the destination fund, and this destination fund.

- h) The Company may not (i) acquire for the benefit of the Target Fund securities which are partly paid or not paid or involving liability (contingent or otherwise) unless according to the terms of issue such securities will or may at the option of the holder become free of such liabilities within one year of such acquisition and (ii) underwrite or subunderwrite securities of other issuers for the Target Fund.

- i) The Company may not purchase or otherwise acquire any investment in which the liability of the holder is unlimited.

- j) The Company may not purchase securities or debt instruments issued by the Investment Managers or any connected person or by the Management Company.

- k) The Company may not purchase any securities on margin (except that the Company may, within the limits set forth in clause 2. e) below, obtain such short term credit as may be necessary for the clearance of purchases or sales of securities) or make uncovered sales of transferable securities, money market instruments or other financial instruments referred to above; except that the Company may make initial and maintenance margin deposits in respect of futures and forward contracts (and options thereon).

2.2.2. INVESTMENT IN OTHER ASSETS

- a) The Company may not purchase real estate, nor acquire any options, rights or interest in respect thereof, provided that the Company may invest for the account of the Target Fund in securities secured by real estate or interest therein or in securities of companies investing in real estate.

- b) The Company may not make investments in precious metals or certificates representing them.

- c) The Company may not enter into direct commodities transactions or commodity contracts, except that the Company may, in order to hedge risk, enter into financial futures on such transactions within the limits laid down in clause 3 below.

- d) The Company may not make loans to other persons or act as a guarantor on behalf of third parties or assume, endorse or otherwise become directly or contingently liable for, or in connection with, any obligation or indebtedness or any person in respect of borrowed monies, provided that for the purpose of this restriction:
 - (i) the acquisition of bonds, debentures or other corporate or sovereign debt obligations (whether wholly or partly paid) and investment in securities issued or guaranteed by a member country of the OECD or by any supranational institution, organization or authority, short-term commercial paper, certificates of deposit and bankers' acceptances of prime issuers or other traded debt instruments shall not be deemed to be the making of a loan; and
 - (ii) the purchase of foreign currency by way of a back-to-back loan shall not be deemed to be the making of a loan.
- e) The Company may not borrow for the account of the Target Fund, other than amounts which do not in aggregate exceed 10% of the net assets of the Target Fund, taken at market value and then only as a temporary measure. The Company may, however, acquire foreign currency by means of a back-to-back loan.
- f) The Company may not mortgage, pledge, hypothecate or in any manner transfer as security for indebtedness, any of the securities or other assets of the Target Fund, except as may be necessary in connection with the borrowings mentioned in clause e) above. The purchase or sale of securities on a when-issued or delayed-delivery basis, and collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed the pledge of the assets.

2.2.3. FINANCIAL DERIVATIVE INSTRUMENTS

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

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

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

As the case may be, collateral received by the Target Fund in relation to OTC derivative transactions may offset net exposure by counterparty provided it meets a range of standards, including those for liquidity, valuation, and issuer credit quality. Collateral primarily consist of cash and highly rated sovereign bonds. Collateral value is reduced by a percentage (a "haircut") which provides for short term fluctuations in the value of the collateral. Net exposures are calculated daily by counterparty and subject to the terms of the agreements, including a minimum transfer amount, collateral levels may fluctuate between the fund and the counterparty depending on the market movement of the exposure. Non-cash collateral received is not sold, reinvested or pledged. Cash collateral may be reinvested in a manner consistent with the provisions established in the Credit Support Annex ("CSA") of the International Swaps and Derivatives Association Master Agreement ("ISDA Master Agreement") executed with the relevant counterparty and with the risk diversification requirements detailed in Appendix B "Investment Restrictions" in (a) shares of the Prospectus for the Target Fund or units issued by short term money market undertakings for collective investment as defined in the Guidelines on a Common Definition of European Money Market Funds, (b) deposits with credit institution having its registered office in a Member State or with a credit institution situated in a non-Member State provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law, (c) high quality government bonds that are deemed eligible collateral according to the terms of the CSA of the ISDA Master Agreement, and (d) reverse repurchase agreement transactions provided the transactions are with credit institutions subject to the prudential supervision and the Company may recall at any time the full amount of cash on accrued basis. The Company has policies with respect to the reinvestment of collateral (specifically, that derivatives or other instruments that may contribute to leverage may not be used) such that it would not impact the Global Exposure calculation.

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

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

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

The Target Fund apply either the Value-at-Risk (VaR) or the Commitment Approach to calculate their Global Exposure, whichever is deemed to be appropriate.

When the investment objective of the Target Fund indicates a benchmark against which the performance might be compared, the method used to calculate the Global Exposure may consider a different benchmark than the one mentioned for performance or volatility purposes in the Target Fund's investment objective.

Currency Hedging

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

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

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

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

Total return swaps transactions

The Target Fund which is authorised as per its investment policy to invest in total return swaps but which does not enter into such transactions as of the date of this Prospectus may however enter into total return swaps transactions provided that the maximum proportion of the net assets of that Fund that could be subject to such transactions does not exceed 30% and that the relevant section relating to the Target Fund is updated accordingly at the next available opportunity. In such cases, the counterparty to the transaction will be a counterparty approved and monitored by the Management Company or the Investment Manager. At no time will a counterparty in a transaction have discretion over the composition or the management of the Target Fund's investment portfolio or over the underlying of the total return swap. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process.

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

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

Where the Target Fund enters into total return swaps transactions as of the date of this Prospectus, the expected proportion of the Target Fund's net assets that could be subject to total return swaps transactions shall be calculated as the sum of notional of the derivatives used and is set out in the "Fund information, objectives and investment policies" section of the Target Fund. If and when the Target Fund enters into total return swaps transactions, it is for the purpose of generating additional capital or income and/or for reducing costs or risks.

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

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

a) Repurchase transactions and securities lending transactions

(i) Types and purpose

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

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

The form and nature of the collateral will primarily consist of cash and highly rated sovereign fixed income securities that meets particular ratings criteria and will be equal to or greater than the value of the securities lent. Eligible collateral for securities lending transactions would be negotiable debt obligations (collectively "AA - Level Sovereign Bonds") issued by governments (such as Australia, Belgium, Canada, Denmark, France, Germany, the Netherlands, Norway, New Zealand, Sweden, Switzerland, the United States, the United Kingdom, etc.), having a credit rating of at least AA- from S&P and/or Aa3 from Moody's, respectively and denominated in the official currency of the relevant country and issued on the relevant domestic market (but excluding derivatives of other securities and inflation-linked securities). The collateral received by the Company in respect of repurchase agreements transactions may be US Treasury bills or US government agency bonds supported by the full faith and credit of the US government. Acceptable tri-party collateral to the Custodial Undertaking in connection with the Master Repurchase agreement include, US Treasuries (Bill, Notes, and Bonds), and the following Government Sponsored Agencies: Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corp (FHLMC), and Federal Farm Credit System (FFCB).

The collateral shall have a final maturity of no more than 5 years from the date the repurchase transaction is entered.

The value of the securities shall also be equal to, or greater than, 102% of the amount of the repurchase transaction. Collateral value is reduced by a percentage (a "haircut") which provides for short term fluctuations in the value of the collateral as further detailed in the table below in section (iv) Collateral. Net exposures are calculated daily by the counterparty and subject to the terms of the agreements, including a minimum transfer amount, collateral levels may fluctuate between the Fund and the counterparty depending on the market movement of the exposure.

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

Cash collateral received by the Target Fund in relation to any of these transactions may be reinvested in a manner consistent with the investment objectives of the Target Fund and with the risk diversification requirements detailed in Appendix B "Investment Restrictions" in (a) shares or units issued by short term money market undertakings for collective investment as defined in the Guidelines on a Common Definition of European Money Market Funds, (b) deposits with credit institution having its registered office in a Member State or with a credit institution situated in a non-Member State provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law, (c) high quality government bonds, and (d) reverse repurchase agreement transactions provided the transactions are with credit institutions subject to the prudential supervision and the Company may recall at any time the full amount of cash on accrued basis. The Company has policies with respect to the reinvestment of collateral (specifically, that derivatives or other instruments that may contribute to leverage may not be used) such that it would not impact the Global Exposure calculation.

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

(ii) Limits and conditions

– Securities lending transactions

Unless otherwise provided in the Target Fund's investment policy, the Target Fund may utilise up to 50% of its assets for securities lending transactions. The volume of the securities lending transactions of the Target Fund shall be kept at an appropriate level or the Target Fund shall be entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations and that these transactions do not jeopardise the management of the Target Fund's assets in accordance with its investment policy. The counterparties to securities lending transactions must have a minimum credit rating of A- or better, as rated by Standard & Poor's, Moody's or Fitch, at the time of the transactions. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process.

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

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

As of the date of this Prospectus, equity securities is the only type of assets subject to securities lending transactions.

Where the Target Fund enters into securities lending transactions as of the date of this Prospectus, the expected proportion of the Target Fund's net assets that could be subject to securities lending transactions is set out in the "Fund information, objectives and investment policies" section of the Target Fund.

The Target Fund that does not enter into securities lending transactions as of the date of this Prospectus may however enter into securities lending transactions provided that the maximum proportion of the net assets of the Target Fund that could be subject to such transactions does not exceed 50% and that the relevant section relating to the Target Fund is updated accordingly at the next available opportunity.

The risks related to the use of securities lending transactions and the effect on investors returns are more fully described under section "Risk Considerations" of the Prospectus of the Target Fund.

– **Repurchase and reverse repurchase agreement transactions**

Unless otherwise provided in the Target Fund's investment policy, the Target Fund may utilise up to 50% of its assets for repurchase agreement transactions, but the Target Fund's exposure to any single counterparty in respect of repurchase agreement transactions is limited to (i) 10% of its assets where the counterparty is a credit institution having its registered office in an EU Member State or subject to equivalent prudential rules, and (ii) 5% of its assets in other cases. The counterparties to repurchase agreement transactions must have a minimum credit rating of A- or better, as rated by Standard & Poor's, Moody's or Fitch, at the time of the transactions. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. The volume of the repurchase agreement transactions of the Target Fund shall be kept at a level such that the Target Fund is able, at all times, to meet its redemption obligations towards shareholders. Further, the Target Fund must ensure that, at maturity of the repurchase agreement transactions, it has sufficient assets to be able to settle the amount agreed with the counterparty for the restitution of the securities to the Target Fund. Any incremental income generated from repurchase agreement transactions will be accrued to the Target Fund.

The following types of assets can be subject to repurchase agreement transactions: sovereign debt, corporate and government bonds, non-agency residential mortgage-backed securities and commercial mortgage-backed securities, possibly other asset-backed securities.

Where the Target Fund enters into repurchase agreement transactions as of the date of this Prospectus, the expected proportion of the Target Fund's net assets that could be subject to repurchase agreement transactions is set out in the "Fund information, objectives and investment policies" section of the Target Fund.

The Target Fund that does not enter into repurchase agreement transactions as of the date of this Prospectus may however enter into repurchase agreement transactions provided that the maximum proportion of the net assets of the Target Fund that could be subject to such transactions does not exceed 50% and that the Target Fund policy is updated accordingly at the next available opportunity.

The following types of assets can be subject to reverse repurchase agreement transactions: sovereign debt, corporate and government bonds, non-agency residential mortgage-backed securities and commercial mortgage-backed securities, possibly other asset-backed securities.

Where the Target Fund enters into reverse repurchase agreement transactions as of the date of this Prospectus, the expected proportion of the Target Fund's net assets that could be subject to reverse repurchase agreement transactions is set out in the "Fund information, objectives and investment policies" section of the Target Fund.

