

This schedule of conditions (this “**Supplement**”) is subject to Federal Law No. (4) of 2000 Concerning the UAE Securities and Commodities Authority and Market and the Chairman of the Authority’s Board of Directors’ Resolution No (01/Chairman) of 2023 Concerning the Regulations of Investment Funds (the “**Resolution**”) and all laws, regulations, and resolutions in force in the United Arab Emirates (the “**UAE**”). This Supplement forms part of, and must be read together with, the master prospectus (the “**Prospectus**”) of the Fund (as defined in the Prospectus) including but not limited to the general description of (a) the Fund, the Sub-Fund and its management; (b) the risk factors and conflicts of interest; and (c) the subscription and redemption policies and restrictions.

SCHEDULE OF CONDITIONS TO MASTER PROSPECTUS

Allianz Global Investors AE Feeder Funds

الصناديق المغذية الإمارات - أليانز جلوبال انفستور

An Umbrella Fund with segregated liability Sub-Funds established pursuant to the United Arab Emirates Securities and Commodities Authority the Chairman of the Authority’s Board of Directors’ Resolution No (01/Chairman) of 2023 Concerning the Regulations of Investment Funds.

Allianz Income and Growth Feeder Fund

الصندوق المغذي - أليانز انكام اند جروث

(Open-ended Public Fund)

June 2024

Amended on 26 September 2024 (Amendment #1)

At a subscription price of
US\$10.00 per Unit (for US\$-denominated Classes), and
EUR100.00 per Unit (for EUR-denominated Classes)

Minimum Fund Size: US\$5,000.
Maximum Fund Size: No maximum.

First Initial Subscription Period Commencement Date: 23 June 2024
First Initial Subscription Period Expiry Date: 6 July 2024

In the event that the Minimum Fund Size (US\$5,000) is not covered:

Second Initial Subscription Period Commencement Date: 7 July 2024
Second Initial Subscription Period Expiry Date: 20 July 2024

Fund Manager

Daman Investments P.S.C.

Advisor

Allianz Global Investors GmbH

Custodian and Subscription Bank

Standard Chartered Bank UAE

Administrator and Unit Registrar

Standard Chartered Bank UAE

Auditor

PricewaterhouseCoopers Limited
Dubai Branch

Legal Advisor

White & Case LLP

IMPORTANT DISCLAIMER
Investors must carefully read this Disclaimer

- This Supplement includes the terms and information applicable only to this Sub-Fund. The information contained in this Supplement must be read in conjunction with the Prospectus.
- The main purpose of this Supplement is to inform the potential investors of the key information that will help them make their investment decisions regarding investing in this Sub-Fund. Each Investor prior to the subscription must carefully examine and review all the data contained in the Prospectus and this Supplement in order to make the appropriate investment decision. Additionally, each investor must obtain the necessary advice from his own financial adviser and legal adviser regarding investing in this Sub-Fund offered for subscription. The reader of this Supplement must also take into account that the words and phrases that indicate that the data are estimated and relate to the future which are intended to show that they are uncertain and should not be relied upon entirely as they are subject to change and it is impossible to predict future circumstances with certainty, which may lead to the actual results differing from the expected results.
- Investing in the offered Sub-Fund may involve a high degree of risk. As such the investor should not invest any money in the fund unless he can bear the loss of his investment. The terms and conditions of each Sub-Fund (as set out in the Prospectus) must also be read in full, in particular the “*RISKS AND CONFLICT OF INTERESTS*” section, which explains the factors and risks that must be taken into consideration before making any decision investing.
- This Supplement contains data submitted in accordance with the issuance and disclosure rules applicable in the Securities and Commodities Authority of the United Arab Emirates (the “**Authority**”). The Fund Manager, whose name is included in the contents of this Supplement, shall bear full responsibility with regard to the validity of the information and data contained therein. The Fund Manager confirms to the best of its knowledge, after exerting due care and conducting extensive research, that there is no information, other facts or material information that, if not included in the Prospectus or this Supplement, would make any statement contained therein misleading or affecting the investment decision of the subscribers or contrary to the provisions of the resolutions issued by the Authority, and that these resolutions apply and prevail in all cases to what is contained in the Prospectus and this Supplement.
- The information contained in the Prospectus and this Supplement shall not be subject to modification or addition except in accordance with the procedures stipulated in the Resolution.
- The offering of this Sub-Fund has been presented to the Authority, for offering in the United Arab Emirates. Accordingly, in the event that the Fund is offered in any other country, the Fund Manager shall be responsible for taking all procedures and measures and obtaining the necessary approvals from the concerned authorities in those countries before offering the Sub-Fund therein.
- The Fund Manager and the service providers of this Sub-Fund shall undertake to fully comply with all laws, regulations and resolutions in force in the State and those issued at any time by the Authority.
- The Authority approved the offering of this Sub-Fund on 18 July 2024 under number 2024/1696. The approval of the Authority shall not be an endorsement of the feasibility of the investment nor a recommendation to subscribe for the Sub-Fund’s Units, but only means that this Supplement included the minimum required information in accordance with the rules of issuance and disclosure applicable in the Authority. The Authority shall not be responsible for the accuracy, completeness, validity or adequacy of the information contained in the Prospectus and this Supplement and shall not be liable for any damage or loss incurred by any person as a result of reliance on the offering document or part thereof.
- This Supplement has been prepared in accordance with the laws, regulations, and resolutions in force in the United Arab Emirates. Any violation of those laws, regulations, and resolutions that may appear therein shall be null and void, and the fund manager shall bear all the consequences of such violation, unless a special resolution has been issued by the Authority.
- This Supplement is issued in June 2024 and amended on 26th September 2024.

