

PineBridge Fund Series  
Offering Document

## **PINEBRIDGE FUND SERIES**

### **ADDENDUM TO THE OFFERING DOCUMENT DATED 14 December 2010**

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This Addendum should be read in conjunction with and forms part of the Offering Document for the PineBridge Fund Series (the “**Fund**”) dated 14 December 2010 (the “**Offering Document**”). All capitalised terms herein contained shall have the same meaning in this Addendum as in the Offering Document, unless otherwise stated.

#### **1. Change of Dealing Deadline**

With effect from 9 May 2011, the Dealing Deadline will be changed from 2:00 p.m. (Hong Kong time) on any Dealing Day to 5:00 p.m. (Hong Kong time) on any Dealing Day. Accordingly, the definition of “Dealing Deadline” in the section headed “Definitions” on page 5 of the Offering Document shall be deleted in its entirety and replaced with the following:

“**Dealing Deadline**” means 5:00 p.m. on any Dealing Day.”

#### **2. Change of directors of PineBridge Investments Hong Kong Limited**

With effect from 31 December 2010, Mr. Rajeev Mittal has been appointed as a director of PineBridge Investments Hong Kong Limited (the “**Manager**”) to replace Mr. Ravi Mehrotra, who has resigned as a director of the Manager with effect from 31 December 2010.

Accordingly, the name “Ravi Mehrotra” under the heading “Directors of the Manager” on page 1 of the Offering Document, shall be deleted in its entirety and replaced with “Rajeev Mittal”.

#### **3. Enhancement of disclosures for compliance with the Securities and Futures Commission’s (the “SFC”) revised Code on Unit Trusts and Mutual Funds (the “Code”)**

The following additional disclosures will be made in the Offering Document pursuant to the requirements under the revised Code:

##### **(a) Enquiries or complaints**

The following new sub-section headed “Enquiries or Complaints” shall be inserted after the sub-section headed “IMPORTANT” in the section headed “Offering Document” (the preliminary part of the Offering Document):

### **“Enquiries or Complaints**

Investors may contact the Manager by the following means if they have any enquiries or complaints in relation to the Fund or any class of units:-

- By writing to Level 31, Three Pacific Place, 1 Queen’s Road East, Hong Kong; or
- By calling the Manager’s hotline at 3970 3938.

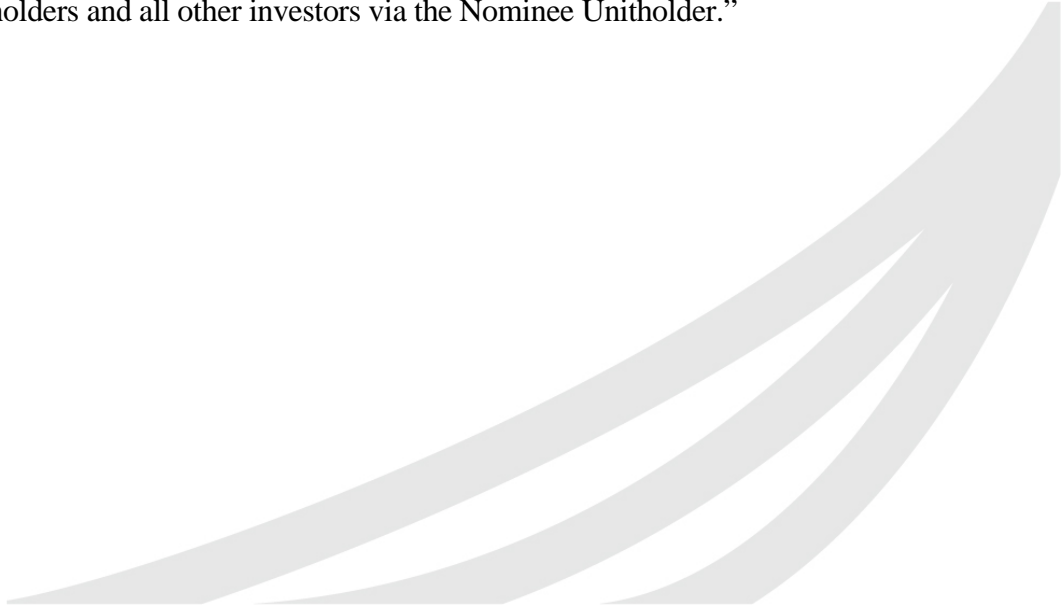
The Manager will respond to any queries or complaints in a timely manner

### (b) **Reports**

The second and third sentences of the section headed “Reports” on page 20 of the Offering Document shall be deleted in their entirety and replaced with the following:

“Separate audited annual accounts in respect of each class will be prepared within 4 months of the year end. Unaudited semi-annual accounts will be prepared within 2 months of the half-year. Such annual and semi-annual accounts will be published in English only in Hong Kong.

Unitholders should note that with effect from 5 May 2011, printed copies of the annual reports and semi-annual reports will not be distributed, but will be made available (in printed and electronic forms). The Manager will notify all unitholders and all other investors via the Nominee Unitholder of the means of accessing the same as and when such reports become available and within the time period stipulated above. In any event, printed copies of such reports may be obtained at the offices of the Manager or will be sent to all unitholders, free of charge, upon request. In the event of any change to the mode of distributing the aforesaid reports, not less than 1 months' prior notice will be given to all affected unitholders and all other investors via the Nominee Unitholder.”



#### **IMPORTANT NOTE**

- The Fund is an umbrella unit trust approved pooled investment fund which has within it different classes investing in equities or debt securities, each with different risk profiles.
- Certain classes which may invest in a single market may be subject to a higher concentration risk than classes following a more diversified policy.
- Classes which invest in emerging markets or small cap securities may be subject to higher liquidity and volatility risks than those investing in more established markets. The high volatility in such markets could result in investors suffering substantial losses. Classes which invest in emerging markets may also be subject to additional market, legal, regulatory, political, expropriation, repatriation and foreign exchange risks.

## PINEBRIDGE FUND SERIES

### Offering Document

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#### IMPORTANT

**If you are in any doubt about the contents of this document, you should seek independent professional financial advice. The price of units and the income from them may go down as well as up. A unitholder may not get back the full amount invested.**

PineBridge Investments Hong Kong Limited (the “Manager”) accepts full responsibility for the accuracy of the information contained in this offering document and its Appendices (collectively the “Offering Document”) and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief that, as at the date of publication, there are no other facts the omission of which would make any statement misleading.

The PineBridge Fund Series (the “Fund”) is an authorised unit trust under section 104 (1) of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and is approved as an “approved pooled investment fund” under section 6 of the Mandatory Provident Fund Schemes (General) Regulation (Cap. 485A of the Laws of Hong Kong). Such authorisation does not imply any recommendation by either the SFC or the Mandatory Provident Fund Schemes Authority. SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund has not been authorised by, and neither this Offering Document nor any other document has been registered with, any regulatory authority in any jurisdiction outside Hong Kong. Accordingly, investment in the Fund may not be made in any place where or by any person to whom such investment is prohibited or such authorisation or registration might be required.

The Fund has not been registered under the United States Securities Act of 1933, as amended, and may not be offered, sold or delivered in the United States or to or for the account of a U.S. Person.

Notwithstanding the foregoing, the Manager may, with the advice of counsel, approve the sale of units to one or more U.S. Persons in circumstances in which it is reasonably concluded that such sale would not have adverse consequences to the Fund. However, the Fund is not established for the purpose of investment by U.S. Persons. Any such investor should consult their own legal, tax and other advisers to determine whether an investment in the Fund could result in adverse consequences to the investor or its related persons and affiliates. All U.S. Persons will have United States tax consequences arising from investing in the Fund. In addition, U.S. Persons related to foreign persons investing in the Fund may incur United States tax consequences. It is suggested that such U.S. persons and their related foreign investor in the Fund consult their United States tax advisers.

It is also a policy of the Fund to prohibit the sale of units to any investor to whom such sale would be unlawful in the United States. The Fund has, and intends to exercise, the right to force the redemption of any units sold in contravention of any of the prohibitions described in this Offering Document. In addition, the Fund has, and shall be fully protected in exercising, the right to compulsorily redeem the units of any investor at any time if, at the Manager's sole discretion, such redemption would be appropriate to protect the Fund from a requirement to register as an investment company under the United States Investment Company Act of 1940 or from adverse tax consequences.

Applicants for units and transferees will be required to certify that they are not U.S. Persons prohibited from purchasing units.

**Dated: 14 December 2010**

## **DIRECTORY**

### **Manager and Investment Adviser**

PineBridge Investments Hong Kong Limited  
(formerly AIG Global Investment Corporation (Hong Kong) Limited)  
Level 28, Three Pacific Place  
1 Queen's Road East  
Hong Kong  
Business address at:  
Level 31, Three Pacific Place  
1 Queen's Road East  
Hong Kong

### **Trustee and Nominee Unitholder**

American International Assurance Company (Trustee) Limited  
2/F, AIA Building, 1 Stubbs Road,  
Hong Kong

### **Delegates of the Manager**

PineBridge Investments Asia Limited  
(formerly AIG Global Investment Corporation  
(Asia) Limited)  
Business address at:  
Level 31, Three Pacific Place  
1 Queen's Road East  
Hong Kong  
  
Registered office address at:  
Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

PineBridge Investments Europe Limited  
(formerly AIG Investments Europe Ltd)  
Plantation Place South, 60 Great Tower Street  
London EC3R 5AZ  
England

PineBridge Investments LLC.  
(formerly AIG Global Investment Corp.)  
c/o CSC Corp, 2711 Centerville Road, Suite  
400, Wilmington, DE 19808, USA (registered  
address) and 277 Park Avenue, 45<sup>th</sup> Floor, New  
York, NY 10172, USA (business address)

### **Custodian and Administrator**

HSBC Provident Fund Trustee  
(Hong Kong) Limited  
Level 13, 1 Queen's Road Central  
Hong Kong

### **Directors of the Manager**

Ada Koon Hang Tse  
Peter Kok Beng Soo  
Ravi Mehrotra  
  
Address:  
Level 28, Three Pacific Place  
1 Queen's Road East  
Hong Kong

### **Auditor**

PricewaterhouseCoopers  
22<sup>nd</sup> Floor, Prince's Building  
Central  
Hong Kong

### **Application and Redemption Agent**

HSBC Institutional Trust Services (Asia) Limited

Registered Office:

1 Queen's Road Central  
Hong Kong

Application and Redemption Office:

17/F, Tower 2 & 3,  
HSBC Center  
1 Sham Mong Road  
Kowloon  
Hong Kong

**Legal Advisers**

Deacons  
5<sup>th</sup> Floor, Alexandra House  
18 Chater Road  
Central  
Hong Kong

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## DEFINITIONS

<b>"Application and Redemption Agent"</b>	means HSBC Institutional Trust Services (Asia) Limited, as the context requires.
<b>"Authorised Financial Institution"</b>	means an institution authorised under Part IV of the Banking Ordinance (Cap. 155 of the Laws of Hong Kong).
<b>"Authority"</b>	means the Mandatory Provident Fund Schemes Authority.
<b>"Business Day"</b>	means a day other than Saturday upon which banks in Hong Kong are open for normal banking business.
<b>"class"</b>	means a class of units in the Fund having its own investment objectives, as more particularly detailed herein under section 1 (headed "The Fund") and the relevant appendices and schedule hereto.
<b>"Dealing Day"</b>	means each Business Day in each calendar month other than a day on which the determination of the value of the assets of the Fund or any class thereof have been temporarily suspended as provided for in the Trust Deed.
<b>"Dealing Deadline"</b>	means, 2:00 p.m. (Hong Kong time) on any Dealing Day.
<b>"Eligible Overseas Bank"</b>	means a bank incorporated outside Hong Kong and not holding a valid banking licence under the Banking Ordinance (Cap. 155 of the Laws of Hong Kong), and which satisfies a minimum credit rating set by the Authority, based on the credit rating of the bank as determined by a credit rating agency approved by the Authority.
<b>"Exempt Authority"</b>	means (i) the government of the Hong Kong Special Administrative Region, (ii) the Exchange Fund established by the Exchange Fund Ordinance (Cap. 66 of the Laws of Hong Kong), (iii) a company wholly owned by the government of the Hong Kong Special Administrative Region beneficially or (iv) a government or central or reserve bank of a country or territory or a multilateral international agency, all with the highest possible credit rating determined by a credit rating agency approved by the Authority.
<b>"Fund"</b>	means the PineBridge Fund Series.
<b>"G7 countries"</b>	means the United States of America, Japan, Germany, Great Britain, France, Canada and Italy.
<b>"General Regulation"</b>	means the Mandatory Provident Fund Schemes (General) Regulation (Cap. 485A of the Laws of Hong Kong).
<b>"investor"</b>	means a unitholder (other than the Nominee Unitholder) or a person or entity who holds an interest in units through the Nominee Unitholder.
<b>"Issue Price"</b>	means the issue price of a unit calculated in the manner set out in the Trust Deed, as summarised herein.