The Target Fund that does not enter into reverse repurchase agreement transactions as of the date of this Prospectus may however enter into reverse repurchase agreement transactions provided that the maximum proportion of the net assets of the Target Fund that could be subject to such transactions does not exceed 50% and that the Target Fund policy is updated accordingly at the next available opportunity.

– **Costs and revenues of securities lending and/or repurchase and/or reverse repurchase agreement transactions**

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

All revenues arising from repurchase and/or reverse repurchase agreement transactions will be returned to the Target Fund, and the Management Company will not take any fees or costs out of those revenues additional to the investment management fee for the Target Fund as set out under section "Investment Management Fees" of the Prospectus.

The securities lending agent receives a fee of up to 10% of the gross revenue generated as a result of the lent securities for its services, the remainder of the revenue being received and retained by the Target Fund. Any incremental income generated from securities lending transactions will be accrued to the Target Fund.

(i) Conflicts of Interest

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

(ii) Collateral

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

- a) Any collateral received other than cash should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;
- b) It should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;
- c) It should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
- d) It should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure of 20% of the Target Fund's net asset value to any single issuer on an aggregate basis, taking into account all collateral received. By way of derogation, the Target Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a EU Member State, one or more of its local authorities, a third country, or a public international body to which one or more EU Member States belong. In such event, the Target Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Target Fund's net asset value;

- e) It should be capable of being fully enforced by the Target Fund at any time without reference to or approval from the counterparty;
- f) Where there is a title transfer, the collateral received will be held by the Depositary in accordance with the Depositary's safekeeping duties under the Depositary Agreement. For other types of collateral arrangements, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
- g) Collateral received shall have a quality of credit of investment grade.

Collateral will be valued on each valuation day, using the last available market prices as per ISDA guidelines and taking into account appropriate discounts determined for each asset class based on the applicable haircut policy. The Collateral will be marked to market daily and depending on the current market exposure and collateral balance, the collateral may be subject to variation margin movement when and if certain predetermined thresholds are crossed

The following haircuts for collateral are applied by the Management Company it being noted that the latter reserves the right to vary this policy at any time:

Eligible Collateral	Haircut
Cash	100%
US Treasury - 1 year or less	97%-100%
US Treasury -1 year to 5 years	95% - 100%
US Treasury - 5 years or greater	95%-100%
US Treasury -5 year to 10 years	95%-100%
US Treasury - 10 years to 30 years	90%-100%
Detailed information on Sovereign Bonds	Haircut
Sovereign Bonds - less than 1 year	99%-100%
Sovereign Bonds - 1 to 2 years	95-100%
Sovereign Bonds - 2 to 5 years	95-100%
Sovereign Bonds - 5 to 10 years	90-100%
Sovereign Bonds - 10 to 20 years	N/A
Sovereign Bonds- 20 to 30 years	85-100%

Haircut levels are agreed on a counterparty by counterparty basis and reflected in CSA to ISDA guidelines. Haircut levels are monitored and reconciled on an ongoing basis (through collateral management systems) to identify any variation of the agreed applicable haircut policy. Application of different (non-agreed) haircut level impacting collateral valuation is escalated with the relevant counterparty. Haircut levels may additionally be amended due to a change in creditworthiness of a given counterparty.

2.2.5. ADDITIONAL LOCAL RESTRICTIONS

- a) If and for so long as the Target Fund is authorised by the Financial Services Board in South Africa, the following shall apply:
 - (i) the Target Fund may borrow up to 10% of its NAV, but only on a temporary basis for the purpose of meeting sale requests, subject always to the borrowing limit in clause 2. e) above;
 - (ii) if and for so long as the Target Fund invests in equity or equity-related securities, 90% of such equity or equity-related securities shall only be invested in stock exchanges having obtained full membership of the World Federation of Exchanges or stock exchanges to which the manager has applied (and which have satisfied the requirements of), amongst other things, the due diligence guidelines as determined by the registrar;
 - (iii) if and for so long as the Target Fund invests in debt instruments or other eligible instruments, 90% of such instruments must have a credit rating of "investment grade" by Standard & Poor's, Moody's or Fitch Ratings Limited; however, in respect of the Target Fund, no investment into non-investment grade debt securities will be made.
 - (iv) the Target Fund may hold units of other UCITS or UCIs, provided that such UCITS or UCIs have a risk profile which is not significantly riskier than the risk profile of other underlying securities which may be held by the Target Fund;
 - (v) derivative instruments will be used within the limits stated above. No gearing, leveraging and/or margining shall be permitted. However, investment in OTC derivative instruments will only be permitted for forward currencies, interest rate or exchange rate swaps for the purpose of efficient fund management. No uncovered positions shall be permitted;
 - (vi) the Target Fund shall not invest in a fund of funds or a feeder fund;
 - (vii) insofar the 10% limit set forth in paragraph 1. f) (i) is not applicable to a specific fund, no more than 20% of the Target Fund's net assets may be invested in the units of a single UCITS or other UCI referred to in paragraph 1. a) (v);
 - (viii) no scrip borrowing shall be permitted; and
 - (ix) the Target Fund can enter into securities lending arrangements provided that such arrangements do not exceed 50% of the total market value of its portfolio.
- b) If and for so long as the Company is authorised by the Securities and Futures Bureau in Taiwan and in respect of the Target Fund registered with it, the following shall apply:
 - (i) the aggregate commitments arising from the derivative instruments may not (except with the approval of the Securities and Futures Bureau), at any time, exceed 40% of the Target Fund's net assets and 100% for hedging purpose.

- (ii) the total amount of the Target Fund invested in the securities traded in the securities market in mainland China will not exceed ten percent (10%) of the then most current NAV of the Target Fund, unless otherwise determined by relevant regulator.
- c) If and for so long as the Company is authorised by the Securities and Futures Commission of Hong Kong (the SFC) and in respect of the Target Fund authorised by it, it shall be subject to the guidelines of the SFC in respect of:
 - investment of more than 10% of the Target Fund's net assets in aggregate in China A-shares and China B-Shares;
 - investment of more than 10% of the Target Fund's net assets in securities issued and/or guaranteed by any single sovereign issuer (including its government and a public or local authority of that country) with a credit rating below investment grade; and
 - any securities lending, repurchase, reverse repurchase agreements or other similar over-the-counter transactions.
- d) To ensure eligibility for the partial tax exemption for equity funds for Investors resident in Germany, the Target Fund will invest at least 51% of their net assets in equity securities as defined in Section 2 para. 8 of the German Investment Tax Act, as it results from the implementation of the German Investment Tax Reform Act.
- e) If and for so long as the Company is authorised by the Monetary Authority of Singapore (MAS) in Singapore and in respect of the Target Fund registered with it, investments in non-UCITS UCIs shall not exceed 10% of the Target Fund's total net assets.

2.3. DILUTION ADJUSTMENT/ SWING PRICING

The Target Fund may suffer reduction of the NAV per share due to Investors purchasing, selling and/or switching in and out of the Target Fund at a price that does not reflect the dealing costs associated with the Target Fund's portfolio trades undertaken by the Investment Manager to accommodate cash inflows or outflows.

In order to counter this dilution impact and to protect shareholders' interests, a swing pricing mechanism may be adopted by the Company as part of its valuation policy.

If on any valuation day, the aggregate net investor(s) transactions in shares of the Target Fund exceed a pre-determined threshold (which may be close to, or at zero), as determined as a percentage of the net assets of the Target Fund from time to time by the Board of Directors based on objective criteria, the NAV per share may be adjusted upwards or downwards to reflect the costs attributable to net inflows and net outflows respectively. The net inflows and net outflows will be determined by the Company based on the latest available information at the time of calculation of the NAV.

Investors are advised that the volatility of the Target Fund's NAV might not reflect the true portfolio performance as a consequence of the application of swing pricing. Typically, such adjustment will increase the NAV per share when there are net inflows into the Target Fund and decrease the NAV per share when there are net outflows. The NAV per share of each share class in the Target Fund will be calculated separately but any adjustment will, in percentage terms, affect the NAV per share of each share class in the Target Fund identically.

As this adjustment is related to the inflows and outflows of money from the Target Fund it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently it is also not possible to accurately predict how frequently the Company will need to make such adjustments.

The swing pricing mechanism may be applied across all funds of the Company. The extent of the price adjustment will be reset by the Company on a periodic basis to reflect an approximation of current dealing and other costs. Such adjustment may vary from fund to fund and will not exceed 2% of the original NAV per share.

The price adjustment is available on request from the Management Company at its registered office.

2.4. TEMPORARY SUSPENSION

The Company may suspend the determination of the NAV of the shares of the Target Fund and the purchase and sale of the shares and the switch of shares from and to the Target Fund during:

- a) any period when any of the principal stock exchanges or markets of which any substantial portion of the investments of the Company attributable to the Target Fund from time to time are quoted is closed, or during which dealings therein are restricted or suspended; or
- b) the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of assets owned by the Company attributable to the Target Fund would be impracticable; or
- c) any breakdown or restriction in the means of communication normally employed in determining the price or value of any of the investments of the Target Fund or the current price or values on any stock exchange or market; or
- d) any period when the Company is unable to repatriate funds for the purpose of making payments due on sale of such shares or any period when the transfer of funds involved in the realisation or acquisition of investments or payments due on sale of such shares cannot, in the opinion of the Board of Directors, be effected at normal rates of exchange; or
- e) any period when the NAV of shares of the Target Fund may not be determined accurately; or
- f) during any period when in the opinion of the Board of Directors there exists unusual circumstances where it would be impractical or unfair towards the Investors to continue dealing in the shares of the Target Fund or circumstances where a

failure to do so might result in the Investors or the Target Fund incurring any liability to taxation or suffering other pecuniary disadvantage or other detriment which the Investors or the Target Fund might not otherwise have suffered; or

- g) if the Company or the Target Fund is being or may be wound-up, on or following the date on which such decision is taken by the Board of Directors or notice is given to shareholders of a general meeting at which a resolution to wind-up the Company or the Target Fund is to be proposed; or
- h) in the case of a merger, if the Board of Directors deems this to be justified for the protection of the shareholders; or
- i) in the case of a suspension of the calculation of the NAV of one or several underlying investment funds in which the Target Fund has invested a substantial portion of assets.

Any such suspension shall be publicised by the Company and shall be notified to shareholders requesting sale or switching of their shares by the Company at the time of the filing of the irrevocable written request for such sale or switch.

Suspensions of the calculation of the NAV will be published to shareholders of the Target Fund if such suspension is likely to exceed ten days. Should any of the above events occur, the Fund may not be able to pay the redemption proceeds to you within ten (10) days. Please refer to “Minimum Withdrawals” section at page 23 for further details.

2.5. TARGET FUND SOFT CLOSURE

The Target Fund, or its share class, may be closed to new investors or to all new subscriptions or switches in (but not to redemptions, switches out or transfers) if, in the opinion of the Management Company, closing is necessary to protect the interests of existing shareholders. Without limiting the circumstances where closing may be appropriate, one such circumstance would be where the Target Fund has reached a size such that the capacity of the market and/or the capacity of the Target Fund Investment Manager has been reached, and where to permit further inflows would be detrimental to the performance of the Target Fund. The Target Fund, or its share class, may be closed to new investors or all new subscriptions or switches in without notice to shareholders.

Notwithstanding the above, the Management Company may allow, at its discretion, the continuation of subscriptions from regular savings schemes on the basis that these types of flows present no challenge with respect to capacity. Once closed, the Target Fund or its share class will not be re-opened until, in the opinion of the Management Company, the circumstances which required closure no longer prevail. Shareholders and potential investors should confirm with the Company, the Management Company or the distributor(s) or check the website for the current status of Target Fund or its share classes.