INTRODUCTION AND GENERAL PROVISIONS

For the sake of clarity, please note that the Prospectus and this Supplement:

- (1) is an invitation for the public subscription to purchase units of the Sub-Fund;
- (2) includes all information and data relating to the Sub-Fund, which have been assessed and reviewed by each of the Fund Manager, the Administrator, the Auditor and the Legal Advisor (each in its own capacity) and subject to its own responsibility;
- (3) shall be updated periodically to reflect any material change and the updated Prospectus and/or Supplement shall be notified to the Authority, as well as to the Unitholders, if the Authority so decides;
- (4) an updated copy of the Prospectus and this Supplement is available on request of an investor from the Fund Manager at the address set forth in the Prospectus and this Supplement; and
- (5) is subject to the Resolution and all laws, regulations and resolutions in force in the UAE.

1. SUMMARY OF TERMS

The following is a summary of the terms of the Sub-Fund. To the extent that the information contained in this Supplement conflicts with information contained in the Prospectus, the information contained in this Supplement will prevail. Capitalised terms which are not defined herein shall have the meanings ascribed to such terms in the Prospectus.

Name of Sub-Fund	Allianz Income and Growth Feeder Fund	
Name of Sub-Fund (Arabic)	الصندوق المغذي - أليانز انكام اند جروث	
Custodian	Standard Chartered Bank UAE	License No. 602005
Administrator	Standard Chartered Bank UAE	License No. 20200000104
Unit Registrar	Standard Chartered Bank UAE	
Investment Objectives	<p>The investment objective of the Sub-Fund is to generate long term capital growth and income by investing in the Master Sub-Fund. The investment objective of the Master Sub-Fund is to invest in corporate debt securities and equities of US and/or Canadian equity and bond markets.</p> <p>The Sub-Fund is a Feeder Fund and will invest substantially all of its assets in Allianz Income And Growth (the “Master Sub-Fund”), a sub-fund of Allianz Global Investors Fund (the “Master Fund”), a société anonyme under the laws of the Grand Duchy of Luxembourg that qualifies as an open-ended société d’investissement à capital variable (SICAV) under part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended from time to time (the “Luxembourg Law”).</p> <p>The Master Fund is an umbrella fund pursuant to Article 181 of the Luxembourg Law and constitutes a single legal entity. The Master Sub-Fund also constitutes a single legal entity and is treated as a separate entity in relation to each of the shareholders of the Master Sub-Fund. The assets of the Master Sub-Fund only cover the debts and obligations of the Master Sub-Fund, even those that exist in relation to third parties.</p>	
Investment Restrictions; Master Sub-Fund Investment Guidelines	<p><i>Investment Restrictions</i></p> <p>The Sub-Fund will invest substantially all (and, in any event, not less than 85%) of its assets in the Master Sub-Fund. The Master Sub-Fund will invest substantially all of its assets in accordance with the investment restrictions detailed in the Master Fund Prospectus.</p> <p>The Master Sub-Fund may change its investment restrictions from time to time and the Sub-Fund will, consequently, adopt such changes (including any amendments to the Prospectus or this Supplement to reflect the same). For the avoidance of doubt, any such changes shall not be considered to be (i) a Material Change, or (ii) an Important Change, each as defined in the Prospectus.</p> <p><i>Master Sub-Fund Investment Guidelines</i></p>	