<b>"Manager" and "Investment Adviser"</b>	means PineBridge Investments Hong Kong Limited (formerly AIG Global Investment Corporation (Hong Kong) Limited) in its capacity as manager of the Fund or investment adviser to the Fund and/or the relevant class, as the case may be.
<b>"Net Asset Value"</b>	means the net asset value of the Fund or a class or, as the context may require, of a unit ascertained in accordance with the provisions of the Trust Deed, a summary of which is set out herein.
<b>"Nominee Unitholder"</b>	means American International Assurance Company (Trustee) Limited in its capacity as nominee unitholder or such other person(s) whom the Trustee may, from time to time in its discretion, appoint as nominee unitholder(s)
<b>"Provident Fund Units"</b>	means units in a sub-class of the Fund only available to provident fund schemes which include but are not limited to Occupational Retirement Fund Schemes (ORSO) and Mandatory Provident Fund Schemes.
<b>"Redemption Price"</b>	means the redemption price of a unit calculated in the manner set out in the Trust Deed, as summarised herein.
<b>"Sales Charge"</b>	means the sales charge of up to 6% of the subscription monies payable upon investment in the Fund or any class(es) thereof as detailed under section 9 (headed "Fees and Charges") and the relevant appendices and schedule hereto.
<b>"SFC"</b>	means the Securities and Futures Commission.
<b>"SFO"</b>	means the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).
<b>"Specified Deposit"</b>	means any deposit held with an Authorised Financial Institution or an Eligible Overseas Bank.
<b>"Standard Units"</b>	means units in a sub-class of the Fund available to all investors other than the provident fund schemes authorised by the Authority.
<b>"sub-class"</b>	means a sub-class of units of a particular class.
<b>"Trust Deed"</b>	means the trust deed dated 10 <sup>th</sup> August 1998 as amended and restated by a trust deed between the Trustee and the Manager dated 14 <sup>th</sup> December 2010, as amended from time to time.
<b>"Trustee"</b>	means American International Assurance Company (Trustee) Limited in its capacity as the Fund's trustee.
<b>"unitholder"</b>	means any person for the time being entered on the register of unitholders as the holder of a unit, including any persons jointly so registered and, for the avoidance of doubt, does not include a person who holds units through a Nominee Unitholder.

- “unit”** means one undivided share in the Fund, and includes any fraction of a unit which shall represent the corresponding fraction of an undivided share in the Fund.
- "United States"** means the United States of America, any state, territory, or possession thereof, any area subject to its jurisdiction, the District of Columbia or any enclave of the United States Government or its agencies or instrumentalities.
- "U.S. Person"** means any of the following:
- (a) a citizen of the United States;
  - (b) a natural person resident in the United States;
  - (c) a resident alien of the United States, as defined in Section 7701(b) of the United States Internal Revenue Code of 1986 as amended ("Code");
  - (d) a partnership, corporation, or other entity created, organised, incorporated, or existing in or under the laws of the United States, or which has its principal place of business in the United States;
  - (e) an estate or trust:
    - (i) the income of which is subject to United States income tax regardless of source, or whose income from sources outside the United States (that is not effectively connected with the conduct of a trade or business in the United States) is includible in gross income for United States federal income tax purposes; or
    - (ii) of which an executor, administrator, or trustee is a U.S. Person (excluding (a) an estate governed by foreign law with an executor or administrator which is not a U.S. Person and which has sole or shared investment discretion with respect to the estate assets, or (b) a trust with a trustee which is not a U.S. Person and which has sole or shared investment discretion with respect to the trust assets and with no beneficiary (or settlor, in the case of a revocable trust) which is a U.S. Person);
  - (f) an entity organised principally for passive investment, such as a commodity pool, investment company or other similar entity (including a pension plan for the employees, officers, or principals of an entity created, organised, or existing in or under the laws of the United States or which has its principal place of business or is engaged in a trade or business in the United States, but excluding a pension plan for the employees, officers, or principals of an entity created, organised or existing in or under the laws of a foreign jurisdiction and which has its principal place of business outside the

United States and was established and is administered in accordance with the law of a country other than the United States and customary practices and documentation of such country),

- (i) in which U.S. Persons hold units of participation representing in the aggregate 10% or more of the beneficial interests in the entity, or
  - (ii) which has as a principal purpose the facilitating of investment by a U.S. Person in a commodity pool with respect to which the operator is exempt from certain requirements of Part 4 of the regulations of the United States Commodity Futures Trading Commission by virtue of its participants being non-U.S. Persons.
- (g) an agency or branch of a foreign entity located in the United States;
- (h) a non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary created, organised, incorporated, existing, or (if a natural person) resident in the United States, unless held by a dealer or other professional fiduciary for the benefit or account of a person which is not a U.S. Person; or
- (j) a partnership, corporation, or other entity created, organised, incorporated, or existing under the laws of a foreign jurisdiction and formed by a U.S. Person principally for purposes of investing in securities not registered under the United States Securities Act of 1933 as amended.

For purposes of sub-paragraphs (a) - (j) above, an investor which is not otherwise a U.S. Person shall be deemed to be a U.S. Person if, as a result of the ownership of units by such investor, another person which is a "U.S. Person" (within the meaning of Code section 7701(a)(30)) could, in respect of the Fund, under any circumstances, meet the ownership requirements of (i) Code Section 1297(a) (relating to indirect ownership through passive foreign investment companies, 50%-owned corporations, partnerships, estates, trusts, or options, or as otherwise provided in the Code), or (ii) the information reporting provisions of Code Section 551(c) (requiring at least 5% direct, indirect, or constructive ownership), Code section 6035 (requiring at least 10% direct, indirect, or constructive ownership), Code section 6038 (requiring more than 50% direct, indirect, or constructive ownership), or Code section 6046 (requiring at least 5% direct, indirect, or constructive ownership).

**"Valuation Day"**

means each Business Day in each calendar month other than a day on which the determination of the value of the assets of the Fund or any class thereof have been temporarily suspended as provided for in the Trust Deed.

Unless otherwise stated herein, other terms used in this Offering Document shall bear the meanings given to them in the Trust Deed. References in this Offering Document to any statute, regulation or

guideline or part thereof shall be deemed to be references to that statute, regulation or guideline as from time to time amended, replaced or re-enacted. References to the singular shall include the plural and vice-versa, as the context requires.

## **1. THE FUND**

The Fund was established under a trust deed dated 10<sup>th</sup> August 1998 as amended and restated by a trust deed between the Trustee and the Manager dated 14<sup>th</sup> December 2010, as amended from time to time. The Trust Deed is governed by Hong Kong law and is binding on all unitholders in the Fund and its classes.

The Fund is an umbrella unit trust comprising a number of classes with different investment objectives. To date, the following classes have been established:

- the PineBridge Hong Kong Dollar Money Market Fund (see further Appendix I)
- the PineBridge Hong Kong Dollar Fixed Income Fund (see further Appendix II)
- the PineBridge Hong Kong Equity Fund (see further Appendix III)
- the PineBridge Asian Fund (see further Appendix IV)
- the PineBridge Global Bond Fund (see further Appendix V)
- the PineBridge US Equity Fund (see further Appendix VI)
- the PineBridge Europe Equity Fund (see further Appendix VII)
- the PineBridge Japan Equity Fund (see further Appendix VIII)
- the PineBridge Greater China Equity Fund (see further Appendix IX)

Each of these classes is denominated in Hong Kong dollars except for the PineBridge Global Bond Fund and the PineBridge Asian Fund which are denominated in U.S. dollars.

Each class shall comprise two sub-classes being Provident Fund Units and Standard Units respectively. Save as expressly provided in the Trust Deed, all units of different sub-classes within a class shall rank *pari passu inter se* in all respects.

A separate portfolio will be maintained for each class and will be invested in accordance with the investment objectives and restrictions applicable to each class. Further details of each class are set out in the schedule and the appendices.

Pursuant to the Trust Deed, the Manager may create additional classes and additional sub-classes of a particular class from time to time as it sees fit. In addition, the Trust Deed allows the Manager to merge or divide a class or classes from time to time as it sees fit. Any such proposed merger or division of any of the classes will be notified to unitholders in writing at least 3 months in advance.

## **2. THE FUND'S OPERATORS**

### **The Trustee and Nominee Unitholder**

The Trustee is American International Assurance Company (Trustee) Limited which was incorporated in Hong Kong as a limited liability company on 10<sup>th</sup> July, 1987 and has its registered office at 2/F, AIA Building, 1 Stubbs Road, Hong Kong. Unless the Trustee elects to appoint a separate nominee unitholder, the Trustee shall also act as Nominee Unitholder for investors.

The Trustee is a registered trust company under the Trustee Ordinance (Cap. 29 of the Laws of Hong Kong).

## **The Manager, the Manager's Delegates and the Investment Adviser**

### *The Manager*

The Manager is PineBridge Investments Hong Kong Limited (formerly AIG Global Investment Corporation (Hong Kong) Limited) which was incorporated as a limited liability company in Hong Kong on 10<sup>th</sup> May, 1999. The Manager is a wholly owned subsidiary of PineBridge Investments Asia Limited. The Manager is licensed to carry on Type 1 (dealing in securities) and Type 9 (asset management) regulated activities under Part V of the SFO. The directors of the Manager are listed on the inside front cover of this document.

The Trust Deed provides, among other things, that the Manager will manage the Fund in conformity with the investment objectives and policies of the relevant class as stated in the Trust Deed (which are summarised in this document). Pursuant to the Trust Deed, the Manager may from time to time delegate its day-to-day duties and obligations in respect of the Fund or any class including among other things its discretionary investment management functions.

### *The Manager's Delegates*

The Manager has appointed PineBridge Investments Asia Limited (formerly AIG Global Investment Corporation (Asia) Limited), PineBridge Investments Europe Limited (formerly AIG Investments Europe Ltd and previously AIG Global Investment Corp. (Europe) Ltd) and PineBridge Investments LLC (formerly AIG Global Investment Corp.) as its delegate and agent, in respect of certain class or classes, in each case to perform all of the Manager's day-to-day duties and obligations pursuant to the Trust Deed in respect of the relevant class or classes to which the respective appointments relate in conformity with the investment objectives and policies of the relevant class as stated in the Trust Deed (and which are summarised in this document). The appointments give full discretionary investment management authority to the relevant delegate in respect of the relevant class or classes to which the respective appointments relate, as more particularly described below.

### PineBridge Investments Asia Limited

PineBridge Investments Asia Limited has been appointed by the Manager as its delegate and agent in respect of the PineBridge Hong Kong Dollar Money Market Fund, PineBridge Hong Kong Dollar Fixed Income Fund, PineBridge Hong Kong Equity Fund, PineBridge Asian Fund, PineBridge Japan Equity Fund and PineBridge Greater China Equity Fund. PineBridge Investments Asia Limited, is a member company of PineBridge Investments, is incorporated in Bermuda and based in Hong Kong, and manages investment portfolios in Hong Kong, Singapore, Malaysia, Thailand, Taiwan, Korea, the Philippines, Indonesia, India and Australia. There are investment professionals of PineBridge Investments companies in all of these locations, except Indonesia. PineBridge Investments Asia Limited is licensed to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under Part V of the SFO.

As at June 2010, PineBridge Investments Asia Limited had responsibility for the investment of assets exceeding US\$ 10.2 billion. PineBridge Investments Asia Limited is ultimately an indirect wholly-owned subsidiary of Bridge Partners, L.P. and also a member of PineBridge Investments. PineBridge Investments provides investment advice and markets asset management products and services to its clients around the world. It operates as a multi-strategy investment manager in 32 countries and jurisdictions with US\$78.1 billion in assets under management as of 30 June, 2010. PineBridge

Investments manages assets for institutional and individual clients across an extensive platform of listed equity, fixed income, private equity and hedge fund of funds capabilities.

#### PineBridge Investments Europe Limited

PineBridge Investments Europe Limited has been appointed by the Manager as its delegate and agent in respect of the PineBridge Global Bond Fund and PineBridge Europe Equity Fund. PineBridge Investments Europe Limited is authorised and regulated by the United Kingdom Financial Services Authority in the conduct of its investment business. PineBridge Investments Europe Limited is a London based investment management company which is ultimately an indirect wholly-owned subsidiary of Bridge Partners L.P. As at 31 May, 2010, it had responsibility for the investment of assets exceeding US\$7.3 billion. Its executive officers have managed portfolios of fixed income securities and European equities for more than 10 years. PineBridge Investments Europe Limited is also a member company of PineBridge Investments, a brief biography of which is set out above.