2.6. SPECIFIC RISKS OF THE TARGET FUND

Please refer to “Specific Risks Related to the Target Fund” section at page 3 for details.

2.7. FEES CHARGED BY THE TARGET FUND (CLASS I USD)

FEES/EXPENSES	
Initial Charge	Nil.
Management Fee	0.70% per annum. <i>Note: The management fee charged by the Target Fund will be paid out of the Management Fee charged by the Manager at the Fund level. Unit holders will incur a Management Fee at the Fund's level only and there is no double charging of management fee.</i>
Redemption Fee	Nil.
Performance Fee	Nil.
Other expenses	Up to 0.26% per annum of the NAV of the Target Fund. Fees within that include, but are not limited to: <ul style="list-style-type: none"> ▪ Administration ▪ TA fees ▪ Custody ▪ Taxe d'abonnement ▪ Legal ▪ Registration ▪ Audit ▪ Printing ▪ Registration ▪ Etc.

3. FEES, CHARGES AND EXPENSES

3.1. CHARGES

The following describes the charges that you may **directly** incur when you buy or redeem units.

3.1.1. Application Fee

When applying for units of a Class, you may be charged an Application Fee based on the NAV per unit of the respective Class. Please refer to the Annexure 1 of the respective Class for further information.

Below is an illustration on how the Application Fee is calculated:-

	Class ABC (Denominated in USD)	Class XYZ (Denominated in MYR)
Investment amount	USD 10,000	MYR 10,000
NAV per unit	USD 1.0000	MYR 1.0000
Application Fee (NAV per unit)	5.5%	5.5%
Units issued to Unit holder = $\frac{\text{Investment amount}}{\text{NAV per unit}}$	= $\frac{\text{USD } 10,000.00}{\text{USD } 1.0000}$ = 10,000 units	= $\frac{\text{MYR } 10,000.00}{\text{MYR } 1.0000}$ = 10,000 units
Application Fee per unit = NAV per unit x Application Fee (%)	= USD 1.0000 x 5.5% = USD 0.0550	= MYR 1.0000 x 5.5% = MYR 0.0550
Total Application Fee	= 10,000 units x USD 0.0550 = USD 550.00	= 10,000 units x MYR 0.0550 = MYR 550.00

Note: Please note that the above example is for illustration purpose only and the illustration does not take into account GST. The Application Fee imposed will be rounded to two (2) decimal places.

3.1.2. Withdrawal Fee

Nil.

3.1.3. Dilution Fee

Nil.

3.1.4. Switching Fee

Switching is treated as a withdrawal from a Class and an investment into another Class or CIMB-Principal Fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of the Class to be switched out and the Application Fee of the other Class or CIMB-Principal Fund (or its class) to be switched into. Switching Fee will not be charged if the Class or CIMB-Principal Fund (or its class) to be switched into has a lower Application Fee. In addition, you may be charged administrative fee for each switch. Please refer to the Annexure 1 of the respective Class for further information.

3.1.5. Transfer Fee

You may be charged a Transfer Fee for each transfer. Please refer to the Annexure 1 of the respective Class for further information.

All fees and charges payable by you are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated above.

3.2. FEES AND EXPENSES

All fees and expenses of the Fund will generally be apportioned to each Class currently available for sale based on the MCR except for Management Fee and those that are related to the specific Class only, such as, the cost of Unit holders meeting held in relation to the respective Class. If in doubt, you should consult professional advisers for better understanding.

The following describes the fees that you may **indirectly** incur when you invest in a Class.

3.2.1. Management Fee

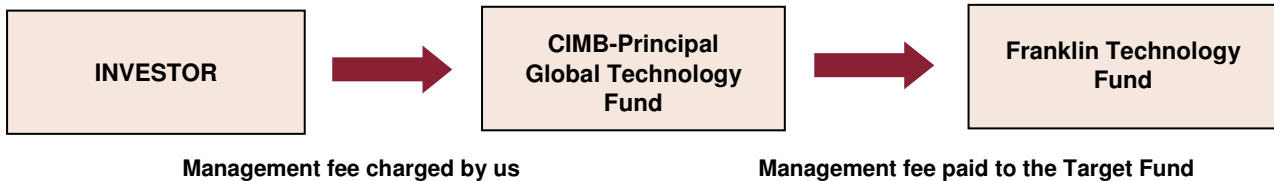
Please note that the Management Fee is charged to the respective Class at the Class level, based on the NAV of the Class. Please refer to the Annexure 1 of the respective Class for further information. The Management Fee shall be accrued daily and paid monthly.

Below is an illustration on how the Management Fee is calculated, assuming Management Fee of 1.80% per annum and USD 150 million each for both Class ABC and Class XYZ:-

	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
Annual Management Fee	1.80% per annum	1.80% per annum
NAV of the class	USD 150 million	USD 150 million
Management Fee for the day = NAV of the class x Management Fee rate for the class (%) / 365 days	= USD 150 million x 1.80% / 365 = USD 7,397.26	= USD 150 million x 1.80% / 365 = USD 7,397.26

Note: In the event of a leap year, the computation will be based on 366 calendar days.

Please note that although at least 95% of the Fund's NAV will be invested in another CIS, no additional Management Fee will be charged to the investor.



Note: The Management Fee will only be charged once at the Fund level. The management fee charged by the Target Fund will be paid out of the Management Fee charged at the Fund level.

As this Fund will invest in units of the Target Fund, there is management fee incurred by the Target Fund which will be rebated back to the Fund to ensure that there will not be double charging of the Management Fee. Please refer to "Fees charged by the Target Fund" section at page 16 for details on the Target Fund's management fee.

3.2.2. Trustee Fee

Please note that the Trustee Fee (including local custodian fee but excluding foreign sub-custodian fees and charges) charged to the Fund is based on the NAV of the Fund. The Trustee Fee shall be accrued daily and paid monthly.

The Trustee Fee is up to 0.06% per annum of the NAV of Fund.

Below is an illustration on how the Trustee Fee is calculated, assuming the NAV of the Fund is USD 300 million:-

Trustee Fee for the Fund = 0.06% per annum
 Trustee Fee for the day = NAV of the Fund x annual Trustee Fee rate for the Fund (%) / 365 days
 = USD 300 million x 0.06% / 365
 = USD 493.15

Note: In the event of a leap year, the computation will be based on 366 calendar days.

All fees and charges payable by the Fund are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated above.

3.2.3. Other costs of investing in a feeder fund

As the Fund will invest in units of the Target Fund, there are other fees and expenses incurred by the Target Fund which is set out in detail under "Fees charged by the Target Fund" section at page 16.

3.2.4. Other expenses

The Deed also provides for payment of other expenses. Other expenses which are directly related and necessary to the operation and administration of the Fund may be charged to the Fund. These would include (but are not limited to) the following:

- commissions or fees paid to brokers or dealers (if any) in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes or difference account;
- taxes (including but not limited to goods and services tax) and other duties charged on the Fund by the government and other authorities (if any) and bank fees;
- fees and other expenses properly incurred by the auditor and tax agent;
- fees for valuation of any investment of the Fund by independent valuers for the benefit of the Fund;
- costs incurred for the modification of the Deed otherwise than for our benefit or the Trustee's;
- costs incurred for any meeting of the Unit holders other than those convened for our benefit or the Trustee's;
- the sale, purchase, insurance and any other dealing of investment including commissions or fees paid to brokers;
- costs involved with external specialist approved by the Trustee in investigating or evaluating any proposed investment;
- the engagement of valuer, adviser or contractor of all kinds;
- preparation and audit of the taxation returns and accounts of the Fund;
- termination of the Fund or Class and the retirement or removal of the Trustee or the Manager and the appointment of a new trustee or manager;
- any proceedings, arbitration or other dispute concerning the Fund, Class or any asset, including proceedings against the Trustee or the Manager, or commenced by either of them for the benefit of the Fund or that Class (except to the extent that legal costs incurred for the defence of either of them are ordered by the court not to be reimbursed out of the Fund);
- remuneration and out of pocket expenses of the independent members of the investment committee and/or the members of the hariah committee or advisers (if any) of the Fund, unless we decide otherwise to bear the same;
- expenses incurred in the printing of and postage of the annual and interim (if any) reports, including the purchase of stationery; (where the custodial function is delegated by the Trustee to a foreign sub-custodian), charges or fees paid to the foreign sub-custodian;
- all costs and/or expenses associated with the distributions and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or distribution warrant or telegraphic transfer; and
- cost of obtaining experts opinion by the Trustee and us for the benefit of the Fund or Class.

We and the Trustee are required to ensure that any fees or charges payable are reasonable and in accordance with the Deed which stipulates the maximum rate in percentage terms that can be charged. We will ensure that there is no double charging of management fee to be incurred by you when you invest in the Fund. All expenses of the Fund will generally be apportioned to each Class based on the MCR except for those that are related to the specific Class only, such as, the cost of Unit holders meeting held in relation to the respective Class. If in doubt, you should consult professional advisers for better understanding.

You should note that we may alter the fees and charges (other than the Trustee Fee) within such limits, and subject to such provisions, as set out in the Deed.

You should note that we may, for any reason at any time, where applicable, waive or reduce the amount of any fees (except the Trustee Fee) or other charges payable by you in respect of the Fund, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) and for any period or periods of time at our absolute discretion.

Expenses not authorised by the Deed must be paid by us or the Trustee out of our own funds, if incurred for our own benefit.

3.3. REBATES AND SOFT COMMISSIONS

We and the Trustee will not retain any form of rebate or soft commission from, or otherwise share in any commission with, any broker in consideration for directing dealings in the investments of the Fund unless the soft commission received is retained in the form of goods and services such as stock quotations system incidental to investment management of the Fund. All dealings with brokers are executed on most favourable terms for the Fund.

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

All fees and charges payable by you and/or the Fund are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Information Memorandum.

As this is a feeder fund, you are advised that you will be subjected to higher fees arising from the layered investment structure.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees, charges and expenses from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you or seek your approval on the amendments to the fees and charges.

4. TRANSACTION INFORMATION

4.1. VALUATION OF INVESTMENTS PERMITTED BY THE FUND

We will ensure that all the assets of the Fund are valued in a fair manner. The assets of the Fund are valued as follows:

- **Collective investment scheme**
The value of the unlisted CIS (i.e. the Target Fund) shall be determined by reference to the last published repurchase or redemption price for the Target Fund.
- **Money market instruments**
Valuation of tradable money market instruments such as repurchase agreements shall be determined each day by reference to the principal value of such authorised investments and the accrued income for the relevant period.
- **Deposits**
The value of Deposits shall be determined each day by reference to its principal value and its accrued income for the relevant period.
- **Derivatives**
The value of unlisted Derivatives will be determined by the financial institution that issued the instrument and that value will be the fair value as determined in good faith by us on methods or basis which have been verified by the auditor of the Fund and approved by the Trustee.

The value of any listed Derivatives, which are quoted on an approved exchange, shall be calculated by reference to the last transacted price on that approved exchange. If the last transacted price does not represent the fair value of the securities, then the securities shall be valued at fair price as determined by reference to us, based on the methods or bases approved by the Trustee after appropriate technical consultation, such as the mean of bid and offer prices at the close of trading. Suspended Derivatives will be valued at their last done price unless there is conclusive evidence to show that the value has gone below the suspended price or where the quotation of the Derivatives has been suspended for a period exceeding 14 days, whereupon their fair value will be determined in good faith by us based on the methods or bases approved by the Trustee after appropriate technical consultation.