	<p>As of the date of this Supplement and as further set out in the Master Fund Prospectus, the Master Sub-Fund currently has the following investment guidelines, which may be amended or revised from time to time:</p> <ul style="list-style-type: none"> • a maximum of 70% of the Master Sub-Fund’s assets may be invested in equities; • a maximum of 70% of the Master Sub-Fund’s may be invested in convertible debt securities; • a maximum of 70% of the Master Sub-Fund’s assets may be invested in High-Yield Investments Type 1, however Sub-Fund assets may be invested in Debt Securities that are only rated CC (Standard & Poor’s) or lower (including max. 10% of defaulted securities); • a maximum of 30% of the Master Sub-Fund’s assets may be invested in Emerging Markets; • a maximum of 25% of the Master Sub-Fund’s assets may be held in Deposits and/or may be invested directly in Money-Market Instruments and/or (up to 10% of Sub-Fund assets) in money market funds; • a maximum of 20% of the Master Sub-Fund’s assets non-USD Currency Exposure; • certain jurisdiction specific restrictions may apply, including those relating to Hong Kong, Taiwan (with the exception of certain high-yield limits) and the German Investment Tax Act; and • Benchmark: None.
Fund Term	Indefinite.
Sub-Fund Business Commencement Date	The Sub-Fund commenced business on 18 July 2024, the date of being licensed by the Authority.
Fiscal Year of the Sub-Fund	The fiscal year of the Sub-Fund shall commence on 1 October and end on 30 September in each year except for the first fiscal period of Sub-Fund which shall commence on the establishment date of the Sub-Fund and end on 30 September 2025.
Type of Fund	In terms of:
	1 – Capital Nature: Open-ended
	2 – Step-out Method: Redemption Possibility (Frequency: Daily)
	3 – Type of Fund: Feeder Fund
	4 – Fund Dividends: Possible – distribution amounts and frequency determined per Class of Units.
	5 – Compliance with Shari’ah: Non-Compliant
	6 – Benchmark: No specific benchmark.

	7 – Fund Investment Markets (Investment Markets): United States of America; Canada
	8 – Portfolio Composition: Equity interests in the Master Sub-Fund
	9 – Unit NAV (NAV) Calculation Frequency: Daily
Sub-Fund Size	Minimum: US\$5,000. Maximum: No maximum.
Sub-Fund Currency	United States Dollars (“US\$”)
Sub-Fund Unit Classes	<p>The Sub-Fund shall issue the following classes of Units (each, a “Class”):</p> <ul style="list-style-type: none"> • Class AM (USD) • Class RM (USD) • Class AM (H2-EUR) • Class RM (H2-EUR) <p>The Sub-Fund will invest substantially all of its assets of each Class in the corresponding WM97 Share Class Type of the Master Fund. In particular, (i) Class AM (USD) and Class RM (USD) Units of the Sub-Fund will invest in Class WM97 (USD) Shares of the Master Sub-Fund, and (ii) Class AM (H2-EUR) and Class RM (H2-EUR) Units of the Sub-Fund will invest in Class WM97 (H2-EUR) of the Master Sub-Fund.</p> <p>A summary of the terms relating to each Class is set out at Section 3 below.</p>
Permitted Investors	<p><i>Investor Profile</i></p> <p>The Sub-Fund is aimed at investors who pursue the objective of general capital formation/asset optimisation. It may not be suitable for investors who wish to withdraw their capital from the Sub-Fund within a period of 4 years. The Sub-Fund is aimed at investors with basic knowledge and/or experience of financial products. Prospective investors should be capable of bearing a financial loss and should not attach any importance to capital protection.</p>
Initial Closing Date	6 July 2024 (the “ Initial Closing Date ”), or such earlier or later date as determined by the Fund Manager in its sole discretion.
Subscription Bank(s)	Standard Chartered Bank UAE
Minimum Initial Subscription	<p>The minimum initial subscription amount per Class of Unit is as follows:</p> <ul style="list-style-type: none"> • Class AM (USD): None. • Class RM (USD): None. • Class AM (H2-EUR): None. • Class RM (H2-EUR): None.