#### PineBridge Investments LLC

PineBridge Investments LLC has been appointed by the Manager as its delegate and agent in respect of the PineBridge US Equity Fund. PineBridge Investments LLC is a US based investment manager regulated by the Securities and Exchange Commission, and is an indirectly wholly-owned subsidiary of Bridge Partners, L.P. As at 30 June, 2010, it had responsibility for the investment of assets exceeding approximately US\$18.4 billion. PineBridge Investments LLC is also a member company of PineBridge Investments, a brief biography of which is set out above.

#### *The Investment Adviser*

Unless the Manager elects to appoint a separate investment adviser to the Fund generally or to any class of the Fund, the Manager shall also act as the Investment Adviser to the Fund generally or to the relevant class, as the case may be.

Notwithstanding the above and subject to otherwise complying with the provisions of the Trust Deed, the Manager is not restricted or prohibited under the Trust Deed from rendering investment management or advisory services to others or to engage in any other activities whatsoever.

#### **The Custodian, the Administrator and the Application and Redemption Agent**

The Manager has appointed HSBC Provident Fund Trustee (Hong Kong) Limited as the administrator of the Fund pursuant to a letter agreement dated 27<sup>th</sup> October, 2000. The Trustee has appointed HSBC Provident Fund Trustee (Hong Kong) Limited as the custodian of the Fund pursuant to an agreement dated 27<sup>th</sup> October, 2000.

The Manager has appointed HSBC Institutional Trust Services (Asia) Limited as the Application and Redemption Agent in respect of the Fund. Pursuant to a Novation Agreement dated 14<sup>th</sup> December 2010, HSBC Institutional Trust Services (Asia) Limited has assumed all the rights, liabilities, duties and obligations of HSBC Trustee (Hong Kong) Limited, the original application and redemption agent in its capacity as such, under an amended and restated Application and Redemption Agency Agreement dated 14<sup>th</sup> December 2010.

### **3. INVESTMENT OBJECTIVES, INVESTMENT POLICIES, RISK FACTORS AND INVESTMENT AND BORROWING RESTRICTIONS**

Details of the investment objectives, investment policies, risk factors, investment and borrowing restrictions and other information for each class are set out in section 14 (headed “Risk Factors”), the schedule and the appendices, as relevant.

Unitholders will be notified of any changes to the investment objectives and/or policy for the class or classes of units held by such unitholders and the Nominee Unitholder will pass on all such information (if any) to all other investors on whose behalf it holds units.

### **4. DETERMINATION OF NET ASSET VALUE, ISSUE PRICE AND REDEMPTION PRICE AND PUBLICATION OF PRICES**

#### *Determination of Net Asset Value*

The Net Asset Value per unit, the Issue Price and the Redemption Price in respect of each class is calculated as at the close of business on each Valuation Day in relation to the relevant Dealing Day in accordance with the valuation rules set out in the Trust Deed.

The Net Asset Value of each class shall be calculated by valuing the assets of the relevant class and deducting its liabilities, as set out in the Trust Deed (such liabilities including but not limited to any duties and charges attributable thereto) and subject to any adjustments (as set out in the Trust Deed, including, among other things, where a class comprises more than one sub-class as noted below) and dividing the resultant sum by the number of undivided shares in the class represented by the units of that class (or, as the case may be, sub-class) in issue immediately prior to the relevant Dealing Day, as more particularly set out in the Trust Deed.

The Trust Deed provides that the Manager may adjust the value of any investment or other property if, having regard to currency, applicable rate of interest, maturity, marketability and such other considerations as it deems relevant, it considers that such adjustment is required to reflect the fair value thereof.

#### *Determination of Issue Price and Redemption Price*

The Issue Price shall be calculated on each Valuation Day by:

- assessing the Net Asset Value of the Fund (or the relevant class, as the case may be) on the relevant Valuation Day;
- adding such amounts as may, in the Manager's opinion, be reasonable in respect of the deemed costs and charges of acquisition of the underlying portfolio of the Fund (or the relevant class, as the case may be);
- where a class comprises of more than one sub-class, taking such steps and making such adjustments as the Manager, with the approval of the Trustee, considers necessary or appropriate to reflect the differences between sub-classes;
- dividing the result by the number of units of the Fund (or the class or the sub-class, if the Manager considers appropriate), as the case may be, then in issue on the relevant Valuation Day;

- rounding the resultant amount upwards to the nearest cent (other than the PineBridge Hong Kong Dollar Money Market Fund whose resultant amount will be rounded downward to the nearest cent).

Investors should note that the Issue Price is exclusive of any Sales Charge or any further amounts which may be charged pursuant to the Trust Deed (as more particularly described below and in the schedule and relevant appendix hereto) which may be deducted from the applicant's subscription monies.

The Redemption Price shall be calculated on each Valuation Day by:

- assessing the Net Asset Value of the Fund (or the relevant class, as the case may be) on the relevant Valuation Day;
- deducting such amounts as may in the Manager's opinion be reasonable in respect of the deemed costs and charges of acquisition of the underlying portfolio of the Fund (or the relevant class, as the case may be);
- where a class comprises of more than one sub-class, taking such steps and making such adjustments as the Manager, with the approval of the Trustee, considers necessary or appropriate to reflect the differences between sub-classes;
- dividing the result by the number of units of the Fund (or the class or the sub-class, if the Manager considers appropriate), as the case may be, then in issue on the relevant Valuation Day;
- rounding the resultant amount downwards to the nearest cent.

#### *Publication of Prices*

The prices of Standard Units and Provident Fund Units in each class will be published daily in the South China Morning Post, Hong Kong Economic Journal and Hong Kong Economic Times. The prices of Provident Fund Units will also be notified to relevant unitholders directly.

## **5. SUBSCRIPTION FOR AND REDEMPTION OF UNITS**

### *Subscription for Units*

Units are available for issue on each Dealing Day at the Issue Price calculated on the Valuation Day in respect of such Dealing Day.

Provident Fund Units may only be subscribed by provident fund schemes (including but not limited to Occupational Retirement Fund Schemes (ORSO) and Mandatory Provident Fund Schemes) and are not available to members of the public in Hong Kong or to any other investors. Such provident fund schemes may only subscribe for Provident Fund Units through the Application and Redemption Agent in the manner set out below.

Standard Units may only be subscribed through the Application and Redemption Agent by investors, other than provident fund schemes authorised by the Authority, in the manner set out below.

A Sales Charge not exceeding 6% of the subscription monies payable by an investor may be charged by the Manager or any distributors appointed by the Manager and on its behalf and deducted from the applicant's subscription monies. The Manager may, in its discretion, waive such charge, or differentiate between investors as to the amount of such Sales Charge within the permitted limit.

### *Subscription Procedure*

To subscribe for units on a particular Dealing Day, prospective investors should complete the subscription form accompanying this document (in the case of initial subscription) or a written subscription request (in the case of further subscriptions of units) and forward the same to the Application and Redemption Agent at its Application and Redemption Office on or before the Dealing Deadline. Pursuant to the Trust Deed, the Manager has the right to accept or reject any application without stating any reason therefor (subject to any applicable statutory or regulatory provisions to the contrary). Notwithstanding this, the Manager has determined that valid applications received from any Occupational Retirement Fund Scheme (ORSO) or Mandatory Provident Fund Scheme shall not be rejected. Prospective investors should note that applications received after the Dealing Deadline or on a day which is not a Dealing Day will be held over and processed on the immediately following Dealing Day.

For the avoidance of doubt, in applying for units, each investor undertakes to be bound by and be subject to the terms of the Trust Deed as amended from time to time and each investor holding units through the Nominee Unitholder acknowledges that they will not become registered unitholders and that all their rights to and entitlements arising from their investment in the Fund will only be exercisable through the Nominee Unitholder.

Save as the Trustee may otherwise permit from time to time, all units subscribed for in a class of the Fund will be held in the name of the Nominee Unitholder subject to the conditions set out in this document and in the Trust Deed.

The duties of the Nominee Unitholder include, among other things, passing on to all investors on whose behalf it holds units all such information in relation to the relevant class of the Fund as it receives as the registered unitholder. The Trustee's permission to hold units other than in the Nominee Unitholder's name will normally be given provided that the Trustee is satisfied that the person in whose name units are proposed to be held will not commit a breach of any applicable law or regulation, including without limitation any minimum holding requirements, in relation to its holding of units in the Fund or any class, as a consequence of being registered as a unitholder.

In applying for units, as the beneficial holder of units, each investor agrees to indemnify the Nominee Unitholder against all costs, expenses and liabilities (other than those arising from the Nominee Unitholder's negligence or wilful default) arising from the fact that units are registered in the name of the Nominee Unitholder or arising from the discharge of the nominee service.

The Nominee Unitholder reserves the right to terminate the nominee arrangement in respect of any investor or investors generally on 30 days' written notice.

The relevant investment in the relevant class will normally be made on the Dealing Day which is:

- (i) in respect of investments in any class which is not a money market fund which are made by HK dollar cheque or bank draft, the same Business Day on which that cheque or bank draft is received at the Application and Redemption Office (if received before the Dealing Deadline) or the next Business Day (if received after the Dealing Deadline);
- (ii) in respect of investments in any class which are made by US dollar cheque or bank draft, as soon as practicable and in any event not more than 22 Business Days after the day on which that cheque or bank draft is received at the Application and Redemption Office (if received before the Dealing Deadline) or within 23 Business Days after the day on which that cheque

or bank draft is received at the Application and Redemption Office (if received after the Dealing Deadline); and

- (iii) in respect of investments in any class which is a money market fund which are made by HK dollar cheque or bank draft, within 3 Business Days after the day on which that cheque or bank draft is received at the Application and Redemption Office (if received before the Dealing Deadline) and subject to receipt of cleared monies, or within 4 Business Days after that day (if received after the subscription Dealing Deadline) and subject to receipt of cleared monies.

Investors will be notified of the precise number of units issued to them within 10 Business Days of the date of issue or as soon as reasonably practicable.

Units will be issued in non-certificated form provided that registered unitholders may request that certificates be issued to them subject to payment of a nominal fee determined by the Manager from time to time. Investors holding units through the Nominee Unitholder are not entitled to receive certificates for their units. Units will not be issued in bearer form. For all investors who appoint the Nominee Unitholder to hold their units, units will be registered in the name of the Nominee Unitholder on behalf of such investors and the Nominee Unitholder will be treated as the unitholder for all purposes. If the appointment of a nominee unitholder (other than the Trustee) is terminated for any reason, the Trustee may either appoint a new nominee unitholder or act as nominee unitholder itself.

Subject to the provisions of the Trust Deed, the Manager may, in its discretion, adopt different application procedures from time to time or on a case by case basis.

#### *Redemption of Units*

Units may be redeemed on each Dealing Day at the Redemption Price calculated on the Valuation Day in respect of such Dealing Day. In the case of Standard Units, Unitholders shall not however be entitled to redeem part only of their holding of units if such redemption would result in the relevant unitholder holding less than the relevant minimum holding of Units (as more particularly described below and in the relevant schedule to the Trust Deed and appendices hereto). Unitholders of Provident Fund Units are not subject to any minimum holding of Units.

Redemption requests must be given to the Application and Redemption Agent in writing or by facsimile or in such other manner as the Manager may agree and must specify:-

- the name of the relevant class;
- the number or value of units to be redeemed;
- the name(s) of the holder(s); and
- payment instructions for the redemption proceeds.

The original of any redemption request given by facsimile should be forwarded to the Application and Redemption Agent. Neither the Manager, the Trustee nor the Application and Redemption Agent shall be responsible to a Unitholder for any loss resulting from non-receipt of any redemption request sent by facsimile.

Redemption requests received by the Application and Redemption Agent prior to the Dealing Deadline on a Dealing Day will be dealt with on that Dealing Day. Redemption requests received by the Application

and Redemption Agent after the Dealing Deadline or on a day which is not a Dealing Day will be carried forward and dealt with on the next Dealing Day. A redemption request, once given, may not be withdrawn, except with the written consent of the Manager. There is no redemption charge.

Subject to any applicable law or regulation, the redemption proceeds will be paid by the Trustee or remitted through the Application and Redemption Agent to the redeeming unitholder in the currency of the relevant class by cheque at the risk of the unitholder (or in such other manner as may be agreed with the Manager) within 10 Business Days of the relevant Dealing Day or as soon as reasonably practicable but in any event in compliance with the requirements under the SFC's Code on Unit Trusts and Mutual Funds. (i.e. currently within one calendar month from the receipt of properly documented redemption requests) Original redemption requests must be received by the Application and Redemption Agent before the redemption proceeds are released, unless the Application and Redemption Agent specifies such other procedures from time to time.

#### *General*

Save as the Manager may otherwise permit from time to time, units may only be subscribed for and redeemed through the Application and Redemption Agent. Applications sent directly to the Manager, the Trustee or any other person may be rejected. No money should be paid to any intermediary in Hong Kong who is not licensed or registered to carry on Type 1 (dealing in securities) regulated activity under Part V of the SFO or exempted from such registration.