If the value of the Fund's assets is denominated in a foreign currency, the assets are translated on a daily basis to USD based on the bid foreign exchange rate quoted by either Reuters or Bloomberg, at UK time 4:00 p.m. at the same day (Malaysian time 11:00 p.m. or 12:00 a.m.), or such other time as we may determine or as per the Investment Management Standards issued by the FIMM.

4.2. UNIT PRICING

We adopt a single pricing method for any transactions (i.e. applications, withdrawals, switches and/or transfers) based on forward prices. This means that we will process your transactions request based on the unit pricing on a Business Day (i.e. the NAV per unit) that we receive the completed relevant transaction forms from you.

If the transactions are made by 4:00 p.m. on a Business Day, we will process the transactions using the unit pricing for that Business Day. For transactions made after 4:00 p.m., we will process the transactions using the unit pricing on the next Business Day.

We will carry out the valuation of the Classes for each Business Day on the next Business Day (T+1) by 4:00 p.m. This is to cater for the currency translation of the foreign securities or instruments to the Fund's base currency. Currently, the currency translation is based on the bid exchange rate quoted by Bloomberg or Reuters at UK time 4:00 p.m. on the same day (Malaysia time 11:00 p.m. or 12:00 a.m.), or such other time as we may determine or as stipulated in the Investment Management Standards issued by the FIMM. The NAV per unit for a Business Day is available on our website at <http://www.cimb-principal.com.my> after 5:30 p.m. on the following Business Day (T+1).

After the initial offer period, the Fund must be valued at least once every Business Day. The method of determining NAV per unit of the Class is calculated as follows:

$$\text{NAV per unit of the Class} = \frac{\text{NAV of the Class}}{\text{Number of units in issue of the Class}}$$

The NAV of the Fund is the sum of the value of all investments and cash held by the Fund (calculated in accordance with the Deed) including income derived by the Fund which has not been distributed to you, less all amounts owing or payable in respect of the Fund which also includes any provisions that may be made by us and the Trustee. For example, a provision may be made for possible future losses on an investment which cannot be fairly determined.

The valuation of the Fund is in the base currency i.e. USD. As such, all the assets and liabilities of each Class will be translated into USD for valuation purposes. The foreign exchange rate used for this purpose shall be the bid exchange rate quoted by Bloomberg or Reuters at UK time 4:00 p.m. at the same day (Malaysia time 11:00 p.m. or 12:00 a.m.), or such other time as we may determine or as per the Investment Management Standards issued by the FIMM. The NAV per unit of each Class will be the NAV of the Fund attributable to each Class divided by the number of units in circulation of that Class, at the same valuation point.

Multi-class Ratio (MCR)

MCR is the apportionment of the NAV of each Class over the Fund's NAV based on the size of each Class. The MCR is calculated by dividing the NAV (in USD) of the respective Class by the NAV of the Fund before income and expenses for the day. The apportionment is expressed as a ratio and calculated as a percentage.

Below is an illustration on computation of the NAV of the Fund:

	Fund (USD)	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
NAV of the Fund before income and expenses	185,942,897	173,342,897	12,600,000
% MCR	100%	⁽¹⁾ 93.22%	⁽¹⁾ 6.78%
Add: Income	30,000	⁽²⁾ 27,966	⁽²⁾ 2,034
Less: Expenses	(10,000)	⁽²⁾ (9,322)	⁽²⁾ (678)
Benefits or costs of hedging (if any)		-	900
NAV of the Fund before Management Fee and Trustee Fee	185,963,797	173,361,541	12,602,256
Less: Management Fee	- (9,170)	1.65% p.a. (8,548)	1.65% p.a. (621)
Less: Trustee Fee	0.06% p.a. (306)	- (285)	- (21)
NAV of the Fund	185,954,322	173,352,709	12,601,613
Units in circulation	205,000,000 units	170,000,000 units	35,000,000 units
NAV per unit		1.0197	0.3600
Currency exchange rate		N/A	(MYR/USD) 4.00
NAV per unit		USD 1.0197	MYR 1.4400

	Fund (USD)	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
NAV of the Fund before creation of units for the day	185,954,322.00	173,352,709.00	12,601,613.00
⁽³⁾ Creation of units	1,250,000.00	1,000,000.00	250,000.00
Closing NAV	187,204,322.00	174,352,709.00	12,851,613.00
Units in circulation	206,675,125.04 units	170,980,680.59 units	35,694,444.44 units
NAV per unit		1.0197	0.3600
Currency exchange rate		N/A	(MYR/USD) 4.00
NAV per unit		USD 1.0197	MYR 1.4400

Note:

⁽¹⁾ MCR computation

	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
$\frac{\text{NAV of the Class} \times 100}{\text{NAV of the Fund before income and expenses}}$	$\frac{173,342,897 \times 100}{185,942,897}$	$\frac{12,600,000 \times 100}{185,942,897}$
	= 93.22%	= 6.78%

⁽²⁾ Apportionment based on MCR is as follows:

	(USD)	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
Add: Income	30,000	MCR x Income = Income for Class ABC = 93.22% x USD 30,000 = USD 27,966	MCR x Income = Income for Class XYZ = 6.78% x USD 30,000 = USD 2,034
Less: Expenses	(10,000)	MCR x Expenses = Expenses for Class ABC = 93.22% x USD 10,000 = USD 9,322	MCR x Expenses = Expenses for Class XYZ = 6.78% x USD 10,000 = USD 678

⁽³⁾ Creation of units

	Class ABC (Denominated in USD)	Class XYZ (Denominated in MYR)
Creation of units	USD 1,000,000	MYR 1,000,000
NAV per unit	USD 1.0197	MYR 1.4400
Number of units	980,680.59 units	694,444.44 units
Currency exchange rate	N/A	(MYR/USD) 4.00
Creation of units	USD 1,000,000	USD 250,000

Note: Please note the above is for illustration purpose only. NAV per unit is truncated to four (4) decimal places.

4.3. INCORRECT PRICING

We shall take immediate remedial action to rectify any incorrect valuation and/or pricing of the Fund. Where such error has occurred, we shall reimburse the money in the following manner:

- a) in the event of over valuation and/or pricing, we shall reimburse:
 - (i) the Fund for any redemption of units; and/or
 - (ii) you, if you have purchased units of the Fund at a higher price; or
- b) in the event of under valuation and/or pricing, we shall reimburse:
 - (i) the Fund for any subscription of units; and/or
 - (ii) you, if you have redeemed units of the Fund at a lower price.

Notwithstanding the above, unless the Trustee otherwise directs, we shall make the reimbursement only where an incorrect pricing:

- a) is equal or more than 0.50% of the NAV per Unit; and
- b) results in a sum total of USD10.00 (or the same value in the respective Class currency) or more to be reimbursed to a Unit holder for each sale or withdrawal transaction.

We shall have the right to amend, vary or revise the aforesaid limits from time to time.

4.4. INVESTING

4.4.1. Who can invest?

The Fund shall only be offered or marketed to Sophisticated Investor.

You are eligible to invest in the Fund if you are:

- an individual who is at least eighteen (18) years of age and not an undischarged bankrupt with a bank account (or foreign currency bank account, as the case may be) in the currency of the Class applied for (e.g. Class USD investors are required to have a USD bank account). As an individual investor, you may also opt to invest in joint names (i.e. as a joint Unit holder and both applicants must be at least eighteen (18) years of age).
- an institution including a company, corporation, co-operative, trust or pension fund with a bank account (or foreign currency bank account, as the case may be) in the currency of the Class applied for (e.g. Class USD investors are required to have a USD bank account).

However, we have the right to reject an application on reasonable grounds.

Further, if we become aware of a US person (i.e. someone who has a USA address (permanent or mailing)) or US entity (i.e. a corporation, trust, partnership or other entity created or organised in or under the laws of the United States or any state thereof or

any estate or trust the income of which is subject to United States Federal Income Tax regardless of source) holding units in the Fund, we will issue a notice to that Unit holder requiring him/her to, within thirty (30) days, either withdraw the units or transfer the units to a non-US person or non-US entity.

We also have the right to withdraw all units held by you in the event we are of the opinion that such withdrawal is necessary to ensure that we comply with any relevant laws, regulations and guidelines. We will first notify you before making any such compulsory withdrawal of your units.

4.4.2. How to invest?

You may invest through any of our Distributors or our head office after completing the relevant application forms and attaching a copy of your identity card, passport or any other identification document. We may request for additional supporting document(s) or information from you. On the application form, please indicate clearly the amount you wish to invest in the Fund. We may introduce other mode of investment from time to time, subject to the approval of the relevant authorities.

You may invest:

- by crossed cheque, banker's draft, money order or cashier's order (made payable as advised by us or our Distributors as the case may be). You will have to bear the applicable bank fees and charges, if any;
- directly from your bank account (or foreign currency bank account, as the case may be) held with our Distributors, where applicable;
- by such other mode of payment that we and/or the relevant authorities approve from time to time. Any charges, fees and expenses incurred in facilitating such mode of payment shall be borne by you. Such mode of payment is subject to further limit(s), restriction(s) and/or terms and conditions that we and/or the relevant authorities may impose from time to time.

4.4.3. Can the units be registered in the name of more than one (1) Unit holder?

We may register units in the name of more than one (1) Unit holder but we have the discretion not to allow registration of more than two (2) joint Unit holders. All applicants must be at least eighteen (18) years of age and are Sophisticated Investor.

In the event of the demise of a joint Unit holder, whether Muslim or non-Muslim, only the surviving joint Unit holder will be recognized as the rightful owner. His/her units will be dealt with in accordance with the Deed and applicable laws and regulations.

You are advised not to make payment in cash to any individual agent when purchasing units of a fund.

Please take note that if your investments are made through an IUTA via a nominee system of ownership, you would not be deemed as a Unit holder under the Deed and as a result, may not exercise all the rights ordinarily conferred to a Unit holder (e.g. the right to call for Unit holders' meetings and the right to vote at a Unit holders' meeting).

4.5. MINIMUM INVESTMENTS

The minimum initial and additional investment for each Class may differ and may be determined by us from time to time. Please refer to the Annexure 1 of the respective Class for further information.

Note: You may request for a lower amount when purchasing units (or additional units), which will be at our sole and absolute discretion. However, you should note that we may, for any reason at any time, where applicable, accept or reject your request to lower the amount and without having to assign any reason, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you.

4.5.1. Processing an application

If we receive a complete application by 4:00 p.m. on a Business Day, we will process it using the NAV per unit for that Business Day. If we receive the application after 4:00 p.m., we will process it using the NAV per unit for the next Business Day. We will only process the completed applications with all the necessary information. The number of units that you receive will be rounded down to two (2) decimal places.

4.6. MINIMUM WITHDRAWALS

The minimum withdrawal amount for each Class may differ and may be determined by us from time to time, unless you are withdrawing your entire investment. Please refer to the Annexure 1 of the respective Class for further information. You may withdraw by completing a redemption form and sending it to the relevant Distributor or our head office. There is no restriction on the frequency of withdrawals. We will transfer the withdrawal proceeds to your bank account (or foreign currency bank account, as the case may be) in our records. If we wish to increase the minimum withdrawals, we will consult with the Trustee and you will be notified of such changes before implementation.

Note: You may request for a lower number of units for withdrawal, which will be at our sole and absolute discretion. However, you should note that we may, for any reason at any time, where applicable, accept or reject your request and without having to assign any reason, either generally (for all Unit holder) or specifically (for any particular Unit holder or a group of Unit holder) without prior notice to you.