Minimum Additional Subscription	None.		
Maximum Subscription	None.		
Subscription Price	<p>On or prior to the Initial Closing Date, Units shall be issued at a subscription price of US\$10.00 per Unit (for US\$-denominated Classes), and EUR100.00 per Unit (for EUR-denominated Classes).</p> <p>Following the Initial Closing Date, Units will be offered on each Dealing Day at a subscription price equal to the prevailing Unit NAV of the relevant Class as at the relevant Dealing Day.</p>		
Subscription Frequency and Mechanism	<p>Each Dealing Day.</p> <p>Each Subscription Agreement must be received by no later than 1:00pm UAE time on the Business Day immediately preceding relevant Subscription Day.</p> <p>Subscription monies must be received within two (2) Valuation Days of the relevant Subscription Day.</p>		
Redemption Frequency and Mechanism	Each Dealing Day.		
Net Asset Value Calculation	<p>Each Dealing Day.</p> <p>The calculation of the Unit NAV and the Fund NAV is as set out in the Prospectus.</p>		
Conversion of Sub-Fund Units	<p>A Unitholder may request the conversion of any of its Units (in whole or in part) into Units of another Class of the same Sub-Fund, or into Units of another sub-fund of the Fund.</p> <p>Each such Unitholder must meet any minimum investment amounts or any additional requirements applicable to the issue of the new Units, if any.</p>		
Distribution Policy	<p><i>Distribution Class Units</i></p> <p>Class AM (USD), Class RM (USD), Class AM (H2-EUR) and Class RM (H2-EUR) Units are Distribution Class Units, the distribution of which will generally be made on the fifteenth (15th) day of each calendar month or, if such day is not a Dealing Day, the next applicable Dealing Day.</p> <p><i>Accumulation Class Units</i></p> <p>The Sub-Fund may, from time to time, offer Accumulation Class Units which shall retain all income (while accounting for income equalisation) less payable charges, fees, taxes and other expenses and reinvest these amounts. No distributions are expected to be paid to holders of Accumulation Units. Annual accumulation will generally take place on 30 September each year.</p>		
	Class	Distribution / Accumulation	Distribution Frequency

	Class AM (USD)	Distribution	As above.
	Class RM (USD)	Distribution	As above.
	Class AM (H2-EUR)	Distribution	As above.
	Class RM (H2-EUR)	Distribution	As above.
Reports Available for Unitholders	<p>The Fund, with respect to the Sub-Fund, will provide Unitholders with (i) a semi-annual financial report reviewed by the Auditor, within forty-five (45) days from the end of the relevant semi-annual period, (ii) a semi-annual report detailing any Material Changes to the Sub-Fund, including changes to the Sub-Fund’s NAV or changes to the Sub-Fund’s investment policy during the reporting period (if any), within forty-five (45) days from the end of the relevant semi-annual period and as per the form prepared by the Authority, and (iii) an annual audited financial report, within three (3) months from the end of the relevant Fiscal Year of the Sub-Fund.</p> <p>The Fund, with respect to the Sub-Fund will also provide Unitholders with a monthly update document relating to the Fund.</p> <p>The Fund Manager may from time to time issue additional reports to Unitholders at its sole discretion.</p>		
Rights of Unitholders	<p>Purchase of Units in any Sub-Fund will not grant a Unitholder the rights granted to shareholders of commercial companies nor will it grant any ownership, voting, controlling or other rights in relation to the Fund or Sub-Fund assets, except as expressly provided for in the Prospectus and this Supplement.</p>		
Expenses and Fees			
Subscription Fees	<p><i>Subscription Fees</i></p> <p>The Units will not be subject to any subscription fees.</p>		
Redemption Fees	<p><i>Redemption Fees</i></p> <p>None.</p> <p><i>Master Sub-Fund – Contingent Deferred Sales Charge</i></p> <p>None.</p>		
Fund Expenses	<p>The Sub-Fund shall bear all Sub-Fund Expenses and Establishment Expenses and a portion of any Fund Expenses allocated to the Sub-Fund, in accordance with the Prospectus and this Supplement.</p> <p>The Establishment Expenses to be paid or reimbursed by the Sub-Fund shall be capped at 0.20% per annum of the net asset value per Unit.</p>		
Management and Performance Fees payable to the Fund Manager (Summary and detail thereof are set out	<p><i>Management Fee</i></p> <p>For Class AM, the Sub-Fund will pay the Fund Manager a management fee in an amount equal to 0.80% per annum of the net asset value per Unit (the “Management Fee”).</p>		

<p>at Page 53 of the Prospectus).</p>	<p>For Class RM, the Sub-Fund will pay the Fund Manager a management fee in an amount equal to 0.05% per annum of the net asset value per Unit.</p> <p>The Management Fee is exclusive of any value added tax.</p> <p>Performance Fee</p> <p>The Sub-Fund will not pay the Fund Manager a performance fee.</p>
<p>Master Sub-Fund Fees (Summary and detail thereof are set out at Page 55 of the Prospectus)</p>	<p>All-In Fee – Master Sub-Fund</p> <p>Each Master Sub-Fund, will pay an all-in-fee (the “All-in-Fee”) to the Management Fund Management Company, as follows:</p> <ul style="list-style-type: none"> • Class WM97 (USD): 0.77% per annum of the average daily net asset value. • Class WM97 (H2-EUR): 0.77% per annum of the average daily net asset value. <p>The All-In Fee will be reduced by an amount equal to the Establishment Expenses. For the avoidance of doubt, the total amount of the All-In Fee <i>plus</i> the Establishment Expenses shall be no more than 0.77% per annum.</p> <p>Performance Fee – Master Sub-Fund</p> <p>None.</p> <p>Taxe d’Abonnement</p> <p>The Master Sub-Fund is liable in Luxembourg for an annual subscription tax (“taxe d’abonnement”) which is payable quarterly on the basis of the value of the net assets of the Master Sub-Fund at the end of the relevant calendar quarter.</p> <p>The taxe d’abonnement per annum for each Master Fund Share Class is as follows:</p> <ul style="list-style-type: none"> • Class WM97 (USD): 0.01% • Class WM97 (H2-EUR): 0.01% <p>Ongoing Charges</p> <p>Ongoing Charges are payable at the level of the Master Sub-Fund, as set out in the Prospectus.</p>
<p>Custodian Fees (Summary and detail thereof are set out at Page 26 of the Prospectus).</p>	<p>The Sub-Fund will pay the Custodian an annual custody fee as set out in the Prospectus, which shall be an amount equal to 0.025% (2.5 basis points) per annum of its Fund NAV.</p>
<p>Administrator’s Fees (Summary and detail thereof are set out at Page 27 of the Prospectus).</p>	<p>The Sub-Fund will pay the Administrator an annual administration fee as set out in the Prospectus, which shall be an amount equal to 0.025% (2.5 basis points) per annum of its Fund NAV.</p>
<p>Other Fund Service Provider (Summary and detail thereof are set out</p>	<p>The Sub-Fund will pay the Auditor an auditor fee as set out in the Prospectus.</p>

at Page 29 of the Prospectus).	
Fund Head Office	6 th Floor, Sheikh Rashid Tower, Dubai World Trade Centre, Dubai, UAE.
Date and Number of the Sub-Fund License issued by SCA	18 July 2024 2024/1696
Business Day	Each day on which banks and exchanges in Luxembourg, the United States of America and the United Arab Emirates are open for business. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.
Dealing Day	Each Business Day.
Redemption Day	Each Dealing Day.
Compulsory Redemptions	The Sub-Fund has the right to compulsorily redeem all or some of the Units held by a Unitholder as set out in the Prospectus.
Redemption Restrictions	The redemption of Units shall be restricted and suspended as set out in the Prospectus.
Valuation Day	Each Business Day.
Delegated Activities (If Any)	None.
Statement whether the Fund only invests in other funds	The Sub-Fund will invest in the Master Sub-Fund.
Conflicts and Risk Factors encountered by the Fund (Summary and detail thereof are set out at Page 30 of the Prospectus).	<p>Potential investors should be aware that an investment in the Sub-Fund involves a high degree of risk and is suitable only for investors who fully understand and who can bear the risks of such an investment for an indefinite period and who can afford a loss on their investment. In addition, potential investors should be aware that there will be occasions when the Fund Manager and its Affiliates may encounter conflicts of interest in connection with the Sub-Fund.</p> <p>The Fund Manager is committed to managing the risks resulting from conflicts of interest in accordance with the regulations issued by the Authority and in force in the United Arab Emirates to preserve the interests of Unitholders.</p> <p>ALL POTENTIAL INVESTORS MUST CAREFULLY READ THE SECTION ENTITLED “CERTAIN RISK FACTORS AND CONFLICTS OF INTEREST” IN THE PROSPECTUS AND THIS SUPPLEMENT BEFORE MAKING AN INVESTMENT IN THE FUND OR THE SUB-FUND.</p>