### **6. SWITCHING BETWEEN CLASSES**

Unitholders may exchange their units in one class of the Fund for units in another class of the Fund or certain other unit trusts, mutual funds and other investment products offered by the Manager, affiliates of the Manager and certain other companies and entities designated by the Manager and authorised by the SFC and the Authority, by redeeming their units in accordance with the procedure set out in section 5 (headed "Subscription for and Redemption of Units") above and by re-investing the proceeds in such other class of the Fund or such other unit trusts, mutual funds and/or other investment products authorised by the SFC and the Authority in accordance with the provisions of this Offering Document and the relevant offering document(s) for such other unit trusts, mutual funds and/or other investment products.

Unitholders may also be subject to sales charges in connection with such exchanges as described in the relevant offering documents. In the case of other classes in the Fund, the Sales Charge (and other relevant charges) is set out in the appendices to this document.

In the case of switching between classes of the Fund, a Sales Charge, which will be based on the subscription amount payable for units of a class in the Fund (i.e. the Fund being subscribed for), may also apply.

There shall be no switching between different types of sub-classes (either within a particular class or between classes) of the Fund except with the prior approval of the Trustee.

### **7. SUSPENSION OF DETERMINATION OF NET ASSET VALUE AND ISSUE AND REDEMPTION OF UNITS**

#### *Suspension of determination of Net Asset Value and Dealing*

The Manager may, with the consent of the Trustee, temporarily suspend the determination of the Net Asset Value and the issue and redemption of units during:

- any periods (other than ordinary holidays or customary weekend closings), when in the Manager's sole opinion, any market is closed which is the main market for a significant part of the Fund's (or the relevant class') investments or on which trading is restricted or suspended; or
- any period when, in the Manager's sole opinion, an emergency exists as a result of which disposal by the Fund of investments constituting a substantial portion of the assets of the Fund (or the relevant class) is impracticable or it is not possible to transfer money involved in the acquisition or disposition of investments at normal rates of exchange or it is not practically feasible for the Manager fairly to determine the value of any assets of the Fund (or the relevant class); or
- any period when, in the Manager's sole opinion, for any reason, the prices of any investments owned by the Fund (or the relevant class) cannot be reasonably, promptly or accurately ascertained; or
- any period during which there is, in the Manager's sole opinion, a breakdown in the means of communication normally employed in determining the prices of any of the investments or the current prices on any recognised exchange.

Any such suspension shall take effect forthwith upon the declaration thereof (and, subject to the provisions of the Trust Deed, there shall be no redemption of units and/or payment of monies in respect of redemptions until the Manager shall declare the suspension to be at an end). For the avoidance of doubt, notwithstanding any such suspension, redemption proceeds available for settlement in respect of redemption requests which have been fully processed prior to a declaration of suspension will be paid in accordance with the procedures described above under the heading "Redemption of Units". Redemption requests which have not been fully processed prior to a declaration of suspension, as a result of incomplete redemption documentation having been received from a redeeming unitholder, will be dealt with after the Manager has declared the suspension to be at an end. Furthermore, any such suspension shall be notified to the SFC and the Authority without delay and will be notified to unitholders by the Manager. Investors or unitholders applying for units or requesting the redemption or switching of units will also be notified of any such suspension by the Manager at the time of application or receipt of the redemption notice.

A notice will be published in the South China Morning Post, Hong Kong Economic Journal and Hong Kong Economic Times immediately following the decision to suspend dealing in units, and at least once a month during the period of suspension. No units shall be issued or redeemed during a period of suspension.

All suspended redemption requests shall be carried forward automatically to the first effective Valuation Day after the lifting of the suspension, subject to the Manager's discretion to permit a withdrawal of such redemption requests after the declaration of suspension but before the suspension is lifted.

#### *Restriction on Redemptions*

Pursuant to the Trust Deed and subject to the conditions and procedures set out therein, the Manager is entitled, having regard to the interests of unitholders, to limit the total number of units which unitholders are entitled to redeem on any Dealing Day to 10% of the units then in issue or deemed to be in issue. Such limitation shall be applied pro rata to all unitholders who have validly requested redemptions to be effected on such Dealing Day. Any such units which are not redeemed shall be

redeemed on the next succeeding Dealing Day. The Manager shall notify affected unitholders as soon as practicable if redemption requests are carried forward in this manner.

## **8. DISTRIBUTION POLICY**

The Manager may declare dividends out of the assets of each class in accordance with the distribution policy of that class (or where relevant the distribution policy of each sub-class within that class). Dividends may be payable in cash or in units of the relevant class or in units of a different class or in specie or in any combination of the above, in the Manager's discretion.

## **9. FEES AND CHARGES**

### *Manager and Trustee Fees*

Each of the Manager and the Trustee will be entitled to receive a fee payable out of the assets of each class of the Fund at rates not exceeding those specified as being the maximum rate payable to each of them in respect of each class. Such fees will be calculated on a daily basis based on the Net Asset Value of each class, accruing from day-to-day, charged monthly in arrear and payable within 10 Business Days of the end of each calendar month. Different fees may apply in respect of different sub-classes of a class.

For the avoidance of doubt and as noted below, the fees and charges of the Manager's delegates, the Investment Adviser and the Application and Redemption Agent are paid out of the Manager's fees. Fees and charges of the Nominee Unitholder are payable out of Trustee's fees.

### *Other Charges and Expenses*

Each class will bear the costs set out in the Trust Deed which are directly attributable to it. Where such costs are not directly attributable to a specific class, each class will bear such costs in proportion to its respective net asset value or in such other manner as the Manager with the approval of the Trustee shall consider fair. Such costs include but are not limited to the costs of investing and realising the investments of the Fund, the fees and expenses of custodians and sub-custodians of the assets of the Fund, the fees and expenses of the auditors, the costs of obtaining insurance, valuation costs, legal fees, the costs incurred in connection with any listing or regulatory approval, the costs of holding meetings of Unitholders and the costs incurred in the preparation and printing of any explanatory memorandum/offering document.

No advertising or promotional expenses will be charged to the Fund.

There will not be any cost charged to any classes of the Fund with respect to ensuring that the Trust Deed of the Fund complies with the laws and regulations applicable to "approved pooled investment funds" within the meaning of the General Regulation.

### *Soft Commissions*

The Manager may utilise brokers with whom soft commission arrangements are in place and such commissions may be retained, if:

- the goods and services are of demonstrable benefit to unitholders;
- transaction execution is consistent with best execution standards and the brokerage rates are not in excess of customary institutional full-service brokerage rates;

- periodic disclosure is made in the Fund's annual report.

Application for units constitutes consent to the receipt and retention of such soft commissions by the Manager. A note on soft commission arrangements will be included in the Fund's annual and interim reports. Neither the Manager nor any of its connected persons may retain cash rebates.

### *General*

Unless otherwise stated in the relevant class appendix hereto, the establishment costs in connection with the Fund and its classes have been fully amortised.

The Manager will give unitholders not less than 3 months' prior notice of any increases in the level of any fees and charges from current levels up to the maximum levels permitted under the Trust Deed or other relevant documents.

## **10. TAXATION**

### *The Fund*

The Fund is not expected to be subject to Hong Kong tax in respect of any of its authorised activities.

### *Investors*

No tax will be payable by unitholders in Hong Kong in respect of dividends or other distributions of the Fund or in respect of any capital gains arising on the sale, redemption or other disposal of units, except that Hong Kong profits tax may arise where such transactions form part of a trade, profession or business carried on in Hong Kong by such unitholder(s).

Notwithstanding the above, prospective investors should consult their professional advisers on the possible tax consequences of buying, selling, holding, switching or redeeming units under the law of their country of citizenship, residence, incorporation or domicile. Neither the Trustee nor the Manager, nor any of their respective agents or employees, shall advise or be treated as advising prospective investors in this regard at any time.

## **11. REPORTS**

The financial year end of the Fund is 31<sup>st</sup> December. Separate audited annual accounts in respect of each class will be prepared within 4 months of the year end and sent to all unitholders by the Manager and to all other investors by the Nominee Unitholder. Unaudited semi-annual accounts will be prepared within 2 months of the half-year end and sent to all unitholders by the Manager and to all other investors by the Nominee Unitholder.

## **12. PERSONAL DATA**

Subject to applicable laws and regulations, personal data provided by investors and unitholders on application forms and transactions or dealings by investors in relation to the Fund or any class may be used, stored, disclosed and transferred to any person or entity (within or outside Hong Kong) as the Manager or Trustee may consider necessary, including government authorities, regulators and any entity within the AIA group of companies or the PineBridge group of companies.

Subject to applicable laws and regulations, the Manager, the AIA group of companies or the PineBridge group of companies may use the data for the purpose of or in connection with the services they may provide to investors and unitholders including fund related and financial services related services and/or in connection with matching for whatever purpose with other personal data concerning the relevant investors and unitholders and/or for the purpose of promoting, improving and/or furthering the provision of services by entities of the AIA group of companies or the PineBridge group of companies to their customers generally.

Investors and unitholders have a right to request access to and correction of any personal data held by the Trustee and/or the Manager or to request that personal data about them not be used for direct marketing purposes. A copy of the data shall be provided to the relevant investor or unitholder upon request, where necessary, subject to payment of a reasonable charge.

### **13. TERMINATION OF THE FUND AND EACH CLASS AND AMALGAMATION**

The Fund (and/or a class, where noted below) may, with the prior approval of the Authority and the SFC, be terminated in the following circumstances:

#### *By the Trustee*

The Fund may be terminated by the Trustee giving notice to the Manager and thereafter by giving not less than 30 days' (or such longer period as the SFC may require) notice in writing to all unitholders if:

- (i) the Manager shall go into liquidation or ceases business or becomes (in the sole judgment of the Trustee) subject to the de facto control of some corporation or person of whom the Trustee does not approve;
- (ii) in the opinion of the Trustee the Manager shall be incapable of performing (or fails to perform) its duties satisfactorily or shall do any other thing which in the opinion of the Trustee is calculated to bring the Fund into disrepute or to be harmful to the interests of the unitholders, subject as otherwise provided in the Trust Deed;
- (iii) any law shall be passed which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue the Fund;
- (iv) if within a period of 6 months from the date of the Trustee expressing in writing to the Manager the desire to retire the Manager shall have failed to appoint a new trustee under the terms of the Trust Deed;
- (v) if the Trustee is unable to find a qualified corporation acceptable to the Trustee to act as the new investment manager.

Unless otherwise provided in the Trust Deed, the decision of the Trustee in any such event shall be final and binding upon all the parties concerned.

#### *By the Manager*

The Fund or any class may be terminated by the Manager in its absolute discretion by notice in writing as hereinafter provided in any of the following events:

- (i) if the value of the assets of the Fund or the assets of the class shall be less than 2 million Hong Kong dollars (or equivalent if the Fund or the class, as the case may be, is denominated in another currency); or
- (ii) if any law shall be passed which renders it illegal or in the opinion of the Manager impracticable or inadvisable to continue the Fund or the class; or
- (iii) if the Fund or the class shall cease to be authorised pursuant to the SFO.

Unless otherwise provided in the Trust Deed, the decision of the Manager shall be final and binding on all the parties concerned.

#### *By Unitholders*

The Fund or any class may, at any time after 20 years from 10<sup>th</sup> August 1998 (being the date of establishment of the Fund) be terminated by extraordinary resolution of a meeting of the unitholders (or the unitholders in the relevant class) duly convened and held in accordance with the Trust Deed and such termination shall take effect from the date so approved on which the said resolution is passed or such later date if any as the said resolution may provide.

The Manager may propose a scheme of amalgamation under which a class is merged with another collective investment scheme (including another class). Such scheme of amalgamation will only take effect if approved by the Authority and the SFC and by an extraordinary resolution of affected unitholders. If so approved the scheme of amalgamation will be binding on all unitholders of the relevant class and will take effect from the date specified in such extraordinary resolution. Any approval by the Authority and/or the SFC of such scheme of amalgamation will not (and should not be viewed as) implying the Authority's and/or the SFC's recommendation on the merits (or otherwise) of such scheme of amalgamation or recommendation by the Authority and/or the SFC thereof.

## **14. RISK FACTORS**

Investment in certain securities and markets involves a greater degree of risk than that usually associated with investment in other securities or major securities markets. Potential investors should consider the following risks, before investing in any class.

#### *General*

Investors should note that investment in a class or the Fund may decline in value and should be prepared to sustain a substantial loss of their investment in a class or the Fund. Investment in a class or the Fund is not in the nature of a deposit in a bank account and is not protected by any government, government agency or other guarantee scheme which may be available to protect the holder of a bank deposit account. Neither the Manager, nor any of its delegates in respect of any of the classes, nor any of their respective subsidiaries, affiliates, associates, agents or delegates, guarantees the performance or any future return of any class or the Fund.