4.6.1. Processing a withdrawal

If we receive a complete withdrawal request by 4:00 p.m. on a Business Day, we will process it using the NAV per unit for that Business Day. If we receive the withdrawal request after 4:00 p.m. on a Business Day, we will process it using the NAV per unit for the next Business Day. The amount that you will receive is calculated by the withdrawal value less the Withdrawal Fee, if any. Under normal circumstances, you will be paid in the currency of the Class (e.g. Class USD will be paid in USD) within ten (10) days of receipt of the complete withdrawal request. You will have to bear the applicable bank fees and charges, if any

You should note that the time taken to pay the redemption proceeds to you (i.e. ten (10) days) may be extended/delayed if:

- (i) The determination of the Net Asset Value of the Shares of the Target Fund is suspended^{Note 1};
- (ii) The redemption request of the Target Fund is deferred^{Note 2}; or
- (iii) There are any unforeseen circumstances that caused a delay in us receiving redemption proceeds, subject to concurrence from Trustee.

Should any of the above events occur, we may not be able to pay the redemption proceeds to you within ten (10) days. However, we will pay the redemption proceeds to you within ten (10) days subsequent to the receipt of redemption proceeds.

Note 1: *The determination of the prices of Shares of the Target Fund may be suspended during a period when trading on a relevant stock exchange is substantially restricted or when other specified circumstances exist which make it impracticable to dispose of or value any of the investments (as described in section 2.4 "Temporary Suspension" above). No Share of the Target Fund may be issued, redeemed or switched during a period of suspension*

Note 2: *The Company may limit the number of shares redeemed or switched on any valuation day to 10% of the total number of shares in issue of the Target Fund. In such event, the redemption may be deferred for a period not exceeding ten (10) Luxembourg Business Days. These instructions to redeem will be executed in priority to later instructions.*

Please refer to the "2.4 Temporary Suspension" section at page 15 for more information. If in doubt, please consult your professional advisers.

4.7. MINIMUM BALANCE

The minimum balance that must be retained in your account for each Class may differ and may be determined by us from time to time. Please refer to Annexure 1 of the respective Class for further information. If the balance (i.e. number of units) of an investment drops below the minimum balance units, further investment will be required until the balance of the investment is restored to at least the stipulated minimum balance. Otherwise, we may withdraw your entire investment and forward the proceeds to you. If we wish to increase the minimum balance amount, we will consult with the Trustee and you will be notified of such changes. However, you should note that we may, for any reason at any time, where applicable, reduce the minimum balance, either generally (for all Unit holders) or specifically (for any particular Unit holder or a group of Unit holders) without prior notice to you.

4.8. COOLING-OFF PERIOD

You have six (6) Business Days after your initial investment (i.e. from the date the application form is received and accepted by us or any of our Distributors) to reconsider the appropriateness and suitability for your investment needs. Within this period, you may withdraw your investment at the same NAV per unit when the units were purchased. We will refund the investment amount including Application Fee (if any) to you in the currency of the respective Class within ten (10) days from the date we receive the complete documentations. Please note that the cooling-off right is only given to first time investor investing with us or our Distributors. However, CIMB-Principal's staff and person(s) registered to deal in unit trust of CIMB-Principal or any of our Distributors are not entitled to the cooling-off right.

4.9. SWITCHING

Switching is available between the Classes of the Fund or between a Class and other CIMB-Principal Funds (or its classes), which should be denominated in the same currency. You may contact our **Customer Care Centre** at **(03) 7718 3100** for more information on the availability of switching. Please also refer to the Annexure 1 of the respective Class for further information.

To switch, simply complete a switch request form and send to the relevant Distributor or our head office. Currently, there is no restriction on the frequency of switches. However, we have the discretion to allow or to reject any switching into (or out of) the Fund or Class, either generally (for all Unit holders) or specifically (for any particular Unit holder or a group of Unit holders).

4.9.1. Processing a switch

We process a switch as a withdrawal from one fund or class and an investment into another fund or class. If we receive a complete switch request by 4:00 p.m. on a Business Day, we will process the switch out using the NAV per unit for that Business Day. If we receive the request after 4:00 p.m., the switch out will be processed using the NAV per unit for the next Business Day.

4.10. TRANSFER FACILITY

You are allowed to transfer your holdings to an eligible Sophisticated Investor subject to such terms and conditions stipulated in the Deed. However, we may refuse to register any transfer of unit at our absolute discretion. You may be subjected to Transfer Fee for each transfer. Please refer to the Annexure 1 of the respective Class or further information.

4.11. DISTRIBUTION PAYMENT

Depending on the distribution policy of the respective Class, distribution (if any) will be made at the end of each distribution period to the Classes according to its distribution policy. Each unit of the Class will receive the same distribution for a distribution period regardless of when those units were purchased. The distribution amount you will receive is in turn calculated by multiplying the total number of units held by you in the Class by the cent per unit distribution amount. On the distribution date, the NAV per unit will adjust accordingly. For more information on the distribution policy of each Class, please see Annexure 1 of the respective Class.

All distributions (if any) will be automatically reinvested into additional units in the Class at the NAV per unit on the distribution date (the number of units will be rounded down to two (2) decimal places), unless written instructions to the contrary are communicated to us, in which you should have first furnished us with details of your bank account in the currency denomination of that Class, that all distribution payment shall be paid into (the cost and expense will be borne by you). No Application Fee is payable for the reinvestment.

If units are issued as a result of the reinvestment of a distribution or other circumstance after you have withdrawn your investment from the Class, those additional units will then be withdrawn and the proceeds will be paid to you.

You should note that distribution payments, if any, will be made in the respective currency for the Class(es). As such, the distribution amount may be different for each Class as a result of exchange rate movement between the base currency of the Fund and the denominated currency of the Class(es). The distribution will be paid into your bank account (which shall be in the respective currency of the Class(es)) in our records (at your cost and expense).

***Note:** Please note that for Class(es) that provide distribution, we have the right to make provisions for reserves in respect of distribution of the Class. If the income available is too small or insignificant, any distribution may not be of benefit to you as the total cost to be incurred in any such distribution may be higher than the amount for distribution. We have the discretion to decide on the amount to be distributed to you. We also have the discretion to make income distribution on an ad-hoc basis, taking into consideration the level of its realised income and/or realised gains, as well as the performance of the Fund.*

4.12. UNCLAIMED MONEYS

Any moneys payable to you which remain unclaimed after twelve (12) months as prescribed by Unclaimed Moneys Act 1965 ("UMA"), as may be amended from time to time, will be surrendered to the Registrar of Unclaimed Moneys by us in accordance with the requirements of the UMA. Thereafter, all claims need to be made by you with the Registrar of Unclaimed Moneys.

However, for income distribution payout to you, if any, which remain unclaimed for six (6) months will be reinvested into the Class within thirty (30) Business Days after the expiry of the cheque's validity period based on the prevailing NAV per unit on the day of the reinvestment in circumstances where you still hold units of the Class. As for income distribution payout by bank transfer, if any, shall be transmitted to your valid and active bank account. If the bank transfer remained unsuccessful and unclaimed for six (6) months, it will be reinvested into the Class within thirty (30) Business Days after the six (6) months period based on the prevailing NAV per unit on the day of the reinvestment in circumstances where you still holds units of the Class. No Application Fee is payable for the reinvestment. In the event that you no longer hold any unit in the Class, the distribution money would be subject to the treatment mentioned in the above paragraph as prescribed by the UMA.

Unit prices and distributions payable, if any, may go down as well as up.

We have the discretion to amend the amount, rate and/or terms and conditions of the transaction information herein, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the transaction information.

5. ADDITIONAL INFORMATION

5.1. FINANCIAL YEAR-END

31 July.

5.2. INFORMATION ON YOUR INVESTMENT

We will send you the following:

- Monthly statement of your account showing details of transactions and distributions (if any); and
- Quarterly report and audited annual report showing snapshots of the Fund and details of the portfolio for the respective period reported. Both the quarterly report and the audited annual report will be sent to you within two (2) months of the end of the period reported.

The Fund's annual report is available upon request.

Please take note that if your investments are made through the Distributor (i.e. the IUTA via a nominee system of ownership), you would not be deemed to be a Unit holder under the Deed. As such, you may obtain the above information from the respective Distributor.

5.3. TERMINATION OF FUND AND/OR ANY OF THE CLASSES

Subject to the provision set out below, the Fund and/or any of the Class may be terminated or wound-up as proposed by us with the consent of the Trustee (which consent shall not be unreasonably withheld) upon the occurrence of any of the following events, by giving not less than three (3) months' notice in writing to the Unit holders as hereinafter provided (i) if any law shall be passed which renders it illegal or in the opinion of the Manager impracticable or inadvisable to continue the trust or (ii) if in our reasonable opinion it is impracticable or inadvisable to continue the Fund or Class. A Class may be terminated by Unit holders if a Special Resolution is passed at a Unit holders' meeting of that Class to terminate or wind-up that Class provided always that such termination or winding-up of that Class does not materially prejudice the interest of any other Class in that Fund.

5.4. RIGHTS, LIABILITIES AND LIMITATIONS OF UNIT HOLDERS

The money you have invested in the Fund will purchase a certain number of units, which represents your interest in the Fund. Each unit held by you in the Fund represents an equal undivided beneficial interest in the assets of the Fund. However, the unit does not give you an interest in any particular part of the Fund or a right to participate in the management or operation of the Fund (other than through Unit holders' meetings).

You will be recognised as a registered Unit holder in the Fund on the Business Day the details are entered onto the register of Unit holders.

Please take note that if your investments are made through the Distributor (i.e. the IUTA via a nominee system of ownership), you would not be deemed to be a Unit holder under the Deed and as a result, may not exercise all the rights ordinarily conferred to a Unit holder (e.g. the right to call for Unit holders' meetings and the right to vote at a Unit holders' meeting).

Rights

As a Unit holder, you have the right, among others, to:

- inspect the register, free of charge, at any time at our registered office, and obtain such information pertaining to its units as permitted under the Deed and SC Guidelines;
- receive the distribution of the Class (if any), participate in any increase in the value of the units and to other rights and privileges as set out in the Deed;
- call for Unit holders' meetings under the following circumstances:
 - (i) to consider the most recent audited financial statements of the Fund;
 - (ii) to require the retirement or removal of the Manager or the Trustee;
 - (iii) to give to the Trustee such directions as the meeting thinks proper; or
 - (iv) to consider any other matter in relation to the Deed.
- vote for the removal of the Trustee or the Manager through a Special Resolution;
- receive annual and quarterly reports of the Fund; and
- exercise cooling-off right.

Unit holders' rights may be varied by changes to the Deed, the SC Guidelines or judicial decisions or interpretation.

Liabilities

- Your liability is limited to the purchase price paid or agreed to be paid for a unit. You do not need to indemnify the Trustee or us in the event that the liabilities incurred by us and/or the Trustee in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the assets of the Fund.
- Any right of indemnity of us and/or the Trustee shall be limited to recourse to the Fund.

Limitations

You cannot:

- interfere with or question the exercise by the Trustee, or us on its behalf, of the rights of the Trustee as the registered owner of the assets of the Fund;
- claim any interest in the asset of the Fund; or
- require the asset of the Fund to be transferred to you.

Note: You may refer to the Deed for full details of your rights.

5.5. DOCUMENTS AVAILABLE FOR INSPECTION

You may inspect the following documents or copies thereof in relation to the Fund (upon request) at our principal place of business and/or the business address of the Trustee (where applicable) without charge:

- The Deed;
- Information Memorandum and supplementary or replacement information memorandum, if any;
- The latest annual and interim reports of the Fund;
- Material contracts or documents disclosed in this Information Memorandum;
- The audited financial statements of the Manager and the Fund (where applicable) for the current financial year and for the last three (3) financial years or if less than three (3) years, from the date of incorporation or commencement; and
- The Franklin Templeton Investment Funds Prospectus dated January 2018 including any supplemental prospectus or replacement prospectus, as the case may be.

5.6. POTENTIAL CONFLICTS OF INTERESTS AND RELATED-PARTY TRANSACTIONS

We (including our directors) will at all time act in your best interests and will not conduct ourselves in any manner that will result in a conflict of interest or potential conflict of interest. In the unlikely event that any conflict of interest arises, such conflict shall be resolved so that the Fund is not disadvantaged. In the unlikely event that we face conflicts in respect of our duties as the Manager to the Fund and to other CIMB-Principal Funds that we manage, we are obliged to act in the best interests of all our investors and will seek to resolve any conflicts fairly and in accordance with the Deed.

We shall not act as principal in the sale and purchase of any securities or investments to and from the Fund. We shall not make any investment for the Fund in any securities, properties or assets in which we or our officer have financial interest in or from which we or our officer derives a benefit, unless with the prior approval of the Trustee. We (including our directors) who hold substantial shareholdings or directorships in public companies shall refrain from any decision making relating to that particular investment of the Fund.

As at LPD, none of our directors and substantial shareholders has either direct or indirect interest in other corporations that carry on a similar business with CIMB-Principal, except for the following:

Director / Shareholder	Position	Shareholding (Direct / Indirect)	Name of corporation
CIMB Group Sdn Bhd	Shareholder	√	CIMB-Principal Islamic Asset Management Sdn Bhd CIMB-Mapletree Management Sdn Bhd

The Fund may maintain Deposits with CIMB Bank Berhad, CIMB Islamic Bank Berhad and CIMB Investment Bank Berhad. We may enter into transactions with other companies within the CIMB Group and the Principal Financial Group provided that the transactions are effected at market prices and are conducted at arm's lengths.

We generally discourage cross trades and prohibit any transactions between client (s) accounts and fund accounts. Any cross trade activity require prior approval with the relevant supporting justification(s) to ensure the trades are executed in the best interest of both funds and such transactions were executed at arm's length. Cross trades will be reported to the Investment Committee to ensure compliance to the relevant regulatory requirements.

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 Securities Commission's guidelines and other applicable laws;
- 3) Where the Manager appoints DTMB to perform its back office functions (e.g. fund accounting and valuation); and

4) Where DTMB has delegated its custodian functions for the Fund to DBMB.

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

While DTMB 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 does not preclude the possibility of related party transactions or conflicts.

5.7. INTERESTS IN THE FUND

Subject to any legal requirement, we or any of our related corporation, or any of our officers or directors, may invest in the Fund. Our directors will receive no payments from the Fund other than distributions that they may receive as a result of investment in the Fund. No fees other than the ones set out in this Information Memorandum have been paid to any promoter of the Fund, or the Trustee (either to become a trustee or for other services in connection with the Fund), or us for any purpose.

5.8. EMPLOYEES' SECURITIES DEALINGS

We have in place a policy contained in its Rules of Business Conduct, which regulates its employees' securities dealings. All of our employees are required to declare their securities trading annually to ensure that there is no potential conflict of interest between the employees' securities trading and the execution of the employees' duties to us and our customers.

6. THE MANAGER

6.1. ABOUT CIMB-PRINCIPAL ASSET MANAGEMENT BERHAD

CIMB-Principal holds a Capital Markets Services License for fund management and dealing in securities restricted to unit trust products under the CMSA and specialises in managing and operating unit trusts for investors, both institutional and retail. CIMB-Principal's responsibilities include managing investment portfolios by providing fund management services to insurance companies, pension funds, unit trust companies, corporations and government institutions in Malaysia. In addition, CIMB-Principal is an approved private retirement scheme provider in Malaysia. It originally commenced its operations as a unit trust company in November 1995. As at LPD, CIMB-Principal has more than 21 years of experience in the unit trust industry. The shareholders of the company are CIMB Group and PIA.

CIMB Group is held in majority by CIMB Group Holdings Berhad. It is a fully integrated investment bank. It offers the full range of services in the debt markets, the equity markets and corporate advisory. Member companies of CIMB Group also provide services in lending, private banking, private equity, Islamic capital markets as well as research capability in economics, equity and debt markets.

PIA is a private company incorporated in Hong Kong and its principal activity is the provision of consultancy services to other PFG group of companies. PIA is a subsidiary of the PFG, which was established in 1879 and is a diversified global financial services group servicing more than 15 million customers.

The primary roles, duties and responsibilities of CIMB-Principal as the Manager of the Fund include:

- maintaining a register of Unit holders;
- implementing the appropriate investment strategies to achieve the Fund's investment objective;
- ensuring that the Fund has sufficient holdings in liquid assets;
- arranging for the sale and repurchase of units;
- calculating the amount of income to be distributed to Unit holders, if any; and
- maintaining proper records of the Fund.

As at LPD, there is no litigation or arbitration proceeding current, pending or threatened against or initiated by CIMB-Principal nor is there any fact likely to give rise to any proceeding which might materially affect the business/financial position of CIMB-Principal.

6.1.1. Designated person responsible for fund management function

Name:	Patrick Chang Chian Ping
Designation:	Chief Investment Officer, Malaysia
Experience:	Patrick Chang was appointed as the Chief Investment Officer, Malaysia on 22 February 2016. He comes with an extensive 17 years of experience in asset management and is backed by numerous ASEAN awards from Malaysian pension funds in 2013 and 2015. He was previously the Head of ASEAN equities at BNP Paribas Investment Partners, Malaysia where he oversees ASEAN equities for both Malaysian and offshore clients from 2012. Prior to that, he served as Senior Vice President for CIMB-Principal where he specialized in Malaysia, ASEAN and Asia specialist funds. He also worked as a portfolio manager at Riggs and Co International Private Banking in London specializing in managing global ETF portfolios, and holds the Capital Markets Services Representative Licence.
Qualifications:	MSc Finance from City University Business School and BSc Accounting and Financial Analysis from University of Warwick (Chevening Scholar), UK.

Note: For more information and/or updated information about CIMB-Principal, please refer to our website at <http://www.cimb-principal.com.my>.

7. THE TRUSTEE

7.1. ABOUT DEUTSCHE TRUSTEES MALAYSIA BERHAD

Deutsche Trustees Malaysia Berhad (“DTMB”) (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”), a global investment bank with a substantial private client franchise. With more than 100,000 employees in more than 70 countries, Deutsche Bank offers financial services throughout the world.

DTMB is part of Deutsche Bank’s Securities Services, which provides trust, agency, depository, custody and related services on a range of securities and financial structures. As at LPD, DTMB is the trustee for 187 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.

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 CMSA and all relevant laws.

7.1.1. 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.

7.1.2. 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.

Note: *We have obtained the necessary consent and confirmation from each of the relevant parties with regards to the information disclosed in this section.*

ANNEXURE 1 – CLASS USD

This section is only a summary of the salient information about Class USD. You should read and understand the entire Information Memorandum before investing and keep the Information Memorandum for your records. In determining which investment is right for you, we recommend you speak to professional advisers. CIMB-Principal Asset Management Berhad, member companies of the CIMB Group, the PFG and the Trustee do not guarantee the repayment of capital.

CLASS INFORMATION

Class USD		Page
Currency denomination	USD	
Distribution policy	Given the Fund's investment objective, the class of the Fund is not expected to pay any distribution. Distributions, if any, are at our discretion and will vary from period to period depending on the availability of realised income for distribution and performance of the Fund.	25

FEES & CHARGES

This table describes the charges that you may **directly** incur when you buy or redeem units of Class USD.

Charges	Class USD	Page
Application Fee	Up to 5.50% of the NAV per unit.	17
Withdrawal Fee	Nil.	17
Switching Fee	Switching is treated as a withdrawal from Class USD and an investment into another Class or CIMB-Principal Fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of Class USD and the Application Fee of the other Class or CIMB-Principal Fund (or its class). Switching Fee will not be charged if the Class or CIMB-Principal Fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose USD35 administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fees with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fees.	17
Transfer Fee	A maximum of USD15 may be charged for each transfer.	17
Other charges payable directly by you when purchasing or redeeming units	Any applicable bank charges and other bank fees incurred as a result of an investment or redemption will be borne by you.	

All fees and charges payable by you are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Information Memorandum.

This table describes the fees that you may **indirectly** incur when you invest in Class USD.

Charges	Class USD	Page
Management Fee	Up to 1.80% per annum of the NAV of the Class.	18
Trustee Fee	Up to 0.06% per annum of the NAV of the Fund (including local custodian fees and charges but excluding foreign sub-custodian fees and charges).	18
Fund expenses	Only expenses that are directly related to the Fund can be charged to the Fund. Examples of relevant expenses are audit fee and tax agent's fee.	19
Other fees payable indirectly by you when investing in the Fund	Other fees indirectly incurred by a feeder fund such as dilution adjustment, annual depositary fees and transaction fees of the Target Fund. As such, Unit holders are indirectly bearing the dilution adjustment, depositary fees and transaction fees charged at the Target Fund level.	18

Note: Despite the maximum Application Fee disclosed above, you may negotiate with us or the Distributors for lower charges. However, you should note that we or the Distributors may, for any reason at any time, where applicable, accept or reject your request and without having to assign any reason, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you.

We may, for any reason at any time, where applicable, waive or reduce the amount of any fees (except the Trustee Fee) or other charges payable by you in respect of the Fund, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) and for any period or periods of time at our absolute discretion.

All fees and charges payable by the Fund are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Information Memorandum.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees and charges from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the fees and charges.

TRANSACTION INFORMATION

	Class USD	Page
Minimum initial investment	USD 2,000 or such other amount as we may decide from time to time.	23
Minimum additional investment	USD 1,000 or such other amount as we may decide from time to time.	23
Minimum withdrawal	1,000 units or such other amount of units as we may decide from time to time.	23
Minimum balance	2,000 units or such other amount of units as we may decide from time to time.	24
Switching	Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to: <ul style="list-style-type: none"> ▪ for switching out of the Class: <ul style="list-style-type: none"> ○ the minimum withdrawal amount applicable to the Class; ○ the minimum balance required (after the switch) for the Class, unless you are redeeming from the Class in entirety; and ○ the Withdrawal Fee of the Class (if any); ▪ for switching into the Class: <ul style="list-style-type: none"> ○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and ○ the Switching Fee applicable for the proposed switch (if any). <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	24
Transfer facility	We may, at our absolute discretion, allow/refuse Unit holders to transfer their units to another eligible Sophisticated Investors subject to such terms and conditions as may be stipulated by us from time to time.	24
Cooling-off period	Six (6) Business Days from the date the application form is received and accepted by us or our Distributors from the first time investor. However, CIMB-Principal's staff and person(s) registered to deal in unit trust of CIMB-Principal or any Distributors are not entitled to the cooling-off right.	24

Note: You may request for a lower amount or number of units when purchasing units (or additional units) or redeeming units, which will be at our sole and absolute discretion. However, you should note that we may, for any reason at any time, where applicable, accept or reject your request and without having to assign any reason, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you. We may also, for any reason at any time, where applicable, reduce the minimum balance, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you. For increase in the amount or units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes before implementation.

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

We have the discretion to amend the amount, rate and/or terms and conditions of the transaction information herein, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the transaction information.

ANNEXURE 1 – CLASS AUD - HEDGED

This section is only a summary of the salient information about Class AUD-Hedged. You should read and understand the entire Information Memorandum before investing and keep the Information Memorandum for your records. In determining which investment is right for you, we recommend you speak to professional advisers. CIMB-Principal Asset Management Berhad, member companies of the CIMB Group, the PFG and the Trustee do not guarantee the repayment of capital.

CLASS INFORMATION

Class AUD-Hedged		Page
Currency denomination	AUD	
Distribution policy	Given the Fund's investment objective, the class of the Fund is not expected to pay any distribution. Distributions, if any, are at our discretion and will vary from period to period depending on the availability of realised income for distribution and performance of the Fund.	25

FEES & CHARGES

This table describes the charges that you may **directly** incur when you buy or redeem units of Class AUD-Hedged.

Charges	Class AUD-Hedged	Page
Application Fee	Up to 5.50% of the NAV per unit.	17
Withdrawal Fee	Nil.	17
Switching Fee	Switching is treated as a withdrawal from Class AUD and an investment into another Class or CIMB-Principal Fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of Class AUD and the Application Fee of the other Class or CIMB-Principal Fund (or its class). Switching Fee will not be charged if the Class or CIMB-Principal Fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose AUD35 administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fees with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fees.	17
Transfer Fee	A maximum of AUD15 may be charged for each transfer.	17
Other charges payable directly by you when purchasing or redeeming units	Any applicable bank charges and other bank fees incurred as a result of an investment or redemption will be borne by you.	

All fees and charges payable by you are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Information Memorandum.

This table describes the fees that you may **indirectly** incur when you invest in Class AUD-Hedged.

Charges	Class AUD-Hedged	Page
Management Fee	Up to 1.80% per annum of the NAV of the Class.	18
Trustee Fee	Up to 0.06% per annum of the NAV of the Fund (including local custodian fees and charges but excluding foreign sub-custodian fees and charges).	18
Fund expenses	Only expenses that are directly related to the Fund can be charged to the Fund. Examples of relevant expenses are audit fee and tax agent's fee.	19
Other fees payable indirectly by you when investing in the Fund	Other fees indirectly incurred by a feeder fund such as dilution adjustment, annual depositary fees and transaction fees of the Target Fund. As such, Unit holders are indirectly bearing the dilution adjustment, depositary fees and transaction fees charged at the Target Fund level.	18

Note: Despite the maximum Application Fee disclosed above, you may negotiate with us or the Distributors for lower charges. However, you should note that we or the Distributors may, for any reason at any time, where applicable, accept or reject your request and without having to assign any reason, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you.

We may, for any reason at any time, where applicable, waive or reduce the amount of any fees (except the Trustee Fee) or other charges payable by you in respect of the Fund, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) and for any period or periods of time at our absolute discretion.

All fees and charges payable by the Fund are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Information Memorandum.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees and charges from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the fees and charges.

TRANSACTION INFORMATION

	Class AUD-Hedged	Page
Minimum initial investment	AUD 2,000 or such other amount as we may decide from time to time.	23
Minimum additional investment	AUD 1,000 or such other amount as we may decide from time to time.	23
Minimum withdrawal	1,000 units or such other amount of units as we may decide from time to time.	23
Minimum balance	2,000 units or such other amount of units as we may decide from time to time.	24
Switching	Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to: <ul style="list-style-type: none"> ▪ for switching out of the Class: <ul style="list-style-type: none"> ○ the minimum withdrawal amount applicable to the Class; ○ the minimum balance required (after the switch) for the Class, unless you are redeeming from the Class in entirety; and ○ the Withdrawal Fee of the Class (if any); ▪ for switching into the Class: <ul style="list-style-type: none"> ○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and ○ the Switching Fee applicable for the proposed switch (if any). <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	24
Transfer facility	We may, at our absolute discretion, allow/refuse Unit holders to transfer their units to another eligible Sophisticated Investors subject to such terms and conditions as may be stipulated by us from time to time.	24
Cooling-off period	Six (6) Business Days from the date the application form is received and accepted by us or our Distributors from the first time investor. However, CIMB-Principal's staff and person(s) registered to deal in unit trust of CIMB-Principal or any Distributors are not entitled to the cooling-off right.	24

Note: You may request for a lower amount or number of units when purchasing units (or additional units) or redeeming units, which will be at our sole and absolute discretion. However, you should note that we may, for any reason at any time, where applicable, accept or reject your request and without having to assign any reason, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you. We may also, for any reason at any time, where applicable, reduce the minimum balance, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you. For increase in the amount or units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes before implementation.

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

We have the discretion to amend the amount, rate and/or terms and conditions of the transaction information herein, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the transaction information.

ANNEXURE 1 – CLASS GBP - HEDGED

This section is only a summary of the salient information about Class GBP-Hegded. You should read and understand the entire Information Memorandum before investing and keep the Information Memorandum for your records. In determining which investment is right for you, we recommend you speak to professional advisers. CIMB-Principal Asset Management Berhad, member companies of the CIMB Group, the PFG and the Trustee do not guarantee the repayment of capital.

CLASS INFORMATION

Class GBP-Hegded		Page
Currency denomination	GBP	
Distribution policy	Given the Fund's investment objective, the class of the Fund is not expected to pay any distribution. Distributions, if any, are at our discretion and will vary from period to period depending on the availability of realised income for distribution and performance of the Fund.	25

FEES & CHARGES

This table describes the charges that you may **directly** incur when you buy or redeem units of Class GBP-Hegded.

Charges	Class GBP-Hegded	Page
Application Fee	Up to 5.50% of the NAV per unit.	17
Withdrawal Fee	Nil.	17
Switching Fee	Switching is treated as a withdrawal from Class GBP and an investment into another Class or CIMB-Principal Fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of Class GBP and the Application Fee of the other Class or CIMB-Principal Fund (or its class). Switching Fee will not be charged if the Class or CIMB-Principal Fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose GBP35 administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fees with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fees.	17
Transfer Fee	A maximum of GBP15 may be charged for each transfer.	17
Other charges payable directly by you when purchasing or redeeming units	Any applicable bank charges and other bank fees incurred as a result of an investment or redemption will be borne by you.	

All fees and charges payable by you are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Information Memorandum.

This table describes the fees that you may **indirectly** incur when you invest in Class GBP-Hegded.

Charges	Class GBP-Hegded	Page
Management Fee	Up to 1.80% per annum of the NAV of the Class.	18
Trustee Fee	Up to 0.06% per annum of the NAV of the Fund (including local custodian fees and charges but excluding foreign sub-custodian fees and charges).	18
Fund expenses	Only expenses that are directly related to the Fund can be charged to the Fund. Examples of relevant expenses are audit fee and tax agent's fee.	19
Other fees payable indirectly by you when investing in the Fund	Other fees indirectly incurred by a feeder fund such as dilution adjustment, annual depositary fees and transaction fees of the Target Fund. As such, Unit holders are indirectly bearing the dilution adjustment, depositary fees and transaction fees charged at the Target Fund level.	18

Note: Despite the maximum Application Fee disclosed above, you may negotiate with us or the Distributors for lower charges. However, you should note that we or the Distributors may, for any reason at any time, where applicable, accept or reject your request and without having to assign any reason, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you.

We may, for any reason at any time, where applicable, waive or reduce the amount of any fees (except the Trustee Fee) or other charges payable by you in respect of the Fund, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) and for any period or periods of time at our absolute discretion.

All fees and charges payable by the Fund are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Information Memorandum.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees and charges from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the fees and charges.

TRANSACTION INFORMATION

	Class GBP-Hedged	Page
Minimum initial investment	GBP 2,000 or such other amount as we may decide from time to time.	23
Minimum additional investment	GBP 1,000 or such other amount as we may decide from time to time.	23
Minimum withdrawal	1,000 units or such other amount of units as we may decide from time to time.	23
Minimum balance	2,000 units or such other amount of units as we may decide from time to time.	24
Switching	Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to: <ul style="list-style-type: none"> ▪ for switching out of the Class: <ul style="list-style-type: none"> ○ the minimum withdrawal amount applicable to the Class; ○ the minimum balance required (after the switch) for the Class, unless you are redeeming from the Class in entirety; and ○ the Withdrawal Fee of the Class (if any); ▪ for switching into the Class: <ul style="list-style-type: none"> ○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and ○ the Switching Fee applicable for the proposed switch (if any). <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	24
Transfer facility	We may, at our absolute discretion, allow/refuse Unit holders to transfer their units to another eligible Sophisticated Investors subject to such terms and conditions as may be stipulated by us from time to time.	24
Cooling-off period	Six (6) Business Days from the date the application form is received and accepted by us or our Distributors from the first time investor. However, CIMB-Principal's staff and person(s) registered to deal in unit trust of CIMB-Principal or any Distributors are not entitled to the cooling-off right.	24

Note: You may request for a lower amount or number of units when purchasing units (or additional units) or redeeming units, which will be at our sole and absolute discretion. However, you should note that we may, for any reason at any time, where applicable, accept or reject your request and without having to assign any reason, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you. We may also, for any reason at any time, where applicable, reduce the minimum balance, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you. For increase in the amount or units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes before implementation.

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

We have the discretion to amend the amount, rate and/or terms and conditions of the transaction information herein, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the transaction information.

ANNEXURE 1 – CLASS MYR - HEDGED

This section is only a summary of the salient information about Class MYR-Hedged. You should read and understand the entire Information Memorandum before investing and keep the Information Memorandum for your records. In determining which investment is right for you, we recommend you speak to professional advisers. CIMB-Principal Asset Management Berhad, member companies of the CIMB Group, the PFG and the Trustee do not guarantee the repayment of capital.

CLASS INFORMATION

Class MYR-Hedged		Page
Currency denomination	MYR	
Distribution policy	Given the Fund's investment objective, the class of the Fund is not expected to pay any distribution. Distributions, if any, are at our discretion and will vary from period to period depending on the availability of realised income for distribution and performance of the Fund.	25

FEES & CHARGES

This table describes the charges that you may **directly** incur when you buy or redeem units of Class MYR-Hedged.

Charges	Class MYR-Hedged	Page
Application Fee	Up to 5.50% of the NAV per unit.	17
Withdrawal Fee	Nil.	17
Switching Fee	Switching is treated as a withdrawal from Class MYR-Hedged and an investment into another Class or CIMB-Principal Fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of Class MYR-Hedged and the Application Fee of the other Class or CIMB-Principal Fund (or its class). Switching Fee will not be charged if the Class or CIMB-Principal Fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose MYR100 administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fees with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fees.	17
Transfer Fee	A maximum of MYR50 may be charged for each transfer.	17
Other charges payable directly by you when purchasing or redeeming units	Any applicable bank charges and other bank fees incurred as a result of an investment or redemption will be borne by you.	

All fees and charges payable by you are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Information Memorandum.

This table describes the fees that you may **indirectly** incur when you invest in Class MYR-Hedged.

Charges	Class MYR-Hedged	Page
Management Fee	Up to 1.80% per annum of the NAV of the Class.	18
Trustee Fee	Up to 0.06% per annum of the NAV of the Fund (including local custodian fees and charges but excluding foreign sub-custodian fees and charges).	18
Fund expenses	Only expenses that are directly related to the Fund can be charged to the Fund. Examples of relevant expenses are audit fee and tax agent's fee.	19
Other fees payable indirectly by you when investing in the Fund	Other fees indirectly incurred by a feeder fund such as dilution adjustment, annual depositary fees and transaction fees of the Target Fund. As such, Unit holders are indirectly bearing the dilution adjustment, depositary fees and transaction fees charged at the Target Fund level.	18

Note: Despite the maximum Application Fee disclosed above, you may negotiate with us or the Distributors for lower charges. However, you should note that we or the Distributors may, for any reason at any time, where applicable, accept or reject your request and without having to assign any reason, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you.

We may, for any reason at any time, where applicable, waive or reduce the amount of any fees (except the Trustee Fee) or other charges payable by you in respect of the Fund, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) and for any period or periods of time at our absolute discretion.

All fees and charges payable by the Fund are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Information Memorandum.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees and charges from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the fees and charges.

TRANSACTION INFORMATION

	Class MYR-Hedged	Page
Minimum initial investment	MYR 10,000 or such other amount as we may decide from time to time.	23
Minimum additional investment	MYR 5,000 or such other amount as we may decide from time to time.	23
Minimum withdrawal	5,000 units or such other amount of units as we may decide from time to time.	23
Minimum balance	10,000 units or such other amount of units as we may decide from time to time.	24
Switching	Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to: <ul style="list-style-type: none"> ▪ for switching out of the Class: <ul style="list-style-type: none"> ○ the minimum withdrawal amount applicable to the Class; ○ the minimum balance required (after the switch) for the Class, unless you are redeeming from the Class in entirety; and ○ the Withdrawal Fee of the Class (if any); ▪ for switching into the Class: <ul style="list-style-type: none"> ○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and ○ the Switching Fee applicable for the proposed switch (if any). <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	24
Transfer facility	We may, at our absolute discretion, allow/refuse Unit holders to transfer their units to another eligible Sophisticated Investors subject to such terms and conditions as may be stipulated by us from time to time.	24
Cooling-off period	Six (6) Business Days from the date the application form is received and accepted by us or our Distributors from the first time investor. However, CIMB-Principal's staff and person(s) registered to deal in unit trust of CIMB-Principal or any Distributors are not entitled to the cooling-off right.	24

Note: You may request for a lower amount or number of units when purchasing units (or additional units) or redeeming units, which will be at our sole and absolute discretion. However, you should note that we may, for any reason at any time, where applicable, accept or reject your request and without having to assign any reason, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you. We may also, for any reason at any time, where applicable, reduce the minimum balance, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you. For increase in the amount or units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes before implementation.

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

We have the discretion to amend the amount, rate and/or terms and conditions of the transaction information herein, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the transaction information.

ANNEXURE 1 – CLASS SGD- HEDGED

This section is only a summary of the salient information about Class SGD-Hedged. You should read and understand the entire Information Memorandum before investing and keep the Information Memorandum for your records. In determining which investment is right for you, we recommend you speak to professional advisers. CIMB-Principal Asset Management Berhad, member companies of the CIMB Group, the PFG and the Trustee do not guarantee the repayment of capital.

CLASS INFORMATION

Class SGD-Hedged		Page
Currency denomination	SGD	
Distribution policy	Given the Fund's investment objective, the class of the Fund is not expected to pay any distribution. Distributions, if any, are at our discretion and will vary from period to period depending on the availability of realised income for distribution and performance of the Fund.	25

FEES & CHARGES

This table describes the charges that you may **directly** incur when you buy or redeem units of Class SGD-Hedged.

Charges	Class SGD-Hedged	Page
Application Fee	Up to 5.50% of the NAV per unit.	17
Withdrawal Fee	Nil.	17
Switching Fee	Switching is treated as a withdrawal from Class SGD and an investment into another Class or CIMB-Principal Fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of Class SGD and the Application Fee of the other Class or CIMB-Principal Fund (or its class). Switching Fee will not be charged if the Class or CIMB-Principal Fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose SGD35 administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fees with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fees.	17
Transfer Fee	A maximum of SGD15 may be charged for each transfer.	17
Other charges payable directly by you when purchasing or redeeming units	Any applicable bank charges and other bank fees incurred as a result of an investment or redemption will be borne by you.	

All fees and charges payable by you are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Information Memorandum.

This table describes the fees that you may **indirectly** incur when you invest in Class SGD-Hedged.

Charges	Class SGD-Hedged	Page
Management Fee	Up to 1.80% per annum of the NAV of the Class.	18
Trustee Fee	Up to 0.06% per annum of the NAV of the Fund (including local custodian fees and charges but excluding foreign sub-custodian fees and charges).	18
Fund expenses	Only expenses that are directly related to the Fund can be charged to the Fund. Examples of relevant expenses are audit fee and tax agent's fee.	19
Other fees payable indirectly by you when investing in the Fund	Other fees indirectly incurred by a feeder fund such as dilution adjustment, annual depositary fees and transaction fees of the Target Fund. As such, Unit holders are indirectly bearing the dilution adjustment, depositary fees and transaction fees charged at the Target Fund level.	18

Note: Despite the maximum Application Fee disclosed above, you may negotiate with us or the Distributors for lower charges. However, you should note that we or the Distributors may, for any reason at any time, where applicable, accept or reject your request and without having to assign any reason, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you.

We may, for any reason at any time, where applicable, waive or reduce the amount of any fees (except the Trustee Fee) or other charges payable by you in respect of the Fund, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) and for any period or periods of time at our absolute discretion.

All fees and charges payable by the Fund are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Information Memorandum.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees and charges from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the fees and charges.

TRANSACTION INFORMATION

	Class SGD-Hedged	Page
Minimum initial investment	SGD 2,000 or such other amount as we may decide from time to time.	23
Minimum additional investment	SGD 1,000 or such other amount as we may decide from time to time.	23
Minimum withdrawal	1,000 units or such other amount of units as we may decide from time to time.	23
Minimum balance	2,000 units or such other amount of units as we may decide from time to time.	24
Switching	Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to: <ul style="list-style-type: none"> ▪ for switching out of the Class: <ul style="list-style-type: none"> ○ the minimum withdrawal amount applicable to the Class; ○ the minimum balance required (after the switch) for the Class, unless you are redeeming from the Class in entirety; and ○ the Withdrawal Fee of the Class (if any); ▪ for switching into the Class: <ul style="list-style-type: none"> ○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and ○ the Switching Fee applicable for the proposed switch (if any). <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	24
Transfer facility	We may, at our absolute discretion, allow/refuse Unit holders to transfer their units to another eligible Sophisticated Investors subject to such terms and conditions as may be stipulated by us from time to time.	24
Cooling-off period	Six (6) Business Days from the date the application form is received and accepted by us or our Distributors from the first time investor. However, CIMB-Principal's staff and person(s) registered to deal in unit trust of CIMB-Principal or any Distributors are not entitled to the cooling-off right.	24

Note: You may request for a lower amount or number of units when purchasing units (or additional units) or redeeming units, which will be at our sole and absolute discretion. However, you should note that we may, for any reason at any time, where applicable, accept or reject your request and without having to assign any reason, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you. We may also, for any reason at any time, where applicable, reduce the minimum balance, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor or a group of Sophisticated Investors) without prior notice to you. For increase in the amount or units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes before implementation.

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

We have the discretion to amend the amount, rate and/or terms and conditions of the transaction information herein, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the transaction information.

**ANNEXURE 2 – EXCERPTS OF
PART 1, SCHEDULES 6 AND 7 OF
THE CMSA**

SCHEDULE 6

[Section 229]

Excluded offers or excluded invitations

Part I

A. Excluded offers or excluded invitations made to accredited investors

1. An offer or invitation made to a unit trust scheme, prescribed investment scheme or private retirement scheme.
- 1A. An offer or invitation made to Bank Negara.
2. An offer or invitation made to—
 - a) a holder of a capital markets services license; or
 - b) an executive director or a chief executive officer of a holder of a capital markets services license.
3. An offer or invitation made to a closed end fund approved by the SC.
4. An offer or invitation made to a bank licensee or insurance licensee as defined under the Labuan Financial Services and Securities Act 2010.
5. An offer or invitation made to an Islamic bank licensee or takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010.
6. An offer or invitation made to a licensed institution as defined in the Financial Services Act 2013 or an Islamic bank as defined in the Islamic Financial Services Act 2013.
7. An offer or invitation made to an insurance company registered under the Financial Services Act 2013 or a takaful operator registered under the Islamic Financial Services Act 2013.

B. Excluded offers or excluded invitations made to high net worth entity

8. An offer or invitation made to—
 - a) a company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding ten million ringgit or its equivalent in foreign currencies; or
 - b) a corporation that is a public company under the Companies Act 2016 which is approved by the SC to be a trustee under the CMSA and has assets under management exceeding ten million ringgit or its equivalent in foreign currencies.
9. An offer or invitation made to—
 - a) a corporation with total net assets exceeding ten million ringgit or its equivalent in foreign currencies based on the last audited accounts; or
 - b) a partnership with total net assets exceeding ten million ringgit or its equivalent in foreign currencies.
10. An offer or invitation made to a statutory body established by an Act of Parliament or an enactment of any State.
11. An offer or invitation made to a pension fund approved by the Director General of Inland Revenue under section 150 of the Income Tax Act 1967.

C. Excluded offers or excluded invitations made to high net worth individual

12. An offer or invitation made to an individual—
 - a) whose total net personal assets, or total net joint assets with his or her spouse, exceed three million ringgit or its equivalent in foreign currencies, excluding the value of the individual's primary residence;
 - b) who has a gross annual income exceeding three hundred thousand ringgit or its equivalent in foreign currencies per annum in the preceding twelve months; or
 - c) who, jointly with his or her spouse, has a gross annual income exceeding four hundred thousand ringgit or its equivalent in foreign currencies per annum in the preceding twelve months.

SCHEDULE 7

[Section 230]

Excluded issues

Part I

A. Excluded issues made to accredited investors

1. An issue made to a unit trust scheme, prescribed investment scheme or private retirement scheme.
2. An issue made to a holder of a capital markets services license.
3. An issue made to an executive director or a chief executive officer of a holder of a capital markets services license.
4. An issue made to a closed end fund approved by the SC.
5. An issue made to a bank licensee or insurance licensee as defined under the Labuan Financial Services and Securities Act 2010.
6. An issue made to an Islamic bank licensee or takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010.
7. An issue made to a licensed institution as defined in the Financial Services Act 2013 or an Islamic bank as defined in the Islamic Financial Services Act 2013.
8. An issue made to an insurance company registered under the Financial Services Act 2013 or a takaful operator registered under the Islamic Financial Services Act 2013.
- 8A. An issue made to Bank Negara.

B. Excluded Issues made to High-Net Worth Entities

9. An issue made to—
 - a) a company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding ten million ringgit or its equivalent in foreign currencies; or
 - b) a corporation that is a public company under the Companies Act 2016 which is approved by the SC to be a trustee under the CMSA and has assets under management exceeding ten million ringgit or its equivalent in foreign currencies.

10. An issue made to—
 - a) a corporation with total net assets exceeding ten million ringgit or its equivalent in foreign currencies based on the last audited accounts; or
 - b) a partnership with total net assets exceeding ten million ringgit or its equivalent in foreign currencies.
11. An issue made to a statutory body established by an Act of Parliament or an enactment of any State.
12. An issue made to a pension fund approved by the Director General of Inland Revenue under section 150 of the Income Tax Act 1967.

C. Excluded Issues made to High-Net Worth Individuals

13. An offer or invitation made to an individual—
 - a) whose total net personal assets, or total net joint assets with his or her spouse, exceed three million ringgit or its equivalent in foreign currencies, excluding the value of the individual's primary residence;
 - b) who has a gross annual income exceeding three hundred thousand ringgit or its equivalent in foreign currencies per annum in the preceding twelve months; or
 - c) who, jointly with his or her spouse, has a gross annual income exceeding four hundred thousand ringgit or its equivalent in foreign currencies per annum in the preceding twelve months.

CIMB-Principal Asset Management Berhad (304078-K)

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