**Investor Information
Requests**

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A summary of the Prospectus and this Supplement shall, at all times or on request, be provided free of charge by the Fund Manager to Unitholders in a soft or hard copy and regularly updated provided so that it shall include the past and prospective performance of the Sub-Fund.

2. CERTAIN RISK FACTORS AND CONFLICTS OF INTEREST

Potential investors should be aware that an investment in the Master Sub-Fund, indirectly through the Sub-Fund, involves a high degree of risk and is suitable only for investors who fully understand and who can bear the risks of such an investment for an indefinite period and who can afford a total loss of their investment.

2.1 Master Sub-Fund Risk Factors

Defined terms used in this Section 2.1 shall have the meanings ascribed to such terms in the Master Fund Prospectus.

China Investment Risk

Various Sub-Funds invest in the Equity Markets and/or Debt Securities Markets of the PRC. There are numerous and varied risks associated with such an investment which are referred to as the “China Investment Risk”. Independent if a Sub-Funds invests in the Equity Markets and/or in the Debt Securities Markets of the PRC, the following risks are generally associated with such an investment, in the PRC:

FII Risk

A Sub-Fund may invest in securities and investments permitted to be held or made by FII under the relevant FII Regulations through institutions that have obtained FII status in China. In addition to the general investment and equity related risks of investments including in particular the Emerging Markets risks, the following risks should be emphasised:

Regulatory Risks

The FII regime is governed by FII Regulations. Certain parts of the Allianz Global Investors Group meet the relevant prescribed eligibility requirements under the FII Regulations and have been granted or might be granted a FII license. FII Regulations may be amended from time to time. It is not possible to predict how such changes would affect the relevant Sub-Fund. Rules on investment restrictions and rules on repatriation of principal and profits, imposed by the Chinese government on the FII may be applicable to the latter as a whole and not only to the investments made by the relevant Sub-Fund and may have an adverse effect on the Sub-Fund’s liquidity and performance.

FII Investments Risks

Investors should be aware that there can be no assurance that a FII will continue to maintain its FII status and/or that redemption requests can be processed in a timely manner due to changes in FII Regulations. Therefore, a Sub-Fund may no longer be able to invest directly in the PRC or may be required to dispose of its investments in the PRC domestic securities market held by the FII, which could have an adverse effect on its performance or result in a significant loss.

Regulatory sanctions may be imposed on the FII if the FII itself or the local custodian breach any provision of the relevant rules and regulations.

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

Limits on Redemption

A Sub-Fund may be impacted by the rules and restrictions under the FII regime (including investment restrictions, limitations on foreign ownership or holdings), which may have an adverse impact on its

performance and/or its liquidity. Currently, no regulatory prior approval is required for repatriation of funds from the FII. However, the FII Regulations are subject to uncertainty in their application and there is no certainty that no other regulatory restrictions will apply or that repatriation restrictions will be imposed in the future. Although the relevant FII Regulations have recently been revised to relax regulatory restrictions on the onshore capital management by FIIs (including removing investment quota limit and simplifying process for repatriation of investment proceeds), it is a very new development therefore subject to uncertainties as to how well it will be implemented in practice, especially at the early stage.

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

PRC Depositary Risks under the FII regime

Where a Sub-Fund invests in fixed income securities and/or eligible securities through the FII, such securities will be maintained by a local custodian pursuant to PRC regulations through appropriate securities accounts and such other relevant depositories in such name as may be permitted or required in accordance with PRC law.