There is no assurance that the investment objective of any class or the Fund will be achieved. Past performance is not necessarily a guide to future performance and investments should be regarded as medium to long-term. Investment in a class or the Fund should not be the sole or principal component of any investment portfolio.

#### *Accounting Standards Risk*

Accounting standards in some of the countries in which a class may invest may not correspond to international accounting standards. In addition, auditing requirements and standards differ from those generally accepted in international capital markets. Accordingly, a class may have access to less reliable financial information on a class' investments and on other investments than would normally be the case in more sophisticated markets.

#### *Counterparty Risk*

Each class may have credit exposure to counterparties by virtue of positions in forward exchange rate and other financial or derivative contracts held by the class. To the extent that a counterparty defaults on its obligation and the class is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights.

Each class may also be exposed to a credit risk on parties with whom it trades securities, and may also bear the risk of settlement default, in particular in relation to debt securities such as bonds, notes and similar debt obligations or instruments.

#### *Credit Risk*

There can be no assurance that the issuers of securities or other instruments in which a class may invest will not be subject to credit difficulties, leading to either the downgrading of such securities or instruments, or to the loss of some or all of the sums invested in such securities or instruments or payments due on such securities or instruments. A class may also be exposed to a credit risk in relation to the counterparties with whom they transact or place margin or collateral in respect of transactions in financial derivative instruments and may bear the risk of counterparty default. When a class invests in a security or other instrument which is guaranteed by a bank or other type of financial institution there can be no assurance that such guarantor will not itself be subject to credit difficulties, which may lead to the downgrading of such securities or instruments, or to the loss of some or all of the sums invested in such securities or instruments, or payments due on such securities or instruments.

#### *Futures and Options Trading is Speculative and Volatile*

Where relevant, substantial risks are involved in trading futures, forward and option contracts and various other instruments in which the classes may enter into. Certain of the instruments in which the classes may invest are interest and foreign exchange rate sensitive, which means that their value and, consequently, the Net Asset Value, will fluctuate as interest and/or foreign exchange rates fluctuate. A class' performance, therefore, will depend in part on its ability to anticipate and respond to such fluctuations in market interest rates, and to utilise appropriate strategies to maximise returns to the class, while attempting to minimise the associated risks to its investment capital. Variance in the degree of volatility of the market from a class' expectations may produce significant losses to such class.

#### *Emerging Markets Risk*

Certain classes may invest in equity or debt securities of companies in 'emerging' or 'developing' markets. Such securities may involve a high degree of risk and may be considered speculative. Risks include (i) greater risk of expropriation, confiscatory taxation, nationalization, and social, political and economic instability; (ii) the small current size of the markets for securities of 'emerging' or 'developing' markets issuers and the currently low or non-existent volume of trading, resulting in lack of liquidity and in price volatility; (iii) certain national policies which may restrict a class' investment opportunities including restrictions on investing in issuers or industries deemed sensitive to relevant national interests;

(iv) the absence of developed legal structures governing private or foreign investment and private property; (v) the legal infrastructure and accounting, auditing and reporting standards in ‘emerging’ or ‘developing’ markets may not provide the same degree of shareholder protection or information to investors as would generally apply internationally; (vi) potentially a greater risk regarding the ownership and custody of securities i.e. in certain countries, ownership is evidenced by entries in the books of a company or its registrar. In such instances, no certificates representing ownership of companies will be held by the Trustee or any of its local correspondents or in an effective central depository system; and (vii) ‘emerging’ or ‘developing’ markets may experience significant adverse economic developments, including substantial depreciation in currency exchange rates or unstable currency fluctuations, increased interest rates, or reduced economic growth rates than investments in securities of issuers based in developed countries.

The economies of ‘emerging’ or ‘developing’ markets in which a class may invest may differ favourably or unfavourably from the economies of industrialised countries. The economies of ‘emerging’ or ‘developing’ countries are generally heavily dependant on international trade and have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. Investments in ‘emerging’ or ‘developing’ markets entail risks which include the possibility of political or social instability, adverse changes in investment or exchange control regulations, expropriation and withholding of dividends at source. In addition, such securities may trade with less frequency and volume than securities of companies and governments of developed, stable nations and there is also a possibility that redemption of units following a redemption request may be delayed due to the illiquid nature of such investments.

#### *Small Capitalised Companies Risk*

Certain classes may invest in equity or debt securities of small capitalised companies. Investments in small capitalised companies may involve greater risk than is customarily associated with larger, more established companies. The securities of small or medium-sized companies are often traded over-the-counter, and may not be traded in volumes typical of securities traded on a national securities exchange. Consequently, an investment in securities of smaller capitalised companies may be more illiquid than that of larger capitalisation stocks and may be subject to more volatility than securities of larger, more established companies. In addition, the quality, reliability, and availability of information for smaller to mid capitalisation companies may not provide the same degree of information and may be less transparent than investors would generally expect from large capitalisation companies. Rules regulating corporate governance may be underdeveloped or less stringent than regulations applicable to large capitalisation companies which may increase investment risk and offer little protection to investors.

#### *Global Financial Market Crisis and Governmental Intervention*

The global financial markets are currently undergoing pervasive and fundamental disruptions and dramatic instability. The extent to which the underlying causes of instability are pervasive throughout global financial markets and have the potential to cause further instability is not yet clear but these underlying causes have led to extensive and unprecedented governmental intervention. Regulators in many jurisdictions have implemented or proposed a number of wide-ranging emergency regulatory measures, including a proposed “bailout fund” in the United States, and restrictions on the short selling of financial and other stocks in many jurisdictions. Such intervention has in certain cases been implemented on an “emergency” basis without much or any notice with the consequence that some market participants’ ability to continue to implement certain strategies or manage the risk of their outstanding positions has been suddenly and/or substantially eliminated. In addition, due to the uncertain stability of global financial institutions, the security of assets held by any financial institution cannot be guaranteed, notwithstanding

the terms of any agreement with such institution. Given the complexities of the global financial markets and the limited time frame within which governments have been able to take action, these interventions have sometimes been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of such markets as well as previously successful investment strategies. It is impossible to predict with certainty what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on ability of any class to implement its investment objective/investment policy. However, the Manager believes that there is a likelihood of increased regulation of the global financial markets, which increased regulation could be materially detrimental to the performance of the class.

#### *Investing in Fixed Income Securities and Sovereign Debt Risk*

Investment in fixed income securities is subject to interest rate, sector, security and credit risks. Lower-rated securities will usually offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry. Lower-rated securities generally tend to reflect short-term corporate and market developments to a greater extent than higher-rated securities which respond primarily to fluctuations in the general level of interest rates. There are fewer investors in lower-rated securities and it may be harder to buy and sell such securities at an optimum time.

The volume of transactions effected in certain international bond markets may be appreciably below that of the world's largest markets, such as the United States. Accordingly, a class' investment in such markets may be less liquid and their prices may be more volatile than comparable investments in securities trading in markets with larger trading volumes. Moreover, the settlement periods in certain markets may be longer than in others which may affect portfolio liquidity.

Many fixed income securities especially those issued at high interest rates provide that the issuer may repay them early. Issuers often exercise this right when interest rates decline. Accordingly, holders of securities that are pre-paid may not benefit fully from the increase in value that other fixed income securities experience when rates decline. Furthermore, in such a scenario a class may re-invest the proceeds of the pay-off at the then current yields, which will be lower than those paid by the security that was paid off. Pre-payments may cause losses on securities purchased at a premium, and unscheduled pre-payments, which will be made at par, will cause that class to experience loss equal to any unamortized premium.

In addition, a class may invest in sovereign debt securities, including but not limited to those issued by sovereign/government bodies of countries in the Eurozone, and may accordingly be subject to credit and/or default risks of the same. Particularly high (or increasing) levels of government fiscal deficit and/or high levels of government debts, amongst other factors, may adversely affect the credit rating of such sovereign debt securities and may lead to market concerns of higher default risk. In the unlikely event of downgrading or default, the value of such class may be adversely affected resulting in the loss of some or all of the sums invested in such securities.

#### *Liquidity Risk*

Each class endeavours to acquire only such financial instruments for which a liquid market exists. However, the liquidity of certain securities may vary. Moreover, the accumulation and disposal of holdings in some investments may be time consuming and may need to be conducted at unfavourable prices. Each class may also encounter difficulties in disposing of assets at their fair market price due to adverse market conditions leading to limited liquidity.

#### *Market Disruptions*

A class may incur major losses in the event of disrupted markets and other extraordinary events which may affect markets in a way that is not consistent with historical pricing relationships. The risk of loss from a disconnect with historical prices is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to a class from its banks, dealers and other counterparties will typically be reduced in disrupted markets. Such a reduction may result in substantial losses to such class. Sudden restrictions of credit by the dealer community has resulted in forced liquidations and major losses for a number of investment funds and other vehicles. Because market disruptions and losses in one sector can cause ripple effects in other sectors, many investment funds and other vehicles have suffered heavy losses even though they were not necessarily heavily invested in credit-related investments. A financial exchange may from time to time suspend or limit trading. Such a suspension could render it difficult or impossible for any of the class to liquidate affected positions and thereby expose the class to losses. There is also no assurance that off-exchange markets will remain liquid enough for the class to close out positions.

#### *Reliability of Credit Ratings*

A class may in accordance with its investment policy only be permitted to invest in securities/investments of a certain credit rating. Credit ratings may however not always be an accurate or reliable measure of the strength of the securities/investments being invested in. Where such credit ratings prove inaccurate or unreliable losses may be incurred by any class which has invested in such securities/investments.

#### *Reliability of Information*

There is no assurance that the sources of the information concerning the targeted countries are wholly reliable. Official statistics may be produced on a basis different to that used in developed countries. Any statements relating to some of the targeted countries must therefore be subject to some degree of uncertainty due to doubts about the reliability of available official and public information.

#### *Suspension of Dealing*

In certain situations the Manager may with the consent of the Trustee temporarily suspend the determination of the Net Asset Value of the Fund and/or any class. Any such suspension would result in the suspension of the issuing and redemption of the Fund and/or relevant class' units to and from its unitholders during such period of suspension.

#### *Conflicts of Interest*

PineBridge and its affiliates are engaged in a broad spectrum of activities, including, among others, financial advisory services, merchant banking, consumer finance, brokerage services, principal investments and sponsoring, managing and arranging private and public investment funds. In the ordinary course of their businesses, PineBridge and its affiliates may engage in activities where their interests or the interests of their clients conflict with the interests of the Fund and each of its classes.

The Manager, its delegates and their affiliates may provide investment management and other services to other clients (including investment companies), including clients which may invest in the securities in which the Fund and each class may invest, and, in providing such services, may use information obtained by the Manager, its delegates or their affiliates which is used in managing the Fund's and each class' investments. In the event of a conflict of interest arising, the Manager or its delegate or their affiliates will

ensure that it is resolved fairly in the best interests of the unitholders and that investment opportunities shall be fairly allocated to their respective clients.

The Manager, the Trustee and/or their delegates (each a "Party" and collectively the "Parties") are or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the interests of the Fund which include the valuation of unlisted securities (in circumstances in which fees payable to the Party valuing such securities may increase as the value of the assets increases) or the Parties may engage in transactions with the Fund and each class whereby any of the Parties, their affiliates or any other party having an interest in the Fund or any of its classes, or any of their affiliates is acting in the capacity of broker, intermediary, principal or counterparty provided that such transactions are carried out on terms similar to those which would apply in a like transaction between parties not connected with the Parties and such transactions are carried out on normal commercial terms negotiated at arm's length, are in the best interests of unitholders, and

- (i) the valuation is certified by a person approved by the Trustee (or in the case of a transaction involving the Trustee, by the Manager) as independent and competent; or
- (ii) the execution of such transaction is on best terms reasonably obtainable on an organised investment exchange or other regulated market under its rules, or
- (iii) where (i) and (ii) are not practical, such transactions shall be executed on terms which the Trustee (or in the case of a transaction involving the Trustee, the Manager) is satisfied conform to the principle that the transaction is carried out as if effected on normal commercial terms, to ensure that the transactions are negotiated at arm's length and that they are in the best interests of unitholders.

In these circumstances, or where non-listed securities are being valued by a competent person, should any conflict arise due to the competent person being a party connected with the Fund or any of its class, it will be resolved fairly and in the best interests of unitholders.

#### *Political and/or Regulatory Risks*

The value of a class's assets may be affected by uncertainties such as international political developments, changes in government policies, taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of jurisdictions in which investments may be made. Furthermore, it should be noted that the legal infrastructure and accounting, auditing and reporting standards in certain jurisdictions in which investments may be made do not provide the same degree of investor protection or information to investors as they would generally receive in major securities markets.

#### *Currency Risk*

The Net Asset Value per unit will be computed in the currency in which the relevant class is denominated. If the class's investments are in a wide range of currencies, some of which may not be freely convertible currencies, investors will be exposed to additional currency risk. It may not be possible or practicable to hedge against the consequential currency risk exposure and in certain instances the Manager may not consider it desirable to hedge against such risk. The Manager will enter into hedging transactions at its sole discretion and solely for the purposes of efficient portfolio management.

### *Settlement Risk*

The trading and settlement practices and the reliability of the trading and settlement systems of some of the markets or exchanges on which the class may invest may not be the same as those in more developed markets, which may increase settlement risk and/or result in delays in realising investments made by the class.

### *Volatility Risk*

All markets are subject to volatility based on prevailing economic conditions. Securities in 'emerging' or 'developing' markets may involve a higher degree of risk due to the small current size of the markets for securities of 'emerging' or 'developing' market issuers and the currently low or non-existent volume of trading, which could result in price volatility. Certain economic and political events in 'emerging' or 'developing' economies, including changes in foreign exchange policies and current account positions, could also cause greater volatility in exchange rates. As stated previously, some of the markets or exchanges on which a class may invest may prove to be highly volatile from time to time.

### *Early Termination Risk*

In the event of the early termination of the Fund and/or any class, the Fund and/or class may have to realize and distribute the remaining assets in the Fund and/or class *pari passu* to affected unitholders of the relevant class. It is possible that at the time of such realisation or distribution, certain investments held by the Fund and/or class may be worth less than their initial acquisition cost or book value, resulting in a substantial loss to affected unitholders. Moreover, any unamortized organisational or establishment costs or expenses in respect to the Fund and/or any class may be debited against the Fund's and/or relevant class' capital at that time.

The circumstances under which a Fund and/or class may be terminated are set out in section 13.

## **15. MISCELLANEOUS**

### *Modifications to the Trust Deed*

The Trustee and the Manager may, from time to time, with the prior approval of the Authority and SFC, amend the Trust Deed provided that such amendments, as certified in writing by the Trustee:

- (i) are necessary to make possible compliance with any relevant regulations; or
- (ii) do not materially prejudice unitholders' interests, do not to any material extent release the Trustee, Manager or any other person from any liability to unitholders and do not increase the costs and charges payable from the assets of the Fund; or
- (iii) are necessary to correct a manifest error.

The Manager shall notify unitholders within 30 days of the execution of such supplemental deed evidencing any such alteration, modification or addition unless such alteration, modification or addition in the opinion of the Trustee shall not affect the sense or substance thereof.

In all other cases, amendments to the Trust Deed require the sanction of an extraordinary resolution of unitholders affected by such amendments, as provided for in the Trust Deed. Such amendment(s) shall

not take effect unless and until approved by the SFC by written notice to the Trustee and by the Authority.

For the avoidance of doubt, the Trustee and the Manager may, from time to time, with the prior approval of the SFC and Authority amend any other constitutive documents and material contracts in respect of the Fund.

## **16. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the most recent annual and semi-annual reports for the Fund and each class may be obtained free of charge from the Application and Redemption Agent.

Copies of the following documents are available for inspection (free of charge) on any Business Day and may be obtained at a cost to cover copying, postage and packaging from the Application and Redemption Agent at its Application and Redemption Office:

- the latest Trust Deed
- the following material contracts:
  - Amended and Restated Application and Redemption Agency Agreement dated 14<sup>th</sup> December 2010 and Novation Agreement dated 14<sup>th</sup> December 2010
  - Administrator's Letter Agreement
  - Custodian Agreement
  - Delegation Agreements

## SCHEDULE

### GENERAL INVESTMENT RESTRICTIONS

The following is a summary of the investment and borrowing restrictions including those contained in Schedule 1 to the General Regulation which apply to each class of the Fund except to the extent that they are excluded, supplemented or amended by the investment and borrowing restrictions specific to each class (if any), which are described in the appendices to this document. Full details of the general investment restrictions are set out in the Trust Deed. For the avoidance of doubt, and insofar as these are more restrictive, each class of the Fund will also adhere to the investment and borrowing restrictions contained in the SFC's Code on Unit Trusts and Mutual Funds and comply with the requirements of the SFC's Code on MPF Products, insofar as applicable and unless otherwise agreed with the SFC and the Authority.

#### *Spread of Investments*

- 1.1 The total amount invested in securities and other permissible investments (excluding an investment permitted under section 11 of this Schedule) issued by any one person must not exceed 10% of the value of assets of the class.
- 1.2 Not more than 10% of the shares of a particular class, or the total amount of debt securities, issued by one person may be acquired for the account of the class.

#### *Restrictions on Borrowing and Lending of Securities*

2. Securities may not be borrowed for the account of the class for any purpose and securities held for the account of the class may only be lent if the lending is in respect of fully paid-up shares listed on an approved stock exchange and if the following requirements are fulfilled:
  - (i) the lending is pursuant to and in accordance with a written security lending agreement between the Trustee (or a duly authorised custodian or sub-trustee) and the borrower of the securities;
  - (ii) the lending complies with the Authority's Guideline III.7 on Securities Lending, to the extent that it applies to the Fund;
  - (iii) the amount of the consideration (including the value of any collateral security) received from the securities lent exceeds the value of the securities;
  - (iv) not more than 10% of the value of the assets of a class may be subject to security lending agreements at any one time;
  - (v) not more than 50% of the securities of the same issue, or the same kind, held for the account of a class may be the subject of security lending agreements at any one time; and

All gains and losses (net of costs, expenses and agency fees (if any)) arising from security lending transactions shall accrue to the relevant class of the Fund. The term "securities lending agreement" is defined in the Trust Deed.

#### *Restrictions on Borrowing of Money*

3. Money may only be borrowed for the account of a class for the purposes of enabling redemption money to be paid to a unitholder or settling a transaction relating to the acquisition of securities or other investments for the account of a class. In both cases, the amount borrowed (together with any other borrowings made for the same purpose) shall not exceed 10% of the value of the assets of the class at the time of the borrowing and the borrowing shall not be a part of a series of borrowings. The period of borrowing shall not exceed 90 days in the former case and 7 working days in the latter case. Further, in respect of the latter case, money may only be borrowed for the account of the class if, at the time the decision to enter into the transaction was made, it was unlikely that the borrowing would be necessary.

*Restrictions on Acquiring Securities that carry Unlimited Liability*

4. A security involving the assumption of a potential liability that is unlimited must not be acquired. No short-sale may be entered into. Also, no liability may be incurred for the account of a class which is in excess of the total value of the assets of the class. A class may not acquire any security in respect of which a call is or may be made unless that call could be met in full out of cash or near cash held for the account of the class.

*Permissible Investments - Debt Securities*

5. The assets of the class may be invested in debt securities (“specified debt securities”) which:
  - (i) are issued by an Exempt Authority (subject to certain requirements as to maximum amount of investment and diversification of issues), or
  - (ii) the repayment of the principal and the payment of interest is unconditionally guaranteed by an Exempt Authority, or
  - (iii) satisfy a minimum credit rating set by the Authority, or
  - (iv) are listed on an approved stock exchange, being a security issued by, or guaranteed by a company whose shares are listed on that exchange or another approved stock exchange.

Section 1 above does not apply in relation to a debt security of a kind referred to in sub-section 5 (i) and (ii) above and the following provisions apply instead:

- (a) not more than 30% of the assets of a class may be invested in debt securities of the same issue if they are of a kind referred to in either of those sub-sections; and
  - (b) all of the assets of a class may be invested in debt securities of the same issuer so long as they comprise at least 6 different issues and are of a kind referred to in either of those sub-sections.
6. The assets of a class may be applied for the purposes of entering into a repurchase agreement only if the agreement is in respect of a specified debt security (i.e. a debt security referred to in paragraph 5 (i) - (iv) above) and the following requirements are complied with:

- (i) the repurchase agreement is entered into by the Trustee, or if some other person has been appointed as the sub-trustee or custodian of the assets of the class, that other person who must have been duly authorised to enter into repurchase agreements;
- (ii) the repurchase complies with the Authority's Guideline III.8 on Repurchase Agreements, to the extent that it applies to the Fund;
- (iii) the repurchase agreement may only be entered into if the consideration received (including the value of any collateral security) for the account of the class exceeds the value of the security;
- (iv) not more than 10% of the value of the assets of the class are subject to repurchase agreements at any one time;
- (v) not more than 50% of the securities of the same issue held for the account of the class are the subject of repurchase agreements at any one time; and
- (vi) none of the assets of the class may be the subject of a reverse repurchase agreement.

For the avoidance of doubt, the terms “repurchase agreement” and “reverse repurchase agreement” in section 6 above shall bear the meanings attributed to them in the Trust Deed.

*Permissible Investments - Equities and Other Securities*

7. The assets of a class may be invested in:

- (i) fully paid-up shares listed on an approved stock exchange other than the shares of a company which is a collective investment scheme defined under the Securities and Futures Ordinance;
- (ii) an index-tracking collective investment scheme approved by the Authority for the purposes of section 6A of Schedule 1 to the General Regulation;
- (iii) securities listed on an approved stock exchange that are approved, or are of a kind approved by the Authority.

8. Not more than 10% in total of the assets of the class may be invested in:

- (i) fully paid-up shares listed on a stock exchange which is not an approved stock exchange, other than the shares of a company that is a collective investment scheme;
- (ii) securities that are approved, or are of a kind approved by the Authority, other than shares listed on an approved stock exchange; and
- (iii) subject to section 5.2 of Schedule C of the Trust Deed (which is summarized in the second paragraph of section 18 of this Schedule), a unit trust or mutual funds authorised by the SFC under s.104 of the Securities and Futures Ordinance to which Part IV of Schedule 1 to the General Regulation does not apply but which is approved by the Authority for the purposes of Part II of Schedule 1 to the General Regulation.

*Permissible Investments - Convertible Debt Securities*

9. The assets of a class may be invested in convertible debt securities which:
- (i) are listed on an approved stock exchange and convertible to shares listed on an approved stock exchange and convertible in the manner set out in the Trust Deed; or
  - (ii) satisfy the minimum credit rating requirements for a debt security set by the Authority.

*Permissible Investments - Warrants*

10. Up to 5% of the value of the assets of a class may be invested in warrants provided that:
- (i) the warrants are listed on an approved stock exchange or an approved futures exchange; and
  - (ii) the underlying ordinary shares to which the warrants may be converted are listed on an approved stock exchange; and
  - (iii) the warrants do not (except when the warrant is purchased for the specific purpose of hedging) contain any put warrant.

*Permissible Investments - Deposits*

11. The assets of a class may be deposited with an authorised financial institution or an eligible overseas bank in accordance with the provisions of paragraph 10 of Schedule C of the Trust Deed. In summary, this provides that not more than 10 per cent. of the value of the assets of a class may be placed on deposit with an authorised financial institution or an eligible overseas bank, subject to certain restrictions, where the value of the assets of the class is more than HK\$8 million. If the value of the assets of the class is less than HK\$8 million, not more than 25 per cent. of the value of the assets of the class may be placed on deposit with an authorised financial institution or eligible overseas bank.

*Permissible Investments - Securities to be Listed*

12. The assets of a class may in certain circumstances be applied for acquiring certain types of securities that are to be listed on an approved stock exchange or an approved futures exchange. Further details can be found at paragraph 11 of Schedule C of the Trust Deed.

*Financial Futures Contracts and Financial Options Contracts - restrictions on acquisition*

13. Save as provided below, the assets of a class may, for hedging purposes, be applied to acquire financial futures contracts which are traded on an approved futures exchange and financial options contracts which are traded on an approved futures exchange or an approved stock exchange. Investment in such instruments, other than for hedging purposes may only be made where the acquisition does not result in the class becoming leveraged and subject to limitations as to effective exposure and aggregate contract prices in accordance with the provisions of paragraph 12 of Schedule C of the Trust Deed. A financial futures contract or financial options contract may only be acquired for a class if the Trustee and the Manager have special qualifications approved or specified by the Authority for the purpose of section 14 of Schedule 1 to the General Regulation.

For the avoidance of doubt, the terms “leveraged” and “effective exposure” noted above in relation to a class shall bear the meanings attributed to them in the Trust Deed.

*Currency Forward Contracts - Restrictions on Acquisition*

14. Currency forward contracts may be acquired only for hedging purposes or for the purpose of settling a transaction relating to the acquisition of securities.

Currency forward contracts may only be acquired from an authorised financial institution or an eligible overseas bank and the period of the contract must not exceed 12 months. A currency forward contract must not be acquired from a branch outside Hong Kong of an authorised financial institution incorporated outside Hong Kong unless the authorised financial institution satisfies a minimum credit rating set by the Authority, based on the credit rating of the authorised financial institution as determined by an approved credit rating agency.

*Miscellaneous*

15. The assets of a class may not be invested in real estate (including buildings) or interests in real estate (including options or rights, but excluding shares in real estate companies).
16. A class may not lend, assume guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person without the prior written consent of the Trustee.
17. A class may not invest in any security of any class in any company or body if any director or officer of the Manager individually owns more than 0.5% of the total nominal amount of all issued securities of that class or, collectively, the directors and officers of the Manager own more than 5% of these securities.

If the assets of a class are invested in another collective investment scheme managed by the Manager or an associate of the Manager, no additional initial charges may be imposed in relation to the management of such other collective investment scheme.

*Permissible Investments - General Restrictions*

18. The assets of a class may be invested only in investments that satisfy the requirements of sections 5-17 of this Schedule or in an approved pooled investment fund that satisfies the requirements of Part IV of Schedule I to the General Regulation, but only if the underlying investments of that “approved pooled investment fund” comply with Schedule C of the Trust Deed, as summarised above.

The aggregate value of a class's holding of units in one or more collective investment schemes may not exceed 10% of the value of such class's assets.

No increase in the overall level of sales charges, management fees and other costs and expenses payable to the Manager or any of its connected persons may be charged to or borne by a class or any unitholder as a result of the assets of the class being invested in a collective investment scheme managed by the Manager or any connected person of the Manager.

*Restriction on entering into repurchase, reverse repurchase or stocklending agreements*

Notwithstanding the above and/or any power or flexibility provided under the Fund's constitutive documents to do so, the Manager has determined that the Fund and its classes will not enter into repurchase, reverse repurchase or stocklending agreements. Should this policy change in the future\*, subject to the prior approval of the SFC and the Authority, the Manager will notify unitholders at least one month in advance. This Offering Document will also be updated accordingly.

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\* Unitholders should note that under current legislation, the use of reverse repurchase agreements is not allowed.

## APPENDIX I

### PINEBRIDGE HONG KONG DOLLAR MONEY MARKET FUND

*Unitholders and prospective investors in this class should note that the different fees payable in relation to Standard Units and Provident Fund Units will be reflected in the Net Asset Value per unit of each sub-class.*

#### (A) STANDARD UNITS

##### 1. Investment objectives and policies

The investment objective of the PineBridge Hong Kong Dollar Money Market Fund is to preserve principal value and maintain a high degree of liquidity while providing current income by investing in short-term, high quality Hong Kong dollar denominated instruments in Hong Kong.

This class is expected to provide a return in excess of the average Hong Kong dollar savings rate. Implementation of the investment policy is considered to be of low inherent risk.

While the Manager will endeavour to achieve the investment objective for the class, the Manager cannot guarantee the extent to which the investment objective will be achieved.

In pursuing the investment objective, the Manager will comply with the investment and borrowing restrictions set out in this appendix and in the Schedule (headed "General Investment Restrictions") to this document, which summarizes and incorporates by reference those investment and borrowing restrictions contained in Schedule 1 to the General Regulation. The restrictions so incorporated by reference apply to the class, except to the extent that they are excluded, supplemented or amended by the investment and borrowing restrictions set out in this appendix.

##### 2. Risk factors

Investors should be aware that purchasing units in this class is not the same as placing funds on deposit with a bank or deposit taking company, that neither the Trustee nor the Manager has any obligation to redeem units at the issue price and that this class is not subject to the supervision of the Hong Kong Monetary Authority.

Investors should also be aware of the following risk factors:

- (i) all financial markets and therefore the value of this class may at times be adversely affected by changes in political, economic and social conditions and policies;
- (ii) investments are subject to the risks inherent in all securities. The value of holdings may rise as well as fall;
- (iii) this class may invest in debt securities whose values will be subject to interest rate movements; and
- (iv) this class may invest in deposits and debt securities and hence may be exposed to default and settlement risks.

**3. Minimum holding**

On initial application: one unit.

Subsequently: no minimum (or such higher amounts as the Manager may specify from time to time).

**4. Currency of denomination**

Hong Kong dollars.

**5. Investment and borrowing restrictions**

In addition to the provisions of the General Investment Restrictions, the class may only invest not more than 50% of the total value of the class in Specified Deposits for a term not exceeding 12 months and/or not more than 80% of the total value of the assets of the class in debt securities which (i) are issued by an Exempt Authority (subject to certain requirements as to maximum amount of investment and diversification of issues) and /or (ii) the repayment of the principal and the payment of interest is unconditionally guaranteed by an Exempt Authority or (iii) satisfy a minimum short-term credit rating set by the Authority. Investments in Specified Deposits must be made in accordance with the provisions of paragraph 10 of Schedule C of the Trust Deed.

The class must maintain an average portfolio maturity not exceeding 90 days. The class must not purchase debt securities with a remaining maturity of more than one year in the case of the debt securities in (iii) above, or two years in the case of the debt securities in (i) and (ii) above.

Not more than 10% of the investments issued by a single issuer may be acquired for the account of the class and the aggregate value of the class's holdings of investments issued by a single issuer may not exceed 10% of the total Value of the class provided that:

- (i) not more than 30% of the assets of the class may be invested in debt securities of the same issue issued or unconditionally guaranteed as to both principal and interest by an Exempt Authority; and
- (ii) all of the assets of the class may be invested in debt securities of the same issuer issued or guaranteed as to both principal and interest by an Exempt Authority so long as they comprise at least six different issues.

The class may not:

- (i) borrow or lend investments;
- (ii) acquire any investment involving the assumption of unlimited liability or liability in excess of the total value of the assets of the class;
- (iii) invest in equities (including convertible debt securities), Collective Investment Schemes, warrants, options or Derivatives;

- (iv) underwrite any issue of securities;
- (v) participate in offers to the public of securities.

The class may invest only in Hong Kong dollar denominated instruments.

The class may only invest its assets in a manner that complies with section 37(2) of the General Regulation.

**6. Distribution policy**

Distributions are at the discretion of the Manager but it is intended that all profits accruing to the class will be retained in the class and, accordingly, no distributions will be made.

**7. Sales charge**

Nil.

(Fee for switching from units of another class of the Fund to units of this class: Nil).

**8. Management fee**

Not exceeding 1.0% per annum (currently as set out in Supplemental Fee Appendix attached)

**9. Trustee's fee**

Not exceeding 0.05% per annum (currently as set out in Supplemental Fee Appendix attached).

**10. Custodian's fee**

Not exceeding 0.50% per annum (currently as set out in Supplemental Fee Appendix attached, subject to review from time to time).

**11. Administrator's fee**

Currently nil, but may be subject to such registration and other fees as the Manager may approve from time to time (subject to review from time to time).

**12. Unamortised Preliminary expenses**

Nil.

**13. MPF compliance costs**

Nil.

**(B) PROVIDENT FUND UNITS**

As (A) above except for the following:

**1. Management fee**

Nil.

**2. Trustee's fee**

Nil.

**3. Custodian's fee**

Not exceeding 0.50% per annum (currently as set out in Supplemental Fee Appendix attached, subject to review from time to time. and subject always to section 37 of the General Regulation).

**4. Minimum holding**

Nil.

## APPENDIX II

### PINEBRIDGE HONG KONG DOLLAR FIXED INCOME FUND

*Unitholders and prospective investors in this class should note that the different fees payable in relation to Standard Units and Provident Fund Units will be reflected in the Net Asset Value per unit of each sub-class.*

#### **(A) STANDARD UNITS**

##### **1. Investment objectives and policies**

The PineBridge Hong Kong Dollar Fixed Income Fund is a fixed income fund that seeks to provide investors with a stable source of high recurring income through a managed portfolio of bonds and other income yielding securities. The class's objective is to provide security of capital as well as a comparatively high level of income by investing in a range of capital and money market fixed and floating rate instruments, either denominated in Hong Kong dollars or, if they are not denominated in Hong Kong dollars, the currency exposure shall be hedged back into Hong Kong dollars in order to ensure that the class has an effective exposure of 100% to the Hong Kong dollar. The Manager may, in its absolute discretion, reduce this percentage should, in its opinion, market or other conditions warrant such reduction. In carrying out the investment objectives of the class, the Manager will seek to maintain an appropriate level of liquidity in the assets of the class so that redemptions of the units under normal circumstances may be made without undue delay upon request of unitholders.

This class is expected to provide a return in excess of the relevant benchmark index, which is currently the HSBC Hong Kong Bond Index. Implementation of the investment policy is considered to be of medium inherent risk.

While the Manager will endeavour to achieve the investment objective for the class, the Manager cannot guarantee the extent to which the investment objective will be achieved.

In pursuing the investment objective, the Manager will comply with the investment and borrowing restrictions set out in this appendix and in the Schedule (headed "General Investment Restrictions") to this document, which summarizes and incorporates by reference those investment and borrowing restrictions contained in Schedule 1 to the General Regulation. The restrictions so incorporated by reference apply to the class, except to the extent that they are excluded, supplemented or amended by the investment and borrowing restrictions set out in this appendix.

The Manager will from time to time acquire financial futures and options contracts for hedging purposes only.

##### **2. Risk factors**

Investors should be aware of the following risk factors:

- (i) all financial markets and therefore the value of this class may at times be adversely affected by changes in political, economic and social conditions and policies;

- (ii) investments are subject to the risks inherent in all securities. The value of holdings may rise as well as fall;
- (iii) this class may invest in debt securities whose value will be subject to interest rate movements; and
- (iv) this class may invest in deposits and debt securities and hence may be exposed to default and settlement risks.

### **3. Minimum holding**

On initial application: one unit.

Subsequently: no minimum (or such higher amounts as the Manager may specify from time to time).

### **4. Currency of denomination**

Hong Kong dollars.

### **5. Investment and borrowing restrictions**

In addition to the provisions of the General Investment Restrictions, all of the assets of the class (other than assets held in cash) should be invested in fixed income securities or other investments which are similar to fixed income securities, in each case, either denominated in Hong Kong dollars or where not denominated in Hong Kong dollars, the currency exposure shall be hedged back into Hong Kong dollars in order to ensure that the class has an effective exposure of 100% to the Hong Kong dollar. The Manager may, in its absolute discretion, reduce this percentage should, in its opinion, market or other conditions warrant such reduction. Not more than 10% of the assets of the class may be invested in securities or other investments that are not denominated in Hong Kong dollars and that are denominated in US dollars or the currencies of other G7 countries. Subject to the provisions of the Schedule, the class may invest up to 30% of its assets in cash and deposits.

### **6. Distribution policy**

Distributions are at the discretion of the Manager but it is intended that all profits accruing to the class will be retained in the class and that, accordingly, no distributions will be made.

### **7. Sales charge**

Not exceeding 6% (currently as set out in Supplemental Fee Appendix attached).

(Fee for switching from Standard Units of another class of the Fund to Standard Units of this class: currently as set out in Supplemental Fee Appendix).

### **8. Management fee**

Not exceeding 1.0% per annum (currently as set out in Supplemental Fee Appendix attached).

**9. Trustee's fee**

Not exceeding 0.05% per annum (currently as set out in Supplemental Fee Appendix attached).

**10. Custodian's fee**

Not exceeding 0.50% per annum (currently as set out in Supplemental Fee Appendix attached, subject to review from time to time).

**11. Administrator's fee**

A transaction fee of HK\$400 per transaction and a valuation fee of HK\$400 for each daily valuation and such registration and other fees as the Manager may approve from time to time (subject to review from time to time).

**12. Unamortized Preliminary expenses**

Nil.

**13. MPF compliance costs**

Nil.

**(B) PROVIDENT FUND UNITS**

As (A) above except for the following:

**1. Sales charge**

Nil.

(Fee for switching from Provident Fund Units of another class of the Fund to Provident Fund Units of this class: Nil.)

**2. Management fee**

Nil.

**3. Minimum holding**

Nil.

## APPENDIX III

### PINEBRIDGE HONG KONG EQUITY FUND

*Unitholders and prospective investors in this class should note that the different fees payable in relation to Standard Units and Provident Fund Units will be reflected in the Net Asset Value per unit of each sub-class.*

#### (A) STANDARD UNITS

##### 1. Investment objectives and policies

The PineBridge Hong Kong Equity Fund seeks to provide capital appreciation through a managed portfolio of shares in companies quoted on The Stock Exchange of Hong Kong Limited. Hong Kong is in the Manager's view well placed to prosper directly from economic activity in Asia and the economic emergence of the People's Republic of China.

This class is expected to provide a return in excess of the relevant benchmark index for this class, which is currently the Hang Seng Index. Implementation of the investment policy is considered to be of high inherent risk.

While the Manager will endeavour to achieve the investment objective for the class, the Manager cannot guarantee the extent to which the investment objective will be achieved.

In pursuing the investment objective, the Manager will comply with the investment and borrowing restrictions set out in this appendix and in the Schedule (headed "General Investment Restrictions") to this document, which summarizes and incorporates by reference those investment and borrowing restrictions contained in Schedule 1 to the General Regulation. The restrictions so incorporated by reference apply to the class, except to the extent that they are excluded, supplemented or amended by the investment and borrowing restrictions set out in this appendix.

The Manager will from time to time acquire financial futures and options contracts for hedging purposes only.

The Trust Deed permits the Manager to engage in securities lending. However, the Manager has determined not to do so for this class. Should this policy change in the future, the Manager will notify unitholders in advance and this Offering Document will be updated accordingly.

##### 2. Risk factors

Investors should be aware of the following risk factors:

- (i) all financial markets and therefore the value of this class may at times be adversely affected by changes in political, economic and social conditions and policies; and
- (ii) investments are subject to the risks inherent in all securities. The value of holdings may rise as well as fall.

##### 3. Minimum holding

On initial application: one unit.

Subsequently: no minimum (or such higher amounts as the Manager may specify from time to time).

**4. Currency of denomination**

Hong Kong dollars.

**5. Investment and borrowing restrictions**

In addition to the provisions of the General Investment Restrictions, at least 70% of the assets of the class (other than assets held in cash) should be invested in equity securities, securities convertible into equity securities and other investments giving exposure to equity securities, in each case where the equity securities are listed or to be listed on The Stock Exchange of Hong Kong Limited (whether or not the investment is itself listed on The Stock Exchange of Hong Kong Limited). The Manager may, in its discretion, reduce this percentage should, in its opinion, market or other conditions warrant such reduction.

**6. Distribution policy**

Distributions are at the discretion of the Manager but it is intended that all profits accruing to the class will be retained in the class and that, accordingly, no distributions will be made.

**7. Sales charge**

Not exceeding 6% (currently as set out in Supplemental Fee Appendix attached).

(Fee for switching from Standard Units of another class of the Fund to Standard Units of this class: currently as set out in Supplemental Fee Appendix).

**8. Management fee**

Not exceeding 1.5% per annum (currently as set out in Supplemental Fee Appendix attached).

**9. Trustee's fee**

Not exceeding 0.05% per annum (currently as set out in Supplemental Fee Appendix attached).

**10. Custodian's fee**

Not exceeding 0.50% per annum (currently as set out in Supplemental Fee Appendix attached, subject to review from time to time).

**11. Administrator's fee**

A transaction fee of HK\$400 per transaction and a valuation fee of HK\$400 for each daily valuation and such registration and other fees as the Manager may approve from time to time (subject to review from time to time).

**12. Unamortized Preliminary expenses**

Nil.

**13. MPF compliance costs**

Nil.

**(B) PROVIDENT FUND UNITS**

As (A) above except for the following:

**1. Sales charge**

Nil.

(Fee for switching from Provident Fund Units of another class of the Fund to Provident Fund Units of this class: Nil).

**2. Management fee**

Nil.

**3. Minimum holding**

Nil.

## APPENDIX IV

### PINEBRIDGE ASIAN FUND

*Unitholders and prospective investors in this class should note that the different fees payable in relation to Standard Units and Provident Fund Units will be reflected in the Net Asset Value per unit of each sub-class.*

#### **(A) STANDARD UNITS**

##### **1. Investment objectives and policies**

The PineBridge Asian Fund seeks long-term capital appreciation by investing in the equity securities of companies which are expected to benefit from the development and growth of the Asian economies outside of Japan.

The equity securities in which the class may invest will include common stock, preferred stock and securities convertible into or exchangeable for such equity securities or which carry warrants to purchase such equity securities.

Over the past 25 years, the major Asian economies have generally performed better than those of Europe and the United States. The Manager has particular knowledge of markets in Asia and believes that such markets have potential for sustained growth. The class will, under normal market conditions, invest the majority of its total assets in equity securities of companies located in, or expected to benefit from the growth of the economies of countries located in Asia excluding Japan. The class may also, to a lesser extent, invest in Australia and New Zealand.

A major proportion of the class's assets are and will be invested in large, well established companies with the remainder being invested in smaller companies. The bulk of the class's investments are and will be quoted or dealt in on a stock exchange or other recognised markets in Asia (excluding Japan). Investments are and will be selected solely on the basis of each issuer's potential capital appreciation, and any income generated will be considered secondary to the pursuit of the class's primary objective, namely, capital appreciation by means of a diversified portfolio.

This class is expected to provide a return in excess of the relevant benchmark index for this class, which is currently the MSCI Far East (excluding Japan and Hong Kong) Index. However, no assurance can be given that the class's investment objective will be achieved. Implementation of the investment policy is considered to be of high inherent risk.

In pursuing the investment objective, the Manager will comply with the investment and borrowing restrictions set out in this appendix and in the Schedule (headed "General Investment Restrictions") to this document, which summarizes and incorporates by reference those investment and borrowing restrictions contained in Schedule 1 to the General Regulation. The restrictions so incorporated by reference apply to the class, except to the extent that they are excluded, supplemented or amended by the investment and borrowing restrictions set out in this appendix.

The Manager will from time to time acquire financial futures and options contracts for hedging purposes only.

The Trust Deed permits the Manager to engage in securities lending. However, the Manager has determined not to do so for this class. Should this policy change in the future, the Manager will notify unitholders in advance and this Offering Document will be updated accordingly.

## **2. Risk factors**

Investors should be aware of the following risks:

- (i) all financial markets and therefore the value of this class may at times be adversely affected by changes in political, economic and social conditions and policies;
- (ii) investments are subject to the risks inherent in all securities. The value of holdings may rise as well as fall; and
- (iii) this class may invest in holdings denominated in other currencies and therefore be exposed to currency movements.

## **3. Minimum holding**

On initial application: one unit.

Subsequently: no minimum (or such higher amounts as the Manager may specify from time to time).

## **4. Currency of denomination**

US dollars.

## **5. Investment and borrowing restrictions**

### *5.1 Restrictions on investment*

In addition to the provisions of the General Investment Restrictions, at least 70% of the assets of the class (other than cash or near-cash securities) should be invested in equity securities, securities convertible into equity securities and other investments giving exposure to equity securities, in each case where the equity securities are listed or to be listed on the stock exchanges of Asia excluding Japan. The Manager may, in its discretion, reduce this percentage should, in its opinion, market or other conditions warrant such reduction.

### *5.2 Restrictions on borrowing, lending and dealing*

The borrowings for the account of the class may not exceed, in aggregate, 10% of the total net assets of the class. In addition, such borrowings may only be made on a temporary basis. The assets of the class may, subject to applicable laws and regulations, be pledged or charged as security for such borrowings.

## **6. Distribution policy**

Distributions are at the discretion of the Manager but it is intended that all profits accruing to the class will be retained in the class and that, accordingly, no distributions will be made.

**7. Sales charge**

Not exceeding 6% (currently as set out in Supplemental Fee Appendix attached).

(Fee for switching from Standard Units of another class of the Fund to Standard Units of this class: currently as set out in Supplemental Fee Appendix).

**8. Management fee**

Not exceeding 1.5% per annum (currently as set out in Supplemental Fee Appendix attached).

**9. Trustee's fee**

Not exceeding 0.05% per annum (currently as set out in Supplemental Fee Appendix attached).

**10. Custodian's fee**

A custodian fee not exceeding 0.50% per annum (currently as set out in Supplemental Fee Appendix attached, subject to review from time to time).

**11. Administrator's fee**

A transaction fee of between US\$15-205 per transaction and a valuation fee of US\$50 per day and such registration and other fees as the Manager may approve from time to time (subject to review from time to time).

**12. Unamortized Preliminary expenses**

Nil.

**13. MPF compliance costs**

Nil.

**(B) PROVIDENT FUND UNITS**

As (A) above except for the following:

**1. Sales charge**

Nil.

(Fee for switching from Provident Fund Units of another class of the Fund to Provident Fund Units of this class: Nil.)

**2. Management fee**

Nil.

**3. Minimum holding**

Nil.

## APPENDIX V

### PINEBRIDGE GLOBAL BOND FUND

*Unitholders and prospective investors in this class should note that the different fees payable in relation to Standard Units and Provident Fund Units will be reflected in the Net Asset Value per unit of each sub-class.*

#### **(A) STANDARD UNITS**

##### **1. Investment objectives and policies**

The PineBridge Global Bond Fund seeks a high level of return from a combination of current income and capital appreciation by investing in a portfolio of debt securities denominated in US dollars and a variety of foreign currencies.

Implementation of the investment policy is considered to be of medium inherent risk.

##### **2. Risk factors**

Investors should be aware of the following risks:

- (i) all financial markets and therefore the value of this class may at times be adversely affected by changes in political, economic and social conditions and policies;
- (ii) investments are subject to the risks inherent in all securities. The value of holdings may rise as well as fall;
- (iii) this class may invest in debt securities whose values will be subject to interest rate movements;
- (iv) this class may invest in deposits and debt securities and hence may be subject to default and settlement risks; and
- (v) this class may invest in holdings denominated in other currencies and therefore be exposed to currency movements.

##### **3. Minimum holding**

For initial application: one unit.

Subsequently: no minimum (or such higher amounts as the Manager may specify from time to time).

##### **4. Currency denomination**

US dollars

##### **5. Investment and borrowing restrictions**

In pursuing the investment objective, the Manager will comply with the investment and borrowing restrictions set out in this appendix and in the Schedule (headed "General Investment Restrictions") to this document, which summarizes and incorporates by reference those investment and borrowing restrictions contained in Schedule 1 to the General Regulation. The restrictions so incorporated by reference apply to the class, except to the extent that they are excluded, supplemented or amended by the investment and borrowing restrictions set out in this appendix. The Manager from time to time acquire financial futures and options contracts for hedging purposes only.

In addition to the provisions of the General Investment Restrictions, the assets of the class shall predominantly be invested in fixed income securities in the international markets, issued by governments, supranational organizations and corporates.

**6. Distribution policy**

Distributions are at the discretion of the Manager, but it is intended that all profits accruing to the class will be retained in the class and that, accordingly, no distributions will be made.

**7. Sales charge**

Not exceeding 6% (currently as set out in Supplemental Fee Appendix attached).

(Fee for switching from Standard Units of another class of the Fund to Standard Units of this class: currently as set out in Supplemental Fee Appendix).

**8. Management fee**

Not exceeding 0.75% per annum (currently as set out in Supplemental Fee Appendix attached).

**9. Trustee's fee**

Not exceeding 0.05% per annum (currently as set out in Supplemental Fee Appendix attached).

**10. Custodian's fee**

A custodian fee not exceeding 0.50% per annum (currently as set out in Supplemental Fee Appendix attached, subject to review from time to time).

**11. Administrator's fee**

A transaction fee of between US\$15-205 per transaction and a valuation fee of US\$50 per day and such registration and other fees as the Manager may approve from time to time (subject to review from time to time).

**12. Unamortized Preliminary expenses**

Nil.

**13. MPF compliance costs**

Nil.

**(B) PROVIDENT FUND UNITS**

As (A) above except for the following:

**1. Sales charge**

Nil.

(Fee for switching from Provident Fund Units of another class of the Fund to Provident Fund Units of this class: Nil.)

**2. Management fee**

Nil.

**3. Minimum holding**

Nil.

## APPENDIX VI

### PINEBRIDGE US EQUITY FUND

*Unitholders and prospective investors in this class should note that the different fees payable in relation to Standard Units and Provident Fund Units will be reflected in the Net Asset Value per unit of each sub-class.*

#### **(A) STANDARD UNITS**

##### **1. Investment objectives and policies**

The PineBridge US Equity Fund seeks to provide capital appreciation through a managed portfolio of shares in US companies.

##### **2. Risk factors**

Investors should be aware of the following risk factors:

- (i) all financial markets and therefore the value of this class may at times be adversely affected by changes in political, economic and social conditions and policies; and
- (ii) investments are subject to the risks inherent in all securities. The value of holdings may rise as well as fall.

##### **3. Minimum holding**

On initial application: one unit.

Subsequently: no minimum (or such higher amounts as the Manager may specify from time to time).

##### **4. Currency of denomination**

HK dollars.

##### **5. Investment and borrowing restrictions**

In addition to the provisions of the General Investment Restrictions, at least 70% of the assets of the class (other than assets held in cash) should be invested in US equity securities, securities convertible into US equity securities and other investments giving exposure to US equity securities. The Manager may, at its discretion, reduce this percentage should, in its opinion, market or other conditions warrant such reduction.

##### **6. Distribution policy**

Distributions are at the discretion of the Manager but it is intended that all profits accruing to the class will be retained in the class and that, accordingly, no distributions will be made.

**7. Sales charge**

Not exceeding 6% (currently as set out in Supplemental Fