

This notice contains important information that requires your immediate attention. Should you have any queries, you are recommended to seek independent professional advice.

The following change(s) in investment choice(s) relate(s) to the “Global Series” and “Premier-Choice Series” plans. The “Global Series” includes Global InvestPlan and Global InvestPlus. The “Premier-Choice Series” includes Premier-Choice ULife InvestPlan, Premier-Choice Flexi, Premier-Choice Flexi Plus, Premier-Choice InvestPlan and Premier-Choice PLUS InvestPlan.

1. Appointment of Investment Advisor for the Underlying Fund of the Investment Choice

- *Fidelity Funds - Growth & Income Fund "A" Shares (FIGIU)*

As advised by Fidelity, with effect from January 3, 2017 (or such later date as may be decided by the board of directors of Fidelity Funds), FIL Investment Management (Hong Kong) Limited is appointed as an investment advisor of Fidelity Funds - Growth & Income Fund (the “Underlying Fund”), the underlying fund of the investment choice above, (“Appointment”) in addition to FIL Investments International.

FIL Investment Management (Hong Kong) Limited is incorporated in Hong Kong and regulated by the Hong Kong Securities and Futures Commission.

The Appointment has been decided upon as a result of the relocation of one of the portfolio managers responsible for managing the Underlying Fund.

The Appointment will not result in any change to the investment objective of the Underlying Fund or to the fees charged by the Underlying Fund.

As advised by Value Partners Limited, the disclosures in the explanatory memorandum of the underlying funds have been amended with effect from December 30, 2016 to reflect the miscellaneous changes as summarized below:

2. Change of Investment Policy for the Underlying Funds of the Investment Choices

- *Value Partners China Convergence Fund (VPBHU)*
- *Value Partners Chinese Mainland Focus Fund (VPMFU)*

It is currently disclosed in the explanatory memorandum of the underlying funds of the investment choices above that the underlying funds may invest directly in eligible A shares via the Shanghai-Hong Kong Stock Connect. In addition to the Shanghai-Hong Kong Stock Connect, the underlying funds intend to gain access to eligible A shares via the Shenzhen-Hong Kong Stock Connect (as further described below).

The investment policy of the underlying funds is revised to provide flexibility for the underlying funds to invest directly in eligible A shares via the Shenzhen-Hong Kong Stock Connect. The above change takes effect on December 30, 2016. For the avoidance of doubt, each underlying fund’s maximum aggregate direct and indirect exposure to A shares remains unchanged i.e. at 45% of the underlying fund’s total net asset value.

Shenzhen-Hong Kong Stock Connect

Under the Shenzhen-Hong Kong Stock Connect, Hong Kong and overseas investors (including the underlying funds) are able to trade certain eligible shares listed on the Shenzhen Stock Exchange (“SZSE”). These include all the constituent stocks of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which has a market capitalisation of not less than RMB 6 billion, and all the SZSE-listed A shares which have corresponding H shares listed on SEHK, except the following:

- SZSE-listed shares which are not traded in RMB; and
- SZSE-listed shares which are included in the “risk alert board” or under delisting arrangement.

Given the change of the investment policy of the underlying funds is to provide flexibility to invest directly in A shares via the Shenzhen-Hong Kong Stock Connect and there is no increase in the underlying funds’ aggregate direct and indirect exposure to A shares (i.e. not more than 45%), Value Partners Limited believes that (i) the change of the investment policy of the underlying funds does not amount to a material change to the underlying funds; (ii) there will be no material change or increase in the overall risk profile of the underlying funds following the change; and (iii) the change does not materially prejudice the rights or interests of investors of the underlying funds.

Risks associated with the Shenzhen-Hong Kong Stock Connect

Please note that investments through the Shenzhen-Hong Kong Stock Connect are subject to similar risks as those applicable to the Shanghai-Hong Kong Stock Connect, namely, quota limitations, suspension risk, differences in trading days, operational risk, restrictions on selling imposed by front-end monitoring, recalling of eligible stocks, clearing and settlement risk, participation in corporate actions and shareholders’ meetings, currency risk, regulatory risk and tax risk. When investing in

eligible A shares through the Shenzhen-Hong Kong Stock Connect, the underlying funds will also be subject to the risks associated with the Small and Medium Enterprise Board of the SZSE and/or ChiNext Board of the SZSE (“ChiNext Board”).

Further, the underlying funds’ investments through Northbound trading under Shenzhen-Hong Kong Stock Connect will not be covered by Hong Kong’s Investor Compensation Fund.

3. Other Amendments for the Underlying Funds of the Investment Choices

- *Value Partners China Convergence Fund (VPBHU)*
- *Value Partners Chinese Mainland Focus Fund (VPMFU)*

The explanatory memorandum of the underlying funds of the investment choices above will also be amended to reflect additional disclosures and updates as summarized below:

- (i) enhancement of disclosures on PRC taxation
- (ii) insertion of a new risk factor “Risks associated with the Small and Medium Enterprise Board of the SZSE (“SME Board”) and/or ChiNext Board” and updates to the risk factors headed “PRC Tax Risk” as a result of the underlying fund trading via the Shenzhen-Hong Kong Stock Connect
- (iii) insertion of disclosures on liquidity risk management policy

For the underlying fund of VPBHU only:

- (iv) replacement of the risk factor headed “Currency Hedging Risk” with the risk factor headed “Risks relating to Currency Hedging and the Currency Hedged Classes”

You should refer to the relevant offering documents and the notice to shareholders of the underlying fund(s) of the above investment choice(s), which are made available by MassMutual Asia Ltd. upon request, or visit our website (www.massmutualasia.com) to carefully read the details of the relevant documents in relation to the above change(s).

If you have selected the above investment choice(s) under your insurance policy and if for any reason you wish to change to other investment choice(s), you may switch your investment choice(s) to other available investment choice(s) provided by your policy. Currently, no switching charge and bid-offer spread apply to the investment choices. For details, please refer to Investment Choice Brochure or contact MassMutual Asia Ltd. - Customer Service Hotline at (852) 2533 5555 (Hong Kong)/ (853) 2832 2622 (Macau).

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.
IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.**

30 December 2016

Dear Shareholder,

**Important changes to Fidelity Funds – Growth & Income Fund and
Fidelity Funds – Global Multi Asset Income Fund (collectively, the “Funds”)**

We are writing to inform you as a Hong Kong registered shareholder of the Funds that with effect from 3 January 2017 (or such later date as may be decided by the Board of Directors of Fidelity Funds) (“**Effective Date**”), FIL Investment Management (Hong Kong) Limited will be appointed as an Investment Advisor of the Funds (“**Appointment**”) in addition to FIL Investments International.

FIL Investment Management (Hong Kong) Limited is incorporated in Hong Kong and regulated by the Hong Kong Securities and Futures Commission.

The Appointment has been decided upon as a result of the relocation of one of the portfolio managers responsible for managing the Funds.

Next steps

The Appointment will not result in any change to the investment objective of the Funds or to the fees that you currently pay. Your holdings will not be impacted and you will not need to take any action. This letter is provided for your information only. The Appointment will be reflected in the next update to the Funds’ Hong Kong offering documents.

If you have any questions relating to the Appointment, or if you would like to request for a copy of the Hong Kong Prospectus of Fidelity Funds, the Product Key Facts Statement of the Funds, the Articles of Incorporation, the latest audited annual report and accounts and unaudited semi-annual report and accounts of Fidelity Funds (which is also available at www.fidelity.com.hk[#]) or other material agreements relating to Fidelity Funds, please contact your usual financial adviser or the Fidelity Investor Hotline[^] at +852 2629 2629, or you can write to the Hong Kong Representative at Level 21, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong.

FIL Investment Management (Luxembourg) S.A., the management company of Fidelity Funds, accepts full responsibility for the accuracy of the information contained in this letter.

Yours sincerely,



Mark Talbot
Managing Director, Asia Pacific
Signed on behalf of FIL Investment Management (Hong Kong) Limited
as Hong Kong Representative of Fidelity Funds

This website has not been reviewed by the Securities and Futures Commission in Hong Kong.

[^] International Toll-free Number +800 2323 1122, available to calls from Australia, Canada, Japan, South Korea, Malaysia, New Zealand, the Philippines, Singapore, Taiwan, Thailand and USA. Service may not be available for certain mobile carriers. The “+” sign represents the International Access Prefix. China Toll-free Number: 4001 200632. The Fidelity Investor Hotline is available from 9am to 6pm, Monday to Friday (except Hong Kong public holidays).

此乃重要文件，務請即時細閱。如有任何疑問，請諮詢專業意見。

親愛的股東：

**富達基金－環球「息」增長基金及富達基金－環球多元收益基金
(統稱「該等基金」)的重要變動**

茲通知該等基金各香港註冊股東，由 2017 年 1 月 3 日 (或富達基金董事會可能決定的較後日期) (「生效日期」) 起，除 FIL Investments International 外，富達基金 (香港) 有限公司將獲委任為該等基金的投資顧問 (「委任」)。

富達基金 (香港) 有限公司是一家於香港成立的公司，並受香港證券及期貨事務監察委員會監管。

這項委任的決定，是基於一名負責管理該等基金的投資組合經理的搬遷而作出。

下一步行動

上述委任將不會導致該等基金的投資目標或閣下現時支付的費用出現任何改變。閣下的持股將不受影響，閣下毋須採取任何行動。本函件僅為閣下提供資料。基金的香港銷售文件將於下一次更新時反映上述委任。

如對上述委任有任何疑問，或欲索取富達基金的香港認購章程、該等基金的產品資料概要、公司組織章程、富達基金最新經審核的年報與帳目及未經審核的半年報告與帳目 (亦可於 www.fidelity.com.hk[#] 下載)，或與富達基金有關的其他重要協議，請聯絡閣下的慣常財務顧問或致電富達投資熱線[^] +852 2629 2629 查詢，閣下亦可致函香港代表 (地址為香港金鐘道 88 號太古廣場二座 21 樓)。

富達基金的管理公司 (即 FIL Investment Management (Luxembourg) S.A.) 對本函內容的準確性負全部責任。



陶博宏 (Mark Talbot)
董事總經理 - 亞太區
代表富達基金的香港代表
富達基金 (香港) 有限公司簽署

二零一六年十二月三十日

該網頁未經香港證券及期貨事務監察委員會審核。

[^] 國際免費服務熱線為 +800 2323 1122，適用於以下地區：澳洲、加拿大、日本、南韓、馬來西亞、新西蘭、菲律賓、新加坡、台灣、泰國及美國。此服務可能不適用於部份流動電話服務供應商。號碼前的「+」符號代表國際直撥號碼。中國免費服務熱線為 4001 200632。富達投資熱線的服務時間為逢星期一至星期五上午 9 時至下午 6 時 (香港公眾假期除外)。

「富達」、Fidelity、Fidelity International、Fidelity International 標誌及 F 標誌均為 FIL Limited 的商標。

Important

This document is important and requires your immediate attention. If you are in any doubt about the contents of this document, you should seek independent professional advice.

Capitalized terms used herein but not otherwise defined will have the same meanings as defined in the Explanatory Memorandum (as defined below).

The Manager accepts full responsibility for the accuracy of the information contained in this notice and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omissions of which would make any statement misleading as at the date of issuance.

30 December 2016

**NOTICE TO UNITHOLDERS – CHINA CONVERGENCE FUND (the “Sub-Fund”), a sub-fund of
VALUE PARTNERS INTELLIGENT FUNDS (the “Trust”)**

Dear Unitholders,

We are writing to notify you of the following changes which are made to the Explanatory Memorandum of the Trust dated 10 July 2013 (including the Addendum to the Explanatory Memorandum dated 10 July 2013 in respect of the Sub-Fund (the “**Addendum**”), and the First, Second, Third and Fourth Supplements dated 13 January 2014, 30 June 2014, 25 September 2015 and 15 February 2016 respectively (together, the “**Explanatory Memorandum**”)) by way of a fifth supplement (the “**Fifth Supplement**”).

However, please note that all information provided herein is qualified in its entirety by the Explanatory Memorandum, the Fifth Supplement and other related documents and you should carefully read the same which are available upon request.

Unless otherwise specified, the relevant changes will take immediate effect from the date of this notice:

1. Change of Investment Policy – Direct Exposure to A Shares through Shenzhen-Hong Kong Stock Connect

It is currently disclosed in the Explanatory Memorandum that the Sub-Fund may invest directly in eligible A Shares via the Shanghai-Hong Kong Stock Connect. In addition to the Shanghai-Hong Kong Stock Connect, the Sub-Fund intends to gain access to eligible A Shares via the Shenzhen-Hong Kong Stock Connect (as further described below).

The investment policy of the Sub-Fund will be revised to provide flexibility for the Sub-Fund to invest directly in eligible A Shares via the Shenzhen-Hong Kong Stock Connect. The above change will take effect on 30 December 2016 (“**Effective Date**”). For the avoidance of doubt, the Sub-Fund’s maximum aggregate direct and indirect exposure to A Shares will remain unchanged i.e. at 45% of the Sub-Fund’s total net asset value.

Shenzhen-Hong Kong Stock Connect

Under the Shenzhen-Hong Kong Stock Connect, Hong Kong and overseas investors (including the Sub-Fund) are able to trade certain eligible shares listed on the Shenzhen Stock Exchange (“**SZSE**”). These include all the constituent stocks of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which has a market capitalisation of not less than RMB 6 billion, and all the SZSE-listed A Shares which have corresponding H shares listed on SEHK, except the

following:

- SZSE-listed shares which are not traded in RMB; and
- SZSE-listed shares which are included in the “risk alert board” or under delisting arrangement.

Given the change of the investment policy of the Sub-Fund is to provide flexibility to invest directly in A Shares via the Shenzhen-Hong Kong Stock Connect and there is no increase in the Sub-Fund’s aggregate direct and indirect exposure to A Shares (i.e. not more than 45%), we believe that (i) the change of the investment policy of the Sub-Fund does not amount to a material change to the Sub-Fund; (ii) there will be no material change or increase in the overall risk profile of the Sub-Fund following the change; and (iii) the change does not materially prejudice the rights or interests of investors of the Sub-Fund. As such, the SFC’s prior approval is not required for such change.

Please refer to the Fifth Supplement for further information relating to the Shenzhen-Hong Kong Stock Connect, including the, trading quota, settlement and custody arrangement, participation in corporate actions and shareholders’ meetings and trading fees and taxes.

Risks associated with the Shenzhen-Hong Kong Stock Connect

Please note that investments through the Shenzhen-Hong Kong Stock Connect are subject to similar risks as those applicable to the Shanghai-Hong Kong Stock Connect, namely, quota limitations, suspension risk, differences in trading days, operational risk, restrictions on selling imposed by front-end monitoring, recalling of eligible stocks, clearing and settlement risk, participation in corporate actions and shareholders’ meetings, currency risk, regulatory risk and tax risk. When investing in eligible A Shares through the Shenzhen-Hong Kong Stock Connect, the Sub-Fund will also be subject to the risks associated with the Small and Medium Enterprise Board of the SZSE and/or ChiNext Board of the SZSE (“**ChiNext Board**”).

Further, the Sub-Fund’s investments through Northbound trading under Shenzhen-Hong Kong Stock Connect will not be covered by Hong Kong’s Investor Compensation Fund.

2. Other Amendments

In addition to the changes set out above, the Explanatory Memorandum will also be amended by way of the Fifth Supplement to reflect additional disclosures and updates as summarised below:-

- (i) enhancement of disclosures on PRC taxation;
- (ii) insertion of a new risk factor “**Risks associated with the Small and Medium Enterprise Board of the SZSE (“SME Board”) and/or ChiNext Board**” and updates to the risk factor headed “**PRC Tax Risk**” as a result of the Sub-Fund trading via the Shenzhen-Hong Kong Stock Connect;
- (iii) replacement of the risk factor headed “**Currency Hedging Risk**” with the risk factor headed “**Risks relating to Currency Hedging and the Currency Hedged Classes**”;
- (iv) insertion of disclosures on liquidity risk management policy;
- (v) insertion of disclosures on the Standard for Automatic Exchange of Financial Account Information;
- (vi) updates to the risk factor headed “**Foreign Account Tax Compliance**” and insertion of the sub-sections headed “**Certification for Compliance with FATCA or Other Applicable Laws**” and “**Power to Disclose Information to Authorities**”; and

- (vii) change of the Manager's website from "www.valuepartners.com.hk" to "www.valuepartners-group.com".

The latest Explanatory Memorandum (including the Fifth Supplement) and the revised Product Key Facts Statement in respect of the Sub-Fund are now available on our website (www.valuepartners-group.com)¹ and for your inspection at the Manager's office during normal business hours (except on Saturdays, Sundays and public holidays).

If you have any questions relating to the above, please contact our Fund Investor Services Team at (852) 2143 0688 or email us at FIS@vp.com.hk. We would like to take this opportunity to thank you for your valuable support and we look forward to be of continued service to you.

Value Partners Limited

¹ This website has not been reviewed or authorized by the SFC.

VALUE PARTNERS INTELLIGENT FUNDS
(the “Trust”)
CHINA CONVERGENCE FUND
(the “Sub-Fund”)

FIFTH SUPPLEMENT

Important

If you are in doubt about the contents of this Supplement, you should seek independent professional advice. This Supplement forms part of and should be read in conjunction with the Explanatory Memorandum of the Trust dated 10 July 2013 (including the Addendum to the Explanatory Memorandum dated 10 July 2013 in respect of the Sub-Fund (the “Addendum”), and the First, Second, Third and Fourth Supplements to the Addendum dated 13 January 2014, 30 June 2014, 25 September 2015 and 15 February 2016 respectively) (together, the “Explanatory Memorandum”).

All capitalized terms herein contained shall have the same meaning in this Supplement as in the Explanatory Memorandum. Value Partners Limited, the manager of the Trust (the “Manager”), accepts full responsibility for the accuracy of the information contained in this Supplement and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omissions of which would make any statement misleading as at the date of publication.

A. Change in Investment Policy

With effect from 30 December 2016, the investment policy of the Sub-Fund has been amended to allow the Sub-Fund to have direct exposure to certain eligible A Shares via the Shenzhen-Hong Kong Stock Connect. Accordingly, the Addendum has been revised to reflect the foregoing change and the associated risks.

1. The definition of “**A Shares**” under the heading entitled “**Definition**” is deleted in its entirety and replaced by the following:-

“**A Shares**” means domestic shares in the PRC incorporated companies listed on either the Shanghai Stock Exchange or the Shenzhen Stock Exchange, the prices of which are quoted in Renminbi and which are available to such investors as approved by the CSRC;”

2. The second paragraph under the section headed “**Investment Objective and Policy**” as amended by the Third Supplement dated 25 September 2015, is deleted in its entirety and replaced with the following paragraph:-

“The investment in A Shares whether directly through the QFII Holder’s QFII Quota and the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect (collectively the “**Stock Connects**”) (as further described in the section under the heading “**Stock Connects**” below), or indirectly through CAAPs (as defined below), is subject to a maximum exposure of 45 per cent. of the Sub-Fund’s latest available Net Asset Value and between 0 per cent. and 35 per cent. of the Sub-Fund’s latest available Net Asset Value will be invested in B Shares. Apart from A, B and H Shares, the Manager may also invest (to a lesser extent) in shares of China-related companies listed on the Hong Kong Stock Exchange or on recognised stock exchanges in other jurisdictions and in China-related fixed income securities. China-related companies are considered by the Manager to be companies which have the majority of their assets situated in, or

the majority of their income derived from operations in, the PRC, Hong Kong and/or elsewhere in the Greater China region (including the PRC, Hong Kong, Macau Special Administrative Region and Taiwan).”

3. The sentence immediately after the fourth paragraph under the section headed “**Investment Objective and Policy**” which was inserted by the Third Supplement dated 25 September 2015, is deleted in its entirety and replaced with the following sentence:-

“The Sub - Fund may also have direct exposure to certain eligible A Shares via the Stock Connects.”

4. The section headed “**Shanghai-Hong Kong Stock Connect**” which was inserted by the Third Supplement dated 25 September 2015, is deleted in its entirety and replaced with the following:-

“Stock Connects

The Shanghai-Hong Kong Stock Connect is a securities trading and clearing links programme developed by Hong Kong Exchanges and Clearing Limited (“**HKEX**”), Shanghai Stock Exchange (“**SSE**”) and CSDCC and the Shenzhen-Hong Kong Stock Connect is a securities trading and clearing links programme developed by HKEX, Shenzhen Stock Exchange (“**SZSE**”) and CSDCC. The aim of the Stock Connects is to achieve mutual stock market access between the PRC and Hong Kong.

The Shanghai-Hong Kong Stock Connect comprises a Northbound Shanghai Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shanghai Trading Link, Hong Kong and overseas investors (including the Sub-Fund), through their Hong Kong brokers and a securities trading service company as established by The Stock Exchange of Hong Kong Limited (“**SEHK**”), may be able to trade eligible A Shares listed on SSE by routing orders to SSE.

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Shenzhen Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shenzhen Trading Link, Hong Kong and overseas investors (including the Sub-Fund), through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible A Shares listed on the SZSE by routing orders to SZSE.

Eligible Securities

(i) Shanghai-Hong Kong Stock Connect

Under the Shanghai-Hong Kong Stock Connect, Hong Kong and overseas investors (including the Sub-Fund) are able to trade certain stocks listed on the SSE market (i.e. “**SSE Securities**”). These include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed A Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except the following:

- SSE-listed shares which are not traded in RMB; and
- SSE-listed shares which are included in the “risk alert board”.

It is expected that the list of eligible securities will be subject to review.

(ii) Shenzhen-Hong Kong Stock Connect

Under the Shenzhen-Hong Kong Stock Connect, Hong Kong and overseas investors (including the Sub-Fund) are able to trade certain eligible shares listed on the SZSE market (i.e. “**SZSE Securities**”). These include all the constituent stocks of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which have a market capitalisation of not less than RMB 6 billion, and all the SZSE-listed A Shares which have corresponding H Shares listed on SEHK, except the following:

- SZSE-listed shares which are not traded in RMB; and
- SZSE-listed shares which are included in the “risk alert board” or under delisting arrangement.

At the initial stage of the Shenzhen-Hong Kong Stock Connect, investors eligible to trade shares that are listed on the ChiNext Board of the SZSE (“**ChiNext Board**”) under Northbound trading will be limited to institutional professional investors (which the Sub-Fund will qualify as such) as defined in the relevant Hong Kong rules and regulations.

It is expected that the list of eligible securities will be subject to review.

Trading Days

Investors (including the Sub-Fund) will only be allowed to trade on the SSE market and the SZSE market on days where both the PRC and Hong Kong stock markets are open for trading and banking services are available in both markets on the corresponding settlement days.

Trading Quota

Trading under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect will be subject to a daily quota (“**Daily Quota**”). Northbound Shanghai Trading Link under the Shanghai-Hong Kong Stock Connect, Northbound Shenzhen Trading Link under the Shenzhen-Hong Kong Stock Connect, Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect and Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect will be respectively subject to a separate set of Daily Quota.

The Daily Quota limits the maximum net buy value of cross-boundary trades under each of the Stock Connects each day. The Northbound Daily Quota is currently set at RMB13 billion for each of the Stock Connects.

SEHK will monitor the quota and publish the remaining balance of the Northbound Daily Quota at scheduled times on the HKEX’s website.

Settlement and Custody

The Hong Kong Securities Clearing Company Limited (“**HKSCC**”), a wholly-owned subsidiary of HKEX, will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by Hong Kong market participants and investors.

The A Shares traded through the Stock Connects are issued in scripless form, so investors will not hold any physical A Shares. Hong Kong and overseas investors who have acquired SSE Securities or SZSE Securities through Northbound trading should maintain the SSE Securities or SZSE Securities with their brokers’ or custodians’ stock accounts with CCASS (the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on SEHK).

Corporate Actions and Shareholders' Meetings

Notwithstanding the fact that HKSCC does not claim proprietary interests in the SSE Securities and SZSE Securities held in its omnibus stock account in CSDCC, CSDCC as the share registrar for SSE and SZSE listed companies will still treat HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE Securities and SZSE Securities.

HKSCC will monitor the corporate actions affecting SSE Securities and SZSE Securities and keep the relevant brokers or custodians participating in CCASS (“**CCASS participants**”) informed of all such corporate actions that require CCASS participants to take steps in order to participate in them.

SSE-/SZSE-listed companies usually announce information regarding their annual general meetings/extraordinary general meetings about two to three weeks before the meeting date. A poll is called on all resolutions for all votes. HKSCC will advise CCASS participants of all general meeting details such as meeting date, time, venue and the number of resolutions.

Foreign Shareholding Restrictions

CSRC stipulates that, when holding A Shares through the Stock Connects, Hong Kong and overseas investors are subject to the following shareholding restrictions:

- shares held by a single foreign investor (such as the Sub-Fund) investing in a listed company must not exceed 10 per cent. of the total issued shares of such listed company; and
- total shares held by all foreign investors (i.e. Hong Kong and overseas investors) who make investment in a listed company must not exceed 30 per cent. of the total issued shares of such listed company.

When the aggregate foreign shareholding of an individual A Share reaches 26 per cent., SSE or SZSE, as the case may be, will publish a notice on its website (<http://www.sse.com.cn/disclosure/disclosure/qfii> for SSE and <http://www.szse.cn/main/disclosure/news/qfii/> for SZSE). If the aggregate foreign shareholding exceeds the 30 per cent. threshold, the foreign investors concerned will be requested to sell the shares on a last-in-first-out basis within five trading days.

Currency

Hong Kong and overseas investors will trade and settle SSE Securities and SZSE Securities in RMB only. Hence, the Sub-Fund will need to use RMB to trade and settle SSE Securities and SZSE Securities.

Trading Fees

Under the Stock Connects, Hong Kong and overseas investors will be subject to the fees and levies imposed by SSE, SZSE, CSDCC, HKSCC or the relevant PRC authority when they trade and settle SSE Securities and SZSE Securities. Further information about the trading fees and levies is available online at the website:

http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm

Investor Compensation

The Sub-Fund's investments through Northbound trading under the Stock Connects will not be covered by Hong Kong's Investor Compensation Fund.

Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong.

Since default matters in Northbound trading via the Stock Connects do not involve products listed or traded in SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the Investor Compensation Fund.

On the other hand, since the Sub-Fund is carrying out Northbound trading through securities brokers in Hong Kong but not the PRC brokers, therefore it is not protected by the China Securities Investor Protection Fund (中國證券投資者保護基金) in the PRC.

Further information about the Stock Connects is available online at the website:
http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm[^]

[^] This website has not been reviewed / authorized by the SFC."

5. The third paragraph under the heading "*Dividend income or interest income*" under the sub-section headed "**PRC Corporate Income Tax ("CIT")**" under the section headed "**PRC Taxation**" as amended by the Third Supplement dated 25 September 2015, and the Fourth Supplement dated 15 February 2016, is deleted in its entirety and replaced with the following:

"Under current regulations in the PRC, foreign investors (such as the Sub-Fund) may invest in onshore PRC Securities (i.e. A Shares and RMB denominated bonds issued or listed in the PRC), generally, only through a QFII or a RQFII (in this section referred to as the "relevant QFII") and the Stock Connects. For onshore PRC Securities invested via relevant QFII, since only the relevant QFII's interests in onshore PRC Securities are recognised under PRC laws, any tax liability would, if it arises, be payable by the relevant QFII, subject to further interpretations and rules that may be issued in the future. However under the terms of the arrangement between the relevant QFII (i.e. the QFII Holder or the CAAP Issuers) and the Sub-Fund, the relevant QFII will pass on any tax liability to the Sub-Fund. As such, the Sub-Fund is the ultimate party which bears the risks relating to any PRC taxes which are so levied by the relevant PRC tax authority. Under current PRC tax laws and regulations, the relevant QFII (if without a PE in China) is subject to WIT of 10 per cent. on dividends and interest from onshore PRC Securities unless exempt or reduced under current PRC tax laws and regulations or relevant tax treaties.

Pursuant to the "Notice about the tax policies related to the Shanghai-Hong Kong Stock Connect" (Caishui [2014] No. 81) ("**Notice No. 81**") and "Notice about the tax policies related to the Shenzhen-Hong Kong Stock Connect" (Caishui [2016] No. 127) ("**Notice No. 127**") promulgated by the MoF (as defined below), the SAT (as defined below) and the CSRC, the Sub-Fund is subject to WIT at 10 per cent. on dividends received from A Shares traded via the Stock Connects."

6. The sub-heading "Direct A Shares investment via Stock Connect" under "(iii) A Shares and A Shares via CAAPs" under the heading entitled "*Capital gains*" under the sub-section headed "**PRC Corporate Income Tax ("CIT")**" under the section headed "**PRC Taxation**" as amended by the Third Supplement dated 25 September 2015, and the Fourth Supplement dated 15 February 2016, is deleted in its entirety and replaced with the following:

“Direct A Shares investment via Stock Connects

Pursuant to the Notice No. 81 and Notice No. 127, CIT will be temporarily exempted on capital gains derived by Hong Kong and overseas investors (including the Sub-Fund) on the trading of A Shares through the Stock Connects.

Based on Notice No. 81 and Notice No. 127 and having consulted professional and independent tax adviser, no provision for gross realised or unrealised capital gains derived from trading of A Shares via the Stock Connects is made by the Manager on behalf of the Sub-Fund.”

7. The sub-section headed “***Business Tax (“BT”) and other surtaxes***” in the section headed “**PRC Taxation**” as amended by the Third Supplement dated 25 September 2015, is deleted in its entirety and replaced with the following:

“Value Added Tax (“VAT”) and other surtaxes

The MoF and SAT issued the “Notice on the Comprehensive Roll-out of the B2V Transformation Pilot Program (the “B2V Pilot Program”)” (Caishui [2016] No. 36) (the “**Notice No. 36**”) on 23 March 2016. The Notice No. 36 sets out that the B2V Pilot Program covers all the remaining industries of the program, including financial services. The Notice No. 36 has taken effect from 1 May 2016, unless otherwise stipulated therein.

The Notice No. 36 provides that VAT at 6 per cent. shall be levied on the difference between the selling and buying prices of those marketable securities, e.g. A Shares. The Notice No. 36 also provides that gains derived by QFIIs from trading of marketable securities are exempt from VAT. Pursuant to the “Supplementary Notice on the VAT Policy on Interbank Transactions and Other Financial Institutions” (Caishui [2016] No. 70) jointly issued by MoF and SAT on 30 June 2016 and which took effect retrospectively on 1 May 2016, income derived by RQFIIs from the purchase and sale of marketable securities are also exempt from VAT. In addition, deposit interest income and interest received from government bonds and local government bonds are also exempt from VAT.

Based on the prevailing VAT regulations, capital gains derived by (i) QFIIs / RQFIIs on trading of marketable securities and (ii) investors via the Stock Connects are exempted from VAT. Therefore, to the extent that the Sub-Fund’s key investments (such as A Shares through the Stock Connects, CAAPs) are conducted through these channels, either by the Sub-Fund directly or via CAAP issuers, the capital gains should be exempted from VAT.

The current VAT regulations do not provide VAT exemption on capital gains derived from trading of B Shares. Having said that, the PRC tax authorities have not actively collected VAT from non-PRC tax resident enterprises on gains realized from B Shares in practice. Where capital gains are derived from trading of H Shares, VAT in general is not imposed as the purchase and disposal are often concluded and completed outside the PRC.

The prevailing VAT regulations do not specifically exempt VAT on interest received by QFIIs and RQFIIs. Interest income on non-government bonds (including corporate bonds) should be subject to 6 per cent. VAT.

Dividend income or profit distributions on equity investment derived from the PRC are not included in the taxable scope of VAT.

In addition, urban maintenance and construction tax (currently at the rate ranging from 1 per cent. to 7 per cent.), educational surcharge (currently at the rate of 3 per cent.) and local educational surcharge (currently at the rate of 2 per cent.) are imposed based on the VAT liabilities. The applicable levies depend on the location where VAT filing (if required) is done. For example, Shanghai imposes river maintenance levy at 1 per cent. on VAT payable; while Beijing does not currently impose any local levy.”

8. The heading “*Dividend income or interest income*” under the risk factor headed “**(f) PRC Tax Risk**” as amended by the Third Supplement dated 25 September 2015, and the Fourth Supplement dated 15 February 2016, is deleted in its entirety and replaced with the following:-

“Dividend income or interest income

Under current PRC tax laws and regulations, the relevant QFII (if considered as a non-tax resident enterprise without a PE in China) is subject to WIT of 10 per cent. on dividends and interest from PRC Securities unless exempt or reduced under current PRC tax laws and regulations or relevant tax treaties.

Pursuant to the Notice No. 81 and Notice No. 127, the Sub-Fund is subject to WIT at 10 per cent. on dividends received from A Shares traded via the Stock Connects.”

9. The sub-heading entitled “(iii) A Shares and A Shares via CAAPs and Stock Connect” and the first paragraph thereunder under the heading entitled “*Capital gains*” under the risk factor headed “**(f) PRC Tax Risk**” as amended by the Third Supplement dated 25 September 2015, and the Fourth Supplement dated 15 February 2016, are deleted in their entirety and replaced with the following:-

“(iii) A Shares and A Shares via CAAPs and Stock Connects

In light of Notice No. 79 and Notice No. 81 and having consulted professional and independent tax adviser, the Manager will not make WIT provision on the gross realized and unrealized capital gains derived from the Sub-Fund’s investments in A Shares via QFII, RQFII and Shanghai-Hong Kong Stock Connect starting from 17 November 2014. In addition, pursuant to Notice No. 127 and having consulted professional and independent tax adviser, the Manager will not make WIT provision on the gross realized and unrealized capital gains derived from the Sub-Fund’s investments in A Shares via Shenzhen-Hong Kong Stock Connect.”

10. The risk factor headed “**(h) Risks associated with Stock Connect**” which was inserted by way of the Third Supplement dated 25 September 2015, under the section headed “**ADDITIONAL RISKS OF THE SUB-FUND**” is deleted in its entirety and replaced with the following:-

“**(h) Risks associated with Stock Connects**

The Sub-Fund may invest through the Stock Connects. In addition to the risk factors headed “Political, Economic and Social Risks”, “Legal System of the PRC”, “Potential Market Volatility”, “PRC Tax Risk” and “Renminbi depreciation”, it is also subject to the following additional risks:

Quota limitations - The Stock Connects are subject to quota limitations. In particular, once the remaining balance of the Northbound Daily Quota drops to zero or the Northbound Daily Quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the Sub-Fund’s ability to invest in A Shares through the Stock

Connects on a timely basis, and the Sub-Fund may not be able to effectively pursue its investment strategies.

Suspension risk - Each of the SEHK, SSE and SZSE reserves the right to suspend Northbound and/or Southbound trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound trading through the Stock Connects is effected, the Sub-Fund's ability to access the PRC market will be adversely affected.

Differences in trading days – The Stock Connects only operate on days when both the PRC and Hong Kong stock markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC stock markets but Hong Kong investors (such as the Sub-Fund) cannot carry out any A Shares trading. Due to the differences in trading days, the Sub-Fund may be subject to a risk of price fluctuations in A Shares on a day that the PRC stock markets are open for trading but the Hong Kong stock market is closed.

Operational risk - The Stock Connects provide a channel for investors from Hong Kong and overseas to access the PRC stock markets directly.

The Stock Connects are premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this programme subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

Market participants generally have configured and adapted their operational and technical systems for the purpose of trading A Shares through the Stock Connects. However, it should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the programme to operate, market participants may need to address issues arising from the differences on an on-going basis.

Further, the “connectivity” in the Stock Connects requires routing of orders across the border. SEHK has set up an order routing system (“**China Stock Connects System**”) to capture, consolidate and route the cross boundary orders input by exchange participants. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the programme could be disrupted. The Sub-Fund's ability to access the A Shares market (and hence to pursue its investment strategy) will be adversely affected.

Restrictions on selling imposed by front-end monitoring - PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise SSE or SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on A Share sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

Generally, if the Sub-Fund desires to sell certain A Shares it holds, it must transfer those A Shares to the respective accounts of its brokers before the market opens on the day of selling (“**trading day**”). If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the Sub-Fund may not be able to dispose of holdings of A Shares in a timely manner.

However, the Sub-Fund may request a custodian to open a special segregated account (“**SPSA**”) in CCASS to maintain its holdings in A Shares under the enhanced pre-trade checking model.

Each SPSA will be assigned a unique “Investor ID” by CCASS for the purpose of facilitating China Stock Connects System to verify the holdings of an investor such as the Sub-Fund. Provided that there is sufficient holding in the SPSA when a broker inputs the Sub-Fund’s sell order, the Sub-Fund will be able to dispose of its holdings of A Shares (as opposed to the practice of transferring A Shares to the broker’s account under the current pre-trade checking model for non-SPSA accounts). Opening of the SPSA accounts for the Sub-Fund will enable it to dispose of its holdings of A Shares in a timely manner.

Recalling of eligible stocks - When a stock is recalled from the scope of eligible stocks for trading via the Stock Connects, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the Sub-Fund, for example, when the Manager wishes to purchase a stock which is recalled from the scope of eligible stocks.

Clearing and settlement risk - The HKSCC and CSDCC have established the clearing links and each is a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

Should the remote event of CSDCC default occur and CSDCC be declared as a defaulter, HKSCC’s liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against CSDCC. HKSCC will in good faith, seek recovery of the outstanding stocks and monies from CSDCC through available legal channels or through CSDCC’s liquidation. In that event, the Sub-Fund may suffer delay in the recovery process or may not be able to fully recover its losses from CSDCC.

Participation in corporate actions and shareholders’ meetings - The HKSCC will keep CCASS participants informed of corporate actions of SSE Securities and SZSE Securities (as defined in the section headed “**Stock Connects**” in this Addendum). Where the articles of association of a listed company do not prohibit the appointment of proxy/multiple proxies by its shareholder, HKSCC will make arrangements to appoint one or more investors as its proxies or representatives to attend shareholders’ meetings when instructed. Further, investors (with holdings reaching the thresholds required under the PRC regulations and the articles of associations of listed companies) may, through their CCASS participants, pass on proposed resolutions to listed companies via HKSCC under the CCASS rules. HKSCC will pass on such resolutions to the companies as shareholder on record if so permitted under the relevant regulations and requirements. Hong Kong and overseas investors (including the Sub-Fund) are holding SSE Securities and SZSE Securities traded via the Stock Connects through their brokers or custodians, and they will need to comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of SSE Securities and SZSE Securities may be very short. Therefore, it is possible that the Sub-Fund may not be able to participate in some corporate actions in a timely manner.

Currency risk - As the Sub-Fund is denominated in US dollars, the performance of the Sub-Fund may be affected by movements in the exchange rate between RMB (i.e. the currency in which SSE Securities and SZSE Securities are traded and settled) and US dollars. The Sub-Fund may, but is not obliged to, seek to hedge foreign currency risks. However, even if undertaken, such hedging may be ineffective. On the other hand, failure to hedge foreign currency risks may result in the Sub-Fund suffering from exchange rate fluctuations. For further details on exchange risk, please see risk factor “**Currency Exchange Risk**” above).

No Protection by Investor Compensation Fund - Investment through the Stock Connects is conducted through brokers, and is subject to the risks of default by such brokers' in their obligations.

As disclosed in the section under the heading “**Stock Connects**”, the Sub-Fund's investments through Northbound trading under the Stock Connects are not covered by the Hong Kong's Investor Compensation Fund. Therefore the Sub-Fund is exposed to the risks of default of the broker(s) it engages in its trading in A Shares through the Stock Connects. Further, since the Sub-Fund is carrying out Northbound trading through securities brokers in Hong Kong but not PRC brokers, it is not protected by the China Securities Investor Protection Fund (中國證券投資者保護基金) in the PRC.

Regulatory risk - The Stock Connects will be subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Stock Connects.

It should be noted that the current regulations and rules on Stock Connects are subject to change which may have potential retrospective effect. There can be no assurance that the Stock Connects will not be abolished. The Sub-Fund, which may invest in the PRC markets through the Stock Connects, may be adversely affected as a result of such changes.”

11. The following additional new risk factor is inserted after the risk factor headed “**(h) Risks associated with Stock Connect**” under the section headed “**ADDITIONAL RISKS OF THE SUB-FUND**”:-

“(i) **Risks associated with the Small and Medium Enterprise Board of the SZSE (“SME Board”) and/or ChiNext Board**

The Sub-Fund may have exposure to stocks listed on SME Board and/or ChiNext Board.

Higher fluctuation on stock prices - Listed companies on the SME Board and/or ChiNext Board are usually of emerging nature with smaller operating scale. Hence, they are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the Main Board of the SZSE (“**Main Board**”).

Over-valuation risk - Stocks listed on SME Board and/or ChiNext Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

Differences in regulation - The rules and regulations regarding companies listed on ChiNext Board are less stringent in terms of profitability and share capital than those in the Main Board and SME Board.

Delisting risk - It may be more common and faster for companies listed on the SME Board and/or ChiNext Board to delist. This may have an adverse impact on the Sub-Fund if the companies that it invests in are delisted.

Investments in the SME Board and/or ChiNext Board may result in significant losses for the Sub-Fund and its investors.”

12. The existing items (i) to (k) under the section headed “**ADDITIONAL RISKS OF THE SUB-FUND**”, are re-numbered accordingly upon the insertion of the risk factor headed “**(i) Risks associated with the Small and Medium Enterprise Board of the SZSE (“SME Board”) and/or ChiNext Board**”.

B. Liquidity Risk Management

1. The following section headed “**LIQUIDITY RISK MANAGEMENT**” is inserted immediately after the sub-section headed “**Security Lending**” under the section headed “**INFORMATION ON THE TRUST**” in section II of the Explanatory Memorandum:-

“LIQUIDITY RISK MANAGEMENT

The Manager has established a liquidity management policy which enables it to identify, monitor and manage the liquidity risks of the Sub-Funds and to ensure that the liquidity profile of the investments of the Sub-Funds will facilitate compliance with the relevant Sub-Fund’s obligation to meet redemption requests. Such policy, combined with the liquidity management tools of the Manager, also seeks to achieve fair treatment of Unitholders and safeguard the interests of remaining Unitholders in case of sizeable redemptions.

The Manager’s liquidity policy takes into account the investment strategy, the liquidity profile, the redemption policy, the dealing frequency, the ability to enforce redemption limitations and the fair valuation policies of the relevant Sub-Fund. These measures seek to ensure fair treatment and transparency for all investors.

The liquidity management policy involves monitoring the profile of investments held by the relevant Sub-Fund on an on-going basis to ensure that such investments are appropriate to the redemption policy as stated under the heading entitled “**Redemption of Units**” in the section headed “**SUBSCRIPTION AND REDEMPTION OF UNITS (Continued)**” in section III of the Explanatory Memorandum, and will facilitate compliance with the relevant Sub-Fund’s obligation to meet redemption requests. Further, the liquidity management policy includes details on periodic stress testing carried out by the Manager to manage the liquidity risk of the relevant Sub-Fund under normal and exceptional market conditions.

The following tool(s) may be employed by the Manager to manage liquidity risks:

- the Manager may limit the total number of Units of the relevant Sub-Fund redeemed during any Dealing Period to 10 per cent. in aggregate of the total number of Units in issue of the relevant Sub-Fund (subject to the conditions under the heading entitled “**Redemption of Units**” in the section headed “**SUBSCRIPTION AND REDEMPTION OF UNITS (Continued)**” in section III of the Explanatory Memorandum).”

C. AEOI Disclosures

1. The following sub-section headed “**Automatic Exchange of Financial Account Information**” is inserted immediately after the sub-section headed “**Hong Kong**” of the section headed “**TAXATION**” in section IV of the Explanatory Memorandum:-

“Automatic Exchange of Financial Account Information

The Cayman Islands has signed two inter-governmental agreements to improve international tax compliance and the exchange of information - one with the United States and one with the United Kingdom (the “**US IGA**” and the “**UK IGA**”, respectively). The Cayman Islands has

also signed, along with over 80 other countries, a multilateral competent authority agreement to implement the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard (the “CRS” and together with the US IGA and the UK IGA, “AEOI”).

Cayman Islands regulations were issued on 4 July 2014 to give effect to the US IGA and the UK IGA, and on 16 October 2015 to give effect to the CRS (collectively, the “AEOI Regulations”). Pursuant to the AEOI Regulations, the Cayman Islands Tax Information Authority (the “TIA”) has published guidance notes on the application of the US and UK IGAs and the CRS.

All Cayman Islands “Financial Institutions” will be required to comply with the registration, due diligence and reporting requirements of the AEOI Regulations, except to the extent that they can rely on an exemption that allows them to become a “Non-Reporting Financial Institution” (as defined in the relevant AEOI Regulations) with respect to one or more of the AEOI regimes. The Trust and each applicable Sub-Fund do not propose to rely on any reporting exemption and therefore intends to comply with the requirements of the AEOI Regulations.

The AEOI Regulations require the Trust and each applicable Sub-Fund, as a Reporting Financial Institution to, amongst other things (i) register with the United States Internal Revenue Service (the “IRS”) to obtain a Global Intermediary Identification Number (“GIIN”) (in the context of the US IGA only), (ii) register with the TIA, and thereby notify the TIA of its status as a “Reporting Financial Institution”; (iii) conduct due diligence on its accounts to identify whether any such accounts are considered “Reportable Accounts”, and (iv) report information on such Reportable Accounts to the TIA. The TIA will transmit the information reported to it to the overseas fiscal authority relevant to a reportable account (i.e. the IRS in the case of a US Reportable Account, HMRC in the case of a UK Reportable Account, etc.) annually on an automatic basis.

For information on any potential withholding tax that may be levied against the Trust and each applicable Sub-Fund, see also the risk factor “*Foreign Account Tax Compliance*”.

By investing in the Trust and the applicable Sub-Fund and/or continuing to invest in the Trust and the applicable Sub-Fund, investors shall be deemed to acknowledge that further information may need to be provided to the Trust and/or the applicable Sub-Fund, the Trust’s compliance with the AEOI Regulations may result in the disclosure of investor information, and investor information may be exchanged with overseas fiscal authorities. Where an investor fails to provide any requested information (regardless of the consequences), the Trust and the applicable Sub-Fund may reserve the right to take any action and/or pursue all remedies at its disposal including, without limitation, compulsory redemption or withdrawal of the investor concerned, to the extent permitted by applicable laws and the Trust’s constitutive documents.

Each Unitholder and prospective investor should consult its own professional advisor(s) on the administrative and substantive implications of AEOI on its current or proposed investment in the Trust and the applicable Sub-Fund through financial institutions in Hong Kong.”

D. FATCA disclosures

1. The risk factor “*Foreign Account Tax Compliance*” under the heading “**Risk Factors (Continued)**” under the section headed “**INFORMATION ON THE TRUST (Continued)**” in section II of the Explanatory Memorandum is deleted in its entirety and replaced with the following:

“Foreign Account Tax Compliance

Sections 1471 – 1474 (referred to as “**FATCA**”) of the United States (“**US**”) Internal Revenue Code of 1986, as amended (“**IRS Code**”) impose rules with respect to certain payments to non-United States persons, such as the Trust and each applicable Sub-Fund, including interest and dividends from securities of US issuers and gross proceeds from the sale of such securities. All such payments may be subject to withholding at a 30 per cent. rate (currently applicable to payments of US source dividends and interest, and beginning on or after 1st January 2019 with respect to gross proceeds), unless the recipient of the payment satisfies certain requirements intended to enable the United States Internal Revenue Service (the “**IRS**”) to identify United States persons (within the meaning of the IRS Code) with interests in such payments.

Pursuant to the US IGA, the Trust and each applicable Sub-Fund will generally be relieved from FATCA withholding tax on payments they receive, as well as the obligation to withhold tax on payments made to their investors, provided that they comply with the AEOI Regulations (discussed below), which give effect to the US IGA. Pursuant to the AEOI Regulations, reporting is made annually in respect of the previous calendar year.

Each applicable Sub-Fund has been registered with the IRS. The Trust and each applicable Sub-Fund will endeavour to satisfy the requirements imposed under FATCA and the US IGA and the AEOI Regulations to avoid any withholding tax. In the event that the Trust or any applicable Sub-Fund is not able to comply with the requirements imposed by FATCA, the US IGA or related Cayman Islands law, and the Trust or any applicable Sub-Fund does suffer US withholding tax on its investments as a result of non-compliance, the Net Asset Value of the Trust or any applicable Sub-Fund may be adversely affected and the Trust or any applicable Sub-Fund may suffer significant losses as a result.

To the extent that the Trust or any applicable Sub-Fund suffers withholding tax on its investments as a result of FATCA, the Trust and/or any applicable Sub-Fund may, after completing due process to ascertain and confirm that a Unitholder has failed to cooperate and provide the required information, bring legal action against such Unitholder for losses suffered by the Trust and/or any applicable Sub-Fund as a result of such withholding tax.

Each prospective investor should consult with its own tax advisor as to the potential impact of FATCA on his own tax situation.”

2. The following sub-sections are inserted immediately after the sub-section “**Material Agreements**” under the section headed “**GENERAL INFORMATION (Continued)**” in section VI of the Explanatory Memorandum:-

“Certification for Compliance with FATCA or Other Applicable Laws

Each Unitholder (i) shall be required to, upon demand by the Trust, any applicable Sub-Fund, the Manager or the Trustee, provide any form, certification or other information reasonably requested by and acceptable to the Trust, any applicable Sub-Fund, the Manager or the Trustee that is necessary for the Trust and/or any applicable Sub-Fund, (A) to prevent withholding (including, without limitation, any withholding taxes required under FATCA) or qualify for a reduced rate of withholding or backup withholding in any jurisdiction from or through which the Trust or any applicable Sub-Fund receives payments and/or (B) to satisfy reporting or other obligations under the IRS Code and the United States Treasury Regulations promulgated under the IRS Code, or to satisfy any obligations relating to any applicable law, regulation or any agreement with any tax or fiscal authority in any jurisdiction, (ii) will update or replace such form, certification or other information in accordance with its terms or subsequent amendments or when such form,

certificate or other information is no longer accurate, and (iii) will otherwise comply with any reporting obligations imposed by the United States, Hong Kong, the Cayman Islands or any other jurisdiction (including any law, rule and requirement relating to AEOI) and reporting obligations that may be imposed by future legislation.

Power to Disclose Information to Authorities

Subject to applicable laws and regulations in the Cayman Islands and Hong Kong, the Trust, applicable Sub-Fund, the Manager, the Trustee or any of their authorised persons (as permissible under applicable law or regulation) may be required to report or disclose to any government agency, regulatory authority or tax or fiscal authority in any jurisdictions (including but not limited to the US IRS, the TIA and the IRD), certain information in relation to a Unitholder, including but not limited to the Unitholder's name, address, jurisdiction of birth, tax residence, tax identification number (if any), social security number (if any) and certain information relating to the Unitholder's holdings, account balance/value, and income or sale or redemption proceeds, to enable the Trust and any applicable Sub-Fund to comply with any applicable law or regulation or any agreement with a tax authority (including, but not limited to, any applicable law (including any law, rule and requirement relating to AEOI), regulation or agreement under FATCA)."

E. Risks relating to Currency Hedging and the Currency Hedged Classes

1. The risk factor headed "**Currency Hedging Risk**" under the section headed "**ADDITIONAL RISKS OF THE SUB-FUND**" which was inserted by way of the Third Supplement dated 25 September 2015 and relates to risks relating to currency hedging and the currency hedged classes of Units is deleted in its entirety and replaced by the following:-

"Risks relating to Currency Hedging and the Currency Hedged Classes

The Manager may (but is not obliged to) enter into certain currency related transactions in order to hedge the currency exposure of the assets of the Sub-Fund attributable to a particular class into the class currency of the relevant class. Any financial instruments used to implement such strategies with respect to one or more classes shall be assets/liabilities of the Sub-Fund as a whole but will be attributable to the relevant class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant class. Where a class of Units is to be hedged ("**Currency Hedged Class**") this will be disclosed in this Addendum. Any currency exposure of a class may not be combined with, or offset against, that of any other class of the Sub-Fund. The currency exposure of the assets attributable to a class may not be allocated to other classes.

Where the Manager seeks to hedge against currency fluctuations, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the Manager. Investors in the Currency Hedged Classes may have exposure to currencies other than the currency of that Currency Hedged Class. Investors should also be aware that the hedging strategy may substantially limit the benefits of any potential increase in value of a Currency Hedged Class expressed in the class currency, if the Currency Hedged Class' denominating currency falls against the base currency of the Sub-Fund.

The Manager may also, at its absolute discretion, seek to fully or partially hedge currency exposures arising from some or all of the Sub-Fund's underlying assets to its base currency. Investors whose base currency is different (or not in a currency linked to the Sub-Fund's base currency or the currency of that Currency Hedged Class) may be exposed to additional currency risk.

The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the Class A AUD Hedged Units is ineffective, depending on the exchange rate movements of AUD relative to the base currency of the Sub-Fund, and/or other currency(ies) of the non-AUD denominated underlying investments of the Sub-Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-AUD denominated underlying investments; or (ii) investors may suffer additional losses if the non-AUD denominated underlying investments of the Sub-Fund fall in value).

If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses.

A Sub-Fund may offer different Currency Hedged Classes as disclosed in this Addendum which are primarily targeted for investors whose base currencies of investment are the currencies of the Currency Hedged Classes.

Each Currency Hedged Class may hedge the Sub-Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the class which is denominated in the base currency of the Sub-Fund by reducing the effect of exchange rate fluctuations between the base currency of the Sub-Fund and the Currency Hedged Classes whilst taking into account practical considerations such as transaction costs. However, the return of the Currency Hedged Classes will never correlate perfectly to the class which is denominated in the base currency of the Sub-Fund due to various factors, including but not limited to short-term interest rate differentials, unrealized gains/losses on currency forward positions not being invested until the gains/losses are realised and transaction costs attributable to the hedging activity. Investors should also note that the distribution amount and/or rate of the Currency Hedged Classes may be more than or less than such amount and/or rate of the class which is denominated in the base currency of the Sub-Fund due to various factors, including but not limited to short-term interest rate differentials. Where the Currency Hedged Class is subject to a performance fee, it should be noted that any divergence in the performance of different classes (for the reasons stated above), or different launch dates of different classes, could result in any such performance fees becoming chargeable at different points in time, as different classes reach their high watermark at different points in time. Accordingly the performance fee may adversely impact the correlation between different classes.

Consequently, a Currency Hedged Class is not recommended for investors whose base currency of investment is not in the same currency of such Currency Hedged Class. Investors who choose to convert other currencies into such base currency to invest in such Currency Hedged Class should understand that they may be exposed to higher currency risks and may suffer a higher loss as a result of exchange rate fluctuations than an investor whose base currency of investment is in the same currency of the Currency Hedged Class.

To the extent that hedging is successful for a particular Currency Hedged Class, the performance of the Currency Hedged Class is likely to move in line with the performance of the underlying assets of the Sub-Fund with the result that investors in that Currency Hedged Class will not gain if the class currency falls against the base currency of the Sub-Fund.

It is intended that the currency hedging strategy which will be employed will be based on the most up-to-date information in relation to the Net Asset Value of the Sub-Fund, and will also take into account future transactions relating to Unitholder activity that will be processed through each class

of Units in the Sub-Fund as at the relevant valuation point. The currency hedging strategy will be monitored and adjusted in line with the valuation cycle at which investors are able to subscribe to and redeem from the Sub-Fund.

Futures, forwards, options and contracts for difference may be used to hedge against downward movements in the value of the Sub-Fund's portfolio, either by reference to specific securities or markets to which the Sub-Fund may be exposed.

Forward foreign exchange contracts are also used more specifically to hedge the value of certain classes of Units in the Sub-Fund against changes in the exchange rate between the currency of denomination of the class of Units and the base currency of the Sub-Fund.”

F. Change of the Manager's website

All references to the Manager's website “www.valuepartners.com.hk” shall be deleted in their entirety and replaced with “www.valuepartners-group.com”.

30 December 2016

Important

This document is important and requires your immediate attention. If you are in any doubt about the contents of this document, you should seek independent professional advice.

Capitalized terms used herein but not otherwise defined will have the same meanings as defined in the Explanatory Memorandum (as defined below).

The Manager accepts full responsibility for the accuracy of the information contained in this notice and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omissions of which would make any statement misleading as at the date of issuance.

30 December 2016

NOTICE TO UNITHOLDERS – CHINESE MAINLAND FOCUS FUND (the “Sub-Fund”), a sub-fund of VALUE PARTNERS INTELLIGENT FUNDS (the “Trust”)

Dear Unitholders,

We are writing to notify you of the following changes which are made to the Explanatory Memorandum of the Trust dated 10 July 2013 (including the Addendum to the Explanatory Memorandum dated 25 June 2013 in respect of the Sub-Fund (the “**Addendum**”), and the First, Second and Third Supplements dated 11 November 2013, 30 June 2014 and 14 March 2016 respectively (together, the “**Explanatory Memorandum**”)) by way of a fourth supplement (the “**Fourth Supplement**”). However, please note that all information provided herein is qualified in its entirety by the Explanatory Memorandum, the Fourth Supplement and other related documents and you should carefully read the same which are available upon request.

Unless otherwise specified, the relevant changes will take immediate effect from the date of this notice:

1. Change of Investment Policy – Direct Exposure to A Shares through Shenzhen-Hong Kong Stock Connect

It is currently disclosed in the Explanatory Memorandum that the Sub-Fund may invest directly in eligible A Shares via the Shanghai-Hong Kong Stock Connect. In addition to the Shanghai-Hong Kong Stock Connect, the Sub-Fund intends to gain access to eligible A Shares via the Shenzhen-Hong Kong Stock Connect (as further described below).

The investment policy of the Sub-Fund will be revised to provide flexibility for the Sub-Fund to invest directly in eligible A Shares via the Shenzhen-Hong Kong Stock Connect. The above change will take effect on 30 December 2016 (“**Effective Date**”). For the avoidance of doubt, the Sub-Fund’s maximum aggregate direct and indirect exposure to A Shares will remain unchanged i.e. at 45% of the Sub-Fund’s total net asset value.

Shenzhen-Hong Kong Stock Connect

Under the Shenzhen-Hong Kong Stock Connect, Hong Kong and overseas investors (including the Sub-Fund) are able to trade certain eligible shares listed on the Shenzhen Stock Exchange (“**SZSE**”). These include all the constituent stocks of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which has a market capitalisation of not less than RMB 6 billion, and all the SZSE-listed A Shares which have corresponding H shares listed on SEHK, except the following:

- SZSE-listed shares which are not traded in RMB; and
- SZSE-listed shares which are included in the “risk alert board” or under delisting arrangement.

Given the change of the investment policy of the Sub-Fund is to provide flexibility to invest directly in A Shares via the Shenzhen-Hong Kong Stock Connect and there is no increase in the Sub-Fund’s aggregate direct and indirect exposure to A Shares (i.e. not more than 45%), we believe that (i) the change of the investment policy of the Sub-Fund does not amount to a material change to the Sub-Fund; (ii) there will be no material change or increase in the overall risk profile of the Sub-Fund following the change; and (iii) the change does not materially prejudice the rights or interests of investors of the Sub-Fund. As such, the SFC’s prior approval is not required for such change.

Please refer to the Fourth Supplement for further information relating to the Shenzhen-Hong Kong Stock Connect, including the, trading quota, settlement and custody arrangement, participation in corporate actions and shareholders’ meetings and trading fees and taxes.

Risks associated with the Shenzhen-Hong Kong Stock Connect

Please note that investments through the Shenzhen-Hong Kong Stock Connect are subject to similar risks as those applicable to the Shanghai-Hong Kong Stock Connect, namely, quota limitations, suspension risk, differences in trading days, operational risk, restrictions on selling imposed by front-end monitoring, recalling of eligible stocks, clearing and settlement risk, participation in corporate actions and shareholders’ meetings, currency risk, regulatory risk and tax risk. When investing in eligible A Shares through the Shenzhen-Hong Kong Stock Connect, the Sub-Fund will also be subject to the risks associated with the Small and Medium Enterprise Board of the SZSE and/or ChiNext Board of the SZSE (“**ChiNext Board**”).

Further, the Sub-Fund’s investments through Northbound trading under Shenzhen-Hong Kong Stock Connect will not be covered by Hong Kong’s Investor Compensation Fund.

2. Other Amendments

In addition to the changes set out above, the Explanatory Memorandum will also be amended by way of the Fourth Supplement to reflect additional disclosures and updates as summarised below:-

- (i) enhancement of disclosures on PRC taxation;
- (ii) insertion of a new risk factor “**Risks associated with the Small and Medium Enterprise Board of the SZSE (“SME Board”) and/or ChiNext Board**” and updates to the risk factor headed “**PRC Tax Risk**” as a result of the Sub-Fund trading via the Shenzhen-Hong Kong Stock Connect;
- (iii) insertion of disclosures on liquidity risk management policy;
- (iv) insertion of disclosures on the Standard for Automatic Exchange of Financial Account Information;
- (v) updates to the risk factor headed “**Foreign Account Tax Compliance**” and insertion of the sub-sections headed “**Certification for Compliance with FATCA or Other Applicable Laws**” and “**Power to Disclose Information to Authorities**”; and
- (vi) change of the Manager’s website from “www.valuepartners.com.hk” to “www.valuepartners-group.com”.

The latest Explanatory Memorandum (including the Fourth Supplement) and the revised Product Key Facts Statement in respect of the Sub-Fund are now available on our website (www.valuepartners-group.com)¹ and for your inspection at the Manager's office during normal business hours (except on Saturdays, Sundays and public holidays).

If you have any questions relating to the above, please contact our Fund Investor Services Team at (852) 2143 0688 or email us at FIS@vp.com.hk. We would like to take this opportunity to thank you for your valuable support and we look forward to be of continued service to you.

Value Partners Limited

¹ This website has not been reviewed or authorized by the SFC.

VALUE PARTNERS INTELLIGENT FUNDS
(the “Trust”)
CHINESE MAINLAND FOCUS FUND
(the “Sub-Fund”)

FOURTH SUPPLEMENT

Important

If you are in doubt about the contents of this Supplement, you should seek independent professional advice. This Supplement forms part of and should be read in conjunction with the Explanatory Memorandum of the Trust dated 10 July 2013 (including the Addendum to the Explanatory Memorandum dated 25 June 2013 in respect of the Sub-Fund (the “Addendum”), and the First, Second and Third Supplements to the Addendum dated 11 November 2013, 30 June 2014 and 14 March 2016 respectively) (together, the “Explanatory Memorandum”).

All capitalized terms herein contained shall have the same meaning in this Supplement as in the Explanatory Memorandum. Value Partners Limited, the manager of the Trust (the “Manager”), accepts full responsibility for the accuracy of the information contained in this Supplement and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omissions of which would make any statement misleading as at the date of publication.

A. Change in Investment Policy

With effect from 30 December 2016, the investment policy of the Sub-Fund has been amended to allow the Sub-Fund to have direct exposure to certain eligible A Shares via the Shenzhen-Hong Kong Stock Connect. Accordingly, the Addendum has been revised to reflect the foregoing change and the associated risks.

1. The definition of “**A Shares**” under the heading entitled “**Definition**” is deleted in its entirety and replaced by the following:-

“**A Shares**” means domestic shares in the PRC incorporated companies listed on either the Shanghai Stock Exchange or the Shenzhen Stock Exchange, the prices of which are quoted in Renminbi and which are available to such investors as approved by the CSRC;”

2. The third paragraph under the section headed “**Investment Objective and Policy**” as amended by the Third Supplement dated 14 March 2016, is deleted in its entirety and replaced with the following paragraph:-

“The investment targets of the Sub-Fund may include RMB-denominated corporate and government bonds, listed or unlisted shares issued by companies whose assets and/or revenues are principally denominated in RMB and/or whose costs or liabilities are principally denominated in US dollars. Investment targets may also include A Shares whether directly through the QFII Holder’s QFII Quota and the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect (collectively the “**Stock Connects**”) (as further described in the section under the heading “**Stock Connects**” below), or indirectly through CAAPs (as defined below), B Shares and H Shares. It is the Manager’s intention as at the date of this Addendum that between 0 per cent. and 45 per cent. of the Sub-Fund’s latest available Net Asset Value will be invested in A Shares, between 0 per cent. and 35 per cent. in B Shares and between

0 per cent. and 40 per cent. in H Shares. A Shares and B Shares are listed on the Shanghai Securities Exchange and the Shenzhen Stock Exchange in the PRC. A Shares are traded in RMB and B Shares are traded in US dollars and Hong Kong dollars. H Shares are listed on the Hong Kong Stock Exchange and are traded in Hong Kong dollars. Shares of companies listed in Hong Kong or on stock exchanges elsewhere whose shares may not be denominated in RMB but whose business is closely linked with the mainland of the PRC (in that they are considered by the Manager to be companies which have the majority of their assets situated in, or the majority of their income derived from operations in, the mainland of the PRC) may also be investment targets.”

3. The sentence immediately after the fifth paragraph under the section headed “**Investment Objective and Policy**” which was inserted by the Third Supplement dated 14 March 2016, is deleted in its entirety and replaced with the following sentence:-

“The Sub-Fund may also have direct exposure to certain eligible A Shares via the Stock Connects.”

4. The section headed “**Shanghai-Hong Kong Stock Connect**” which was inserted by the Third Supplement dated 14 March 2016, is deleted in its entirety and replaced with the following:-

“**Stock Connects**

The Shanghai-Hong Kong Stock Connect is a securities trading and clearing links programme developed by Hong Kong Exchanges and Clearing Limited (“**HKEX**”), Shanghai Stock Exchange (“**SSE**”) and CSDCC and the Shenzhen-Hong Kong Stock Connect is a securities trading and clearing links programme developed by HKEX, Shenzhen Stock Exchange (“**SZSE**”) and CSDCC. The aim of the Stock Connects is to achieve mutual stock market access between the PRC and Hong Kong.

The Shanghai-Hong Kong Stock Connect comprises a Northbound Shanghai Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shanghai Trading Link, Hong Kong and overseas investors (including the Sub-Fund), through their Hong Kong brokers and a securities trading service company as established by The Stock Exchange of Hong Kong Limited (“**SEHK**”), may be able to trade eligible A Shares listed on SSE by routing orders to SSE.

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Shenzhen Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shenzhen Trading Link, Hong Kong and overseas investors (including the Sub-Fund), through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible A Shares listed on the SZSE by routing orders to SZSE.

Eligible Securities

(i) Shanghai-Hong Kong Stock Connect

Under the Shanghai-Hong Kong Stock Connect, Hong Kong and overseas investors (including the Sub-Fund) are able to trade certain stocks listed on the SSE market (i.e. “**SSE Securities**”). These include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed A Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except the following:

- SSE-listed shares which are not traded in RMB; and
- SSE-listed shares which are included in the “risk alert board”.

It is expected that the list of eligible securities will be subject to review.

(ii) Shenzhen-Hong Kong Stock Connect

Under the Shenzhen-Hong Kong Stock Connect, Hong Kong and overseas investors (including the Sub-Fund) are able to trade certain eligible shares listed on the SZSE market (i.e. “**SZSE Securities**”). These include all the constituent stocks of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which have a market capitalisation of not less than RMB 6 billion, and all the SZSE-listed A Shares which have corresponding H Shares listed on SEHK, except the following:

- SZSE-listed shares which are not traded in RMB; and
- SZSE-listed shares which are included in the “risk alert board” or under delisting arrangement.

At the initial stage of the Shenzhen-Hong Kong Stock Connect, investors eligible to trade shares that are listed on the ChiNext Board of the SZSE (“**ChiNext Board**”) under Northbound trading will be limited to institutional professional investors (which the Sub-Fund will qualify as such) as defined in the relevant Hong Kong rules and regulations.

It is expected that the list of eligible securities will be subject to review.

Trading Days

Investors (including the Sub-Fund) will only be allowed to trade on the SSE market and the SZSE market on days where both the PRC and Hong Kong stock markets are open for trading and banking services are available in both markets on the corresponding settlement days.

Trading Quota

Trading under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect will be subject to a daily quota (“**Daily Quota**”). Northbound Shanghai Trading Link under the Shanghai-Hong Kong Stock Connect, Northbound Shenzhen Trading Link under the Shenzhen-Hong Kong Stock Connect, Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect and Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect will be respectively subject to a separate set of Daily Quota.

The Daily Quota limits the maximum net buy value of cross-boundary trades under each of the Stock Connects each day. The Northbound Daily Quota is currently set at RMB13 billion for each of the Stock Connects.

SEHK will monitor the quota and publish the remaining balance of the Northbound Daily Quota at scheduled times on the HKEX’s website.

Settlement and Custody

The Hong Kong Securities Clearing Company Limited (“**HKSCC**”), a wholly-owned subsidiary of HKEX, will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by Hong Kong market participants and investors.

The A Shares traded through the Stock Connects are issued in scripless form, so investors will not hold any physical A Shares. Hong Kong and overseas investors who have acquired SSE

Securities or SZSE Securities through Northbound trading should maintain the SSE Securities or SZSE Securities with their brokers' or custodians' stock accounts with CCASS (the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on SEHK).

Corporate Actions and Shareholders' Meetings

Notwithstanding the fact that HKSCC does not claim proprietary interests in the SSE Securities and SZSE Securities held in its omnibus stock account in CSDCC, CSDCC as the share registrar for SSE and SZSE listed companies will still treat HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE Securities and SZSE Securities.

HKSCC will monitor the corporate actions affecting SSE Securities and SZSE Securities and keep the relevant brokers or custodians participating in CCASS ("CCASS participants") informed of all such corporate actions that require CCASS participants to take steps in order to participate in them.

SSE-/SZSE-listed companies usually announce information regarding their annual general meetings/extraordinary general meetings about two to three weeks before the meeting date. A poll is called on all resolutions for all votes. HKSCC will advise CCASS participants of all general meeting details such as meeting date, time, venue and the number of resolutions.

Foreign Shareholding Restrictions

CSRC stipulates that, when holding A Shares through the Stock Connects, Hong Kong and overseas investors are subject to the following shareholding restrictions:

- shares held by a single foreign investor (such as the Sub-Fund) investing in a listed company must not exceed 10 per cent. of the total issued shares of such listed company; and
- total shares held by all foreign investors (i.e. Hong Kong and overseas investors) who make investment in a listed company must not exceed 30 per cent. of the total issued shares of such listed company.

When the aggregate foreign shareholding of an individual A Share reaches 26 per cent., SSE or SZSE, as the case may be, will publish a notice on its website (<http://www.sse.com.cn/disclosure/disclosure/qfii> for SSE and <http://www.szse.cn/main/disclosure/news/qfii/> for SZSE). If the aggregate foreign shareholding exceeds the 30 per cent. threshold, the foreign investors concerned will be requested to sell the shares on a last-in-first-out basis within five trading days.

Currency

Hong Kong and overseas investors will trade and settle SSE Securities and SZSE Securities in RMB only. Hence, the Sub-Fund will need to use RMB to trade and settle SSE Securities and SZSE Securities.

Trading Fees

Under the Stock Connects, Hong Kong and overseas investors will be subject to the fees and levies imposed by SSE, SZSE, CSDCC, HKSCC or the relevant PRC authority when they trade and settle SSE Securities and SZSE Securities. Further information about the trading fees and levies is available online at the website:

http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm

Investor Compensation

The Sub-Fund's investments through Northbound trading under the Stock Connects will not be covered by Hong Kong's Investor Compensation Fund.

Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong.

Since default matters in Northbound trading via the Stock Connects do not involve products listed or traded in SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the Investor Compensation Fund.

On the other hand, since the Sub-Fund is carrying out Northbound trading through securities brokers in Hong Kong but not the PRC brokers, therefore it is not protected by the China Securities Investor Protection Fund (中國證券投資者保護基金) in the PRC.

Further information about the Stock Connects is available online at the website:
http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm[^]

[^] This website has not been reviewed / authorized by the SFC."

5. The third paragraph under the heading "*Dividend income or interest income*" under the sub-section headed "**PRC Corporate Income Tax ("CIT")**" under the section headed "**PRC Taxation**" as amended by the Third Supplement dated 14 March 2016, is deleted in its entirety and replaced with the following:

"Under current regulations in the PRC, foreign investors (such as the Sub-Fund) may invest in onshore PRC Securities (i.e. A Shares and RMB denominated bonds issued or listed in the PRC), generally, only through a QFII or a RQFII (in this section referred to as the "relevant QFII") and the Stock Connects. For onshore PRC Securities invested via relevant QFII, since only the relevant QFII's interests in onshore PRC Securities are recognised under PRC laws, any tax liability would, if it arises, be payable by the relevant QFII, subject to further interpretations and rules that may be issued in the future. However under the terms of the arrangement between the relevant QFII (i.e. the QFII Holder or the CAAP Issuers) and the Sub-Fund, the relevant QFII will pass on any tax liability to the Sub-Fund. As such, the Sub-Fund is the ultimate party which bears the risks relating to any PRC taxes which are so levied by the relevant PRC tax authority. Under current PRC tax laws and regulations, the relevant QFII (if without a PE in China) is subject to WIT of 10 per cent. on dividends and interest from onshore PRC Securities unless exempt or reduced under current PRC tax laws and regulations or relevant tax treaties.

Pursuant to the "Notice about the tax policies related to the Shanghai-Hong Kong Stock Connect" (Caishui [2014] No. 81) ("**Notice No. 81**") and "Notice about the tax policies related to the Shenzhen-Hong Kong Stock Connect" (Caishui [2016] No. 127) ("**Notice No. 127**") promulgated by the MoF (as defined below), the SAT (as defined below) and the CSRC, the Sub-Fund is subject to WIT at 10 per cent. on dividends received from A Shares traded via the Stock Connects."

6. The sub-heading "Direct A Shares investment via Stock Connect" under "(iii) A Shares and A Shares via CAAPs" under the heading entitled "*Capital gains*" under the sub-section headed

“**PRC Corporate Income Tax (“CIT”)**” under the section headed “**PRC Taxation**” as amended by the Third Supplement dated 14 March 2016, is deleted in its entirety and replaced with the following:

“Direct A Shares investment via Stock Connects

Pursuant to the Notice No. 81 and Notice No. 127, CIT will be temporarily exempted on capital gains derived by Hong Kong and overseas investors (including the Sub-Fund) on the trading of A Shares through the Stock Connects.

Based on Notice No. 81 and Notice No. 127 and having consulted professional and independent tax adviser, no provision for gross realised or unrealised capital gains derived from trading of A Shares via the Stock Connects is made by the Manager on behalf of the Sub-Fund.”

7. The sub-section headed “**Business Tax (“BT”) and other surtaxes**” in the section headed “PRC Taxation” as amended by the Third Supplement dated 14 March 2016, is deleted in its entirety and replaced with the following:

“**Value Added Tax (“VAT”) and other surtaxes**

The MoF and SAT issued the “Notice on the Comprehensive Roll-out of the B2V Transformation Pilot Program (the “B2V Pilot Program”)” (Caishui [2016] No. 36) (the “**Notice No. 36**”) on 23 March 2016. The Notice No. 36 sets out that the B2V Pilot Program covers all the remaining industries of the program, including financial services. The Notice No. 36 has taken effect from 1 May 2016, unless otherwise stipulated therein.

The Notice No. 36 provides that VAT at 6 per cent. shall be levied on the difference between the selling and buying prices of those marketable securities, e.g. A Shares. The Notice No. 36 also provides that gains derived by QFIIs from trading of marketable securities are exempt from VAT. Pursuant to the “Supplementary Notice on the VAT Policy on Interbank Transactions and Other Financial Institutions” (Caishui [2016] No. 70) jointly issued by MoF and SAT on 30 June 2016 and which took effect retrospectively on 1 May 2016, income derived by RQFIIs from the purchase and sale of marketable securities are also exempt from VAT. In addition, deposit interest income and interest received from government bonds and local government bonds are also exempt from VAT.

Based on the prevailing VAT regulations, capital gains derived by (i) QFIIs / RQFIIs on trading of marketable securities and (ii) investors via the Stock Connects are exempted from VAT. Therefore, to the extent that the Sub-Fund's key investments (such as A Shares through the Stock Connects, CAAPs) are conducted through these channels, either by the Sub-Fund directly or via CAAP issuers, the capital gains should be exempted from VAT.

The current VAT regulations do not provide VAT exemption on capital gains derived from trading of B Shares. Having said that, the PRC tax authorities have not actively collected VAT from non-PRC tax resident enterprises on gains realized from B Shares in practice. Where capital gains are derived from trading of H Shares, VAT in general is not imposed as the purchase and disposal are often concluded and completed outside the PRC.

The prevailing VAT regulations do not specifically exempt VAT on interest received by QFIIs and RQFIIs. Interest income on non-government bonds (including corporate bonds) should be subject to 6 per cent. VAT.

Dividend income or profit distributions on equity investment derived from the PRC are not included in the taxable scope of VAT.

In addition, urban maintenance and construction tax (currently at the rate ranging from 1 per cent. to 7 per cent.), educational surcharge (currently at the rate of 3 per cent.) and local educational surcharge (currently at the rate of 2 per cent.) are imposed based on the VAT liabilities. The applicable levies depend on the location where VAT filing (if required) is done. For example, Shanghai imposes river maintenance levy at 1 per cent. on VAT payable; while Beijing does not currently impose any local levy.”

8. The heading “*Dividend income or interest income*” under the risk factor headed “**(f) PRC Tax Risk**” as amended by the Third Supplement dated 14 March 2016, is deleted in its entirety and replaced with the following:-

“Dividend income or interest income

Under current PRC tax laws and regulations, the relevant QFII (if considered as a non-tax resident enterprise without a PE in China) is subject to WIT of 10 per cent. on dividends and interest from PRC Securities unless exempt or reduced under current PRC tax laws and regulations or relevant tax treaties.

Pursuant to the Notice No. 81 and Notice No. 127, the Sub-Fund is subject to WIT at 10 per cent. on dividends received from A Shares traded via the Stock Connects.”

9. The sub-heading entitled “(iii) A Shares and A Shares via CAAPs and Stock Connect” and the first paragraph thereunder under the heading entitled “*Capital gains*” under the risk factor headed “**(f) PRC Tax Risk**” as amended by the Third Supplement dated 14 March 2016, are deleted in their entirety and replaced with the following:-

“(iii) A Shares and A Shares via CAAPs and Stock Connects

In light of Notice No. 79 and Notice No. 81 and having consulted professional and independent tax adviser, the Manager will not make WIT provision on the gross realized and unrealized capital gains derived from the Sub-Fund’s investments in A Shares via QFII, RQFII and Shanghai-Hong Kong Stock Connect starting from 17 November 2014. In addition, pursuant to Notice No. 127 and having consulted professional and independent tax adviser, the Manager will not make WIT provision on the gross realized and unrealized capital gains derived from the Sub-Fund’s investments in A Shares via Shenzhen-Hong Kong Stock Connect.”

10. The risk factor headed “**(h) Risks associated with Stock Connect**” which was inserted by way of the Third Supplement dated 14 March 2016 under the section headed “**ADDITIONAL RISKS OF THE SUB-FUND**” is deleted in its entirety and replaced with the following:-

“**(h) Risks associated with Stock Connects**

The Sub-Fund may invest through the Stock Connects. In addition to the risk factors headed “Political, Economic and Social Risks”, “Legal System of the PRC”, “Potential Market Volatility”, “PRC Tax Risk” and “Renminbi depreciation”, it is also subject to the following additional risks:

Quota limitations - The Stock Connects are subject to quota limitations. In particular, once the remaining balance of the Northbound Daily Quota drops to zero or the Northbound Daily Quota is exceeded during the opening call session, new buy orders will be rejected (though investors

will be allowed to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the Sub-Fund's ability to invest in A Shares through the Stock Connects on a timely basis, and the Sub-Fund may not be able to effectively pursue its investment strategies.

Suspension risk - Each of the SEHK, SSE and SZSE reserves the right to suspend Northbound and/or Southbound trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound trading through the Stock Connects is effected, the Sub-Fund's ability to access the PRC market will be adversely affected.

Differences in trading days – The Stock Connects only operate on days when both the PRC and Hong Kong stock markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC stock markets but Hong Kong investors (such as the Sub-Fund) cannot carry out any A Shares trading. Due to the differences in trading days, the Sub-Fund may be subject to a risk of price fluctuations in A Shares on a day that the PRC stock markets are open for trading but the Hong Kong stock market is closed.

Operational risk - The Stock Connects provide a channel for investors from Hong Kong and overseas to access the PRC stock markets directly.

The Stock Connects are premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this programme subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

Market participants generally have configured and adapted their operational and technical systems for the purpose of trading A Shares through the Stock Connects. However, it should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the programme to operate, market participants may need to address issues arising from the differences on an on-going basis.

Further, the “connectivity” in the Stock Connects requires routing of orders across the border. SEHK has set up an order routing system (“**China Stock Connects System**”) to capture, consolidate and route the cross boundary orders input by exchange participants. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the programme could be disrupted. The Sub-Fund's ability to access the A Shares market (and hence to pursue its investment strategy) will be adversely affected.

Restrictions on selling imposed by front-end monitoring - PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise SSE or SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on A Share sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

Generally, if the Sub-Fund desires to sell certain A Shares it holds, it must transfer those A Shares to the respective accounts of its brokers before the market opens on the day of selling (“**trading day**”). If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the Sub-Fund may not be able to dispose of holdings of A Shares in a timely manner.

However, the Sub-Fund may request a custodian to open a special segregated account (“SPSA”) in CCASS to maintain its holdings in A Shares under the enhanced pre-trade checking model. Each SPSA will be assigned a unique “Investor ID” by CCASS for the purpose of facilitating China Stock Connects System to verify the holdings of an investor such as the Sub-Fund. Provided that there is sufficient holding in the SPSA when a broker inputs the Sub-Fund’s sell order, the Sub-Fund will be able to dispose of its holdings of A Shares (as opposed to the practice of transferring A Shares to the broker’s account under the current pre-trade checking model for non-SPSA accounts). Opening of the SPSA accounts for the Sub-Fund will enable it to dispose of its holdings of A Shares in a timely manner.

Recalling of eligible stocks - When a stock is recalled from the scope of eligible stocks for trading via the Stock Connects, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the Sub-Fund, for example, when the Manager wishes to purchase a stock which is recalled from the scope of eligible stocks.

Clearing and settlement risk - The HKSCC and CSDCC have established the clearing links and each is a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

Should the remote event of CSDCC default occur and CSDCC be declared as a defaulter, HKSCC’s liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against CSDCC. HKSCC will in good faith, seek recovery of the outstanding stocks and monies from CSDCC through available legal channels or through CSDCC’s liquidation. In that event, the Sub-Fund may suffer delay in the recovery process or may not be able to fully recover its losses from CSDCC.

Participation in corporate actions and shareholders’ meetings - The HKSCC will keep CCASS participants informed of corporate actions of SSE Securities and SZSE Securities (as defined in the section headed “**Stock Connects**” in this Addendum). Where the articles of association of a listed company do not prohibit the appointment of proxy/multiple proxies by its shareholder, HKSCC will make arrangements to appoint one or more investors as its proxies or representatives to attend shareholders’ meetings when instructed. Further, investors (with holdings reaching the thresholds required under the PRC regulations and the articles of associations of listed companies) may, through their CCASS participants, pass on proposed resolutions to listed companies via HKSCC under the CCASS rules. HKSCC will pass on such resolutions to the companies as shareholder on record if so permitted under the relevant regulations and requirements. Hong Kong and overseas investors (including the Sub-Fund) are holding SSE Securities and SZSE Securities traded via the Stock Connects through their brokers or custodians, and they will need to comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of SSE Securities and SZSE Securities may be very short. Therefore, it is possible that the Sub-Fund may not be able to participate in some corporate actions in a timely manner.

Currency risk - As the Sub-Fund is denominated in US dollars, the performance of the Sub-Fund may be affected by movements in the exchange rate between RMB (i.e. the currency in which SSE Securities and SZSE Securities are traded and settled) and US dollars. The Sub-Fund may, but is not obliged to, seek to hedge foreign currency risks. However, even if undertaken, such hedging may be ineffective. On the other hand, failure to hedge foreign currency risks may result

in the Sub-Fund suffering from exchange rate fluctuations. For further details on exchange risk, please see risk factor “**Currency Exchange Risk**” above).

No Protection by Investor Compensation Fund - Investment through the Stock Connects are conducted through brokers, and is subject to the risks of default by such brokers’ in their obligations.

As disclosed in the section under the heading “**Stock Connects**”, the Sub-Fund’s investments through Northbound trading under the Stock Connects are not covered by the Hong Kong’s Investor Compensation Fund. Therefore the Sub-Fund is exposed to the risks of default of the broker(s) it engages in its trading in A Shares through the Stock Connects. Further, since the Sub-Fund is carrying out Northbound trading through securities brokers in Hong Kong but not PRC brokers, it is not protected by the China Securities Investor Protection Fund (中國證券投資者保護基金) in the PRC.

Regulatory risk - The Stock Connects will be subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Stock Connects.

It should be noted that the current regulations and rules on Stock Connects are subject to change which may have potential retrospective effect. There can be no assurance that the Stock Connects will not be abolished. The Sub-Fund, which may invest in the PRC markets through the Stock Connects, may be adversely affected as a result of such changes.”

11. The following additional new risk factor is inserted after the risk factor headed “**(h) Risks associated with Stock Connect**” under the section headed “**ADDITIONAL RISKS OF THE SUB-FUND**”:-

“(i) **Risks associated with the Small and Medium Enterprise Board of the SZSE (“SME Board”) and/or ChiNext Board**

The Sub-Fund may have exposure to stocks listed on SME Board and/or ChiNext Board.

Higher fluctuation on stock prices - Listed companies on the SME Board and/or ChiNext Board are usually of emerging nature with smaller operating scale. Hence, they are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the Main Board of the SZSE (“**Main Board**”).

Over-valuation risk - Stocks listed on SME Board and/or ChiNext Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

Differences in regulation - The rules and regulations regarding companies listed on ChiNext Board are less stringent in terms of profitability and share capital than those in the Main Board and SME Board.

Delisting risk - It may be more common and faster for companies listed on the SME Board and/or ChiNext Board to delist. This may have an adverse impact on the Sub-Fund if the companies that it invests in are delisted.

Investments in the SME Board and/or ChiNext Board may result in significant losses for the Sub-Fund and its investors.”

12. The existing items (i) and (j) under the section headed “**ADDITIONAL RISKS OF THE SUB-FUND**” are re-numbered accordingly upon the insertion of the risk factor headed “**(i) Risks associated with the Small and Medium Enterprise Board of the SZSE (“SME Board”) and/or ChiNext Board**”.

B. Liquidity Risk Management

1. The following section headed “**LIQUIDITY RISK MANAGEMENT**” is inserted immediately after the sub-section headed “**Security Lending**” under the section headed “**INFORMATION ON THE TRUST**” in section II of the Explanatory Memorandum:-

“LIQUIDITY RISK MANAGEMENT

The Manager has established a liquidity management policy which enables it to identify, monitor and manage the liquidity risks of the Sub-Funds and to ensure that the liquidity profile of the investments of the Sub-Funds will facilitate compliance with the relevant Sub-Fund’s obligation to meet redemption requests. Such policy, combined with the liquidity management tools of the Manager, also seeks to achieve fair treatment of Unitholders and safeguard the interests of remaining Unitholders in case of sizeable redemptions.

The Manager’s liquidity policy takes into account the investment strategy, the liquidity profile, the redemption policy, the dealing frequency, the ability to enforce redemption limitations and the fair valuation policies of the relevant Sub-Fund. These measures seek to ensure fair treatment and transparency for all investors.

The liquidity management policy involves monitoring the profile of investments held by the relevant Sub-Fund on an on-going basis to ensure that such investments are appropriate to the redemption policy as stated under the heading entitled “**Redemption of Units**” in the section headed “**SUBSCRIPTION AND REDEMPTION OF UNITS (Continued)**” in section III of the Explanatory Memorandum, and will facilitate compliance with the relevant Sub-Fund’s obligation to meet redemption requests. Further, the liquidity management policy includes details on periodic stress testing carried out by the Manager to manage the liquidity risk of the relevant Sub-Fund under normal and exceptional market conditions.

The following tool(s) may be employed by the Manager to manage liquidity risks:

- the Manager may limit the total number of Units of the relevant Sub-Fund redeemed during any Dealing Period to 10 per cent. in aggregate of the total number of Units in issue of the relevant Sub-Fund (subject to the conditions under the heading entitled “**Redemption of Units**” in the section headed “**SUBSCRIPTION AND REDEMPTION OF UNITS (Continued)**” in section III of the Explanatory Memorandum).”

C. AEOI Disclosures

1. The following sub-section headed “**Automatic Exchange of Financial Account Information**” is inserted immediately after the sub-section headed “**Hong Kong**” of the section headed “**TAXATION**” in section IV of the Explanatory Memorandum:-

“Automatic Exchange of Financial Account Information

The Cayman Islands has signed two inter-governmental agreements to improve international tax compliance and the exchange of information - one with the United States and one with the United Kingdom (the “**US IGA**” and the “**UK IGA**”, respectively). The Cayman Islands has

also signed, along with over 80 other countries, a multilateral competent authority agreement to implement the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard (the “CRS” and together with the US IGA and the UK IGA, “AEOI”).

Cayman Islands regulations were issued on 4 July 2014 to give effect to the US IGA and the UK IGA, and on 16 October 2015 to give effect to the CRS (collectively, the “AEOI Regulations”). Pursuant to the AEOI Regulations, the Cayman Islands Tax Information Authority (the “TIA”) has published guidance notes on the application of the US and UK IGAs and the CRS.

All Cayman Islands “Financial Institutions” will be required to comply with the registration, due diligence and reporting requirements of the AEOI Regulations, except to the extent that they can rely on an exemption that allows them to become a “Non-Reporting Financial Institution” (as defined in the relevant AEOI Regulations) with respect to one or more of the AEOI regimes. The Trust and each applicable Sub-Fund do not propose to rely on any reporting exemption and therefore intends to comply with the requirements of the AEOI Regulations.

The AEOI Regulations require the Trust and each applicable Sub-Fund, as a Reporting Financial Institution to, amongst other things (i) register with the United States Internal Revenue Service (the “IRS”) to obtain a Global Intermediary Identification Number (“GIIN”) (in the context of the US IGA only), (ii) register with the TIA, and thereby notify the TIA of its status as a “Reporting Financial Institution”; (iii) conduct due diligence on its accounts to identify whether any such accounts are considered “Reportable Accounts”, and (iv) report information on such Reportable Accounts to the TIA. The TIA will transmit the information reported to it to the overseas fiscal authority relevant to a reportable account (i.e. the IRS in the case of a US Reportable Account, HMRC in the case of a UK Reportable Account, etc.) annually on an automatic basis.

For information on any potential withholding tax that may be levied against the Trust and each applicable Sub-Fund, see also the risk factor “*Foreign Account Tax Compliance*”.

By investing in the Trust and the applicable Sub-Fund and/or continuing to invest in the Trust and the applicable Sub-Fund, investors shall be deemed to acknowledge that further information may need to be provided to the Trust and/or the applicable Sub-Fund, the Trust’s compliance with the AEOI Regulations may result in the disclosure of investor information, and investor information may be exchanged with overseas fiscal authorities. Where an investor fails to provide any requested information (regardless of the consequences), the Trust and the applicable Sub-Fund may reserve the right to take any action and/or pursue all remedies at its disposal including, without limitation, compulsory redemption or withdrawal of the investor concerned, to the extent permitted by applicable laws and the Trust’s constitutive documents.

Each Unitholder and prospective investor should consult its own professional advisor(s) on the administrative and substantive implications of AEOI on its current or proposed investment in the Trust and the applicable Sub-Fund through financial institutions in Hong Kong.”

D. FATCA disclosures

1. The risk factor “*Foreign Account Tax Compliance*” under the heading “**Risk Factors (Continued)**” under the section headed “**INFORMATION ON THE TRUST (Continued)**” in section II of the Explanatory Memorandum is deleted in its entirety and replaced with the following:

“Foreign Account Tax Compliance

Sections 1471 – 1474 (referred to as “**FATCA**”) of the United States (“**US**”) Internal Revenue Code of 1986, as amended (“**IRS Code**”) impose rules with respect to certain payments to non-United States persons, such as the Trust and each applicable Sub-Fund, including interest and dividends from securities of US issuers and gross proceeds from the sale of such securities. All such payments may be subject to withholding at a 30 per cent. rate (currently applicable to payments of US source dividends and interest, and beginning on or after 1st January 2019 with respect to gross proceeds), unless the recipient of the payment satisfies certain requirements intended to enable the United States Internal Revenue Service (the “**IRS**”) to identify United States persons (within the meaning of the IRS Code) with interests in such payments.

Pursuant to the US IGA, the Trust and each applicable Sub-Fund will generally be relieved from FATCA withholding tax on payments they receive, as well as the obligation to withhold tax on payments made to their investors, provided that they comply with the AEOI Regulations (discussed below), which give effect to the US IGA. Pursuant to the AEOI Regulations, reporting is made annually in respect of the previous calendar year.

Each applicable Sub-Fund has been registered with the IRS. The Trust and each applicable Sub-Fund will endeavour to satisfy the requirements imposed under FATCA and the US IGA and the AEOI Regulations to avoid any withholding tax. In the event that the Trust or any applicable Sub-Fund is not able to comply with the requirements imposed by FATCA, the US IGA or related Cayman Islands law, and the Trust or any applicable Sub-Fund does suffer US withholding tax on its investments as a result of non-compliance, the Net Asset Value of the Trust or any applicable Sub-Fund may be adversely affected and the Trust or any applicable Sub-Fund may suffer significant losses as a result.

To the extent that the Trust or any applicable Sub-Fund suffers withholding tax on its investments as a result of FATCA, the Trust and/or any applicable Sub-Fund may, after completing due process to ascertain and confirm that a Unitholder has failed to cooperate and provide the required information, bring legal action against such Unitholder for losses suffered by the Trust and/or any applicable Sub-Fund as a result of such withholding tax.

Each prospective investor should consult with its own tax advisor as to the potential impact of FATCA on his own tax situation.”

2. The following sub-sections are inserted immediately after the sub-section “**Material Agreements**” under the section headed “**GENERAL INFORMATION (Continued)**” in section VI of the Explanatory Memorandum:-

“Certification for Compliance with FATCA or Other Applicable Laws

Each Unitholder (i) shall be required to, upon demand by the Trust, any applicable Sub-Fund, the Manager or the Trustee, provide any form, certification or other information reasonably requested by and acceptable to the Trust, any applicable Sub-Fund, the Manager or the Trustee that is necessary for the Trust and/or any applicable Sub-Fund (A) to prevent withholding (including, without limitation, any withholding taxes required under FATCA) or qualify for a reduced rate of withholding or backup withholding in any jurisdiction from or through which the Trust or any applicable Sub-Fund receives payments and/or (B) to satisfy reporting or other obligations under the IRS Code and the United States Treasury Regulations promulgated under the IRS Code, or to satisfy any obligations relating to any applicable law, regulation or any agreement with any tax or fiscal authority in any jurisdiction, (ii) will update or replace such form, certification or other information in accordance with its terms or subsequent amendments or when such form,

certificate or other information is no longer accurate, and (iii) will otherwise comply with any reporting obligations imposed by the United States, Hong Kong, the Cayman Islands or any other jurisdiction (including any law, rule and requirement relating to AEOI) and reporting obligations that may be imposed by future legislation.

Power to Disclose Information to Authorities

Subject to applicable laws and regulations in the Cayman Islands and Hong Kong, the Trust, applicable Sub-Fund, the Manager, the Trustee or any of their authorised persons (as permissible under applicable law or regulation) may be required to report or disclose to any government agency, regulatory authority or tax or fiscal authority in any jurisdictions (including but not limited to the US IRS, the TIA and the IRD), certain information in relation to a Unitholder, including but not limited to the Unitholder's name, address, jurisdiction of birth, tax residence, tax identification number (if any), social security number (if any) and certain information relating to the Unitholder's holdings, account balance/value, and income or sale or redemption proceeds, to enable the Trust and any applicable Sub-Fund to comply with any applicable law or regulation or any agreement with a tax authority (including, but not limited to, any applicable law (including any law, rule and requirement relating to AEOI), regulation or agreement under FATCA)."

E. Change of the Manager's website

1. All references to the Manager's website "www.valuepartners.com.hk" shall be deleted in their entirety and replaced with "www.valuepartners-group.com".

30 December 2016