The Sub-Fund may incur losses due to the acts or omissions of the PRC Depositary in the execution or settlement of any transaction.

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

Any securities acquired by the relevant Sub-Fund held by the FII will be maintained by the PRC Depositary and should be registered in the joint names of the FII and the Sub-Fund and for the sole benefit and use of such Sub-Fund. Providing that the FII will be the party entitled to the securities, the related security may be vulnerable to a claim by a liquidator of the FII and may not be as well protected as if they were registered solely in the name of the respective Sub-Fund.

In addition, investors should note that cash deposited in the cash account of the relevant Sub-Fund with the relevant local custodian will not be segregated but will be a debt owing from the local custodian to the relevant Sub-Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of that local custodian. In the event of bankruptcy or liquidation of the local custodian, the relevant Sub-Fund will not have any proprietary rights to the cash deposited in such cash account, and the relevant Sub-Fund will become an unsecured creditor, ranking equal with all other unsecured creditors, of the local custodian.

The relevant Sub-Fund may face difficulty and/or encounter delays in recovering such debt or may not be able to recover it in full or at all, in which case the Sub-Fund will suffer losses.

PRC Broker Risks under the FII regime

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

In selection of PRC Brokers, the FII will have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. If the FII, as the case may be, consider appropriate and if under market or operational constraints, it is possible that a single PRC Broker will be appointed, and the Sub-Fund may not necessarily pay the lowest commission or spread available in the market at the relevant time.

Defaulted Securities / Distressed Debt Risk

In certain cases, a Sub-Fund may acquire securities issued from an issuer that has defaulted on their interest/coupon payments (“Defaulted/Distressed Debt Securities”). The purchase of these securities exposes the Sub-Fund to the specific risk of Issuer Default (see Issuer Default Risk). In addition, an insolvency administrator is usually appointed to manage the defaulted issuer on behalf of the issuer’s directors. There is a high risk that the insolvency administrator realises the failed company’s assets, pays the liquidation expenses and compensates the creditors as far as the issuer’s remaining assets allow. This causes a long-lasting risk to the Sub-Fund that had acquired defaulted securities that these securities could potentially become completely worthless from an economic view. There is therefore a significant risk that the initial invest in the Defaulted/Distressed Debt could be lost entirely. If a security held becomes defaulted, the Sub-Fund may continue to hold the defaulted security until such time as the Investment Manager determines.

High-Yield Investments Risk

High-yield investments are Debt Securities that are either rated non-investment grade by a recognised rating agency or are not rated at all, but that would presumably receive a rating of non-investment grade if they were to be rated. In particular, such investments are normally associated with an increased degree of creditworthiness risk, risk of interest rate changes, general market risk, company-specific risk and liquidity risk than higher rated, lower yielding securities. Such increased risk may have an adverse impact on the Sub-Fund and/or the investors.

3. SUMMARY OF CLASSES OF UNITS

The information set out below is a summary only of the information further detailed in the Memorandum and this Supplement.

	Class AM (USD)	Class RM (USD)	Class AM (H2-EUR)	Class RM (H2-EUR)
Investment in Master Sub-Fund	Class WM97 (USD) Shares	Class WM97 (USD) Shares	Class WM97 (H2-EUR) Shares	Class WM97 (H2-EUR) Shares
Currency	US\$	US\$	EUR	EUR
Minimum Initial Subscription	None.	None.	None.	None.
Distribution / Accumulation	Distribution.	Distribution.	Distribution.	Distribution.
Management Fee	0.80% per annum of the net asset value per Unit.	0.05% per annum of the net asset value.	0.80% per annum of the net asset value.	0.05% per annum of the net asset value.
Performance Fee	None.	None.	None.	None.
Subscription Fee	None.	None.	None.	None.
Redemption Fee	None.	None.	None.	None.
Master Sub-Fund Fees				
All-In Fee	0.77% per annum of the average daily net asset value.	0.77% per annum of the average daily net asset value.	0.77% per annum of the average daily net asset value.	0.77% per annum of the average daily net asset value.
Performance Fee	None.	None.	None.	None.
Taxe d'Abonnement	0.01%	0.01%	0.01%	0.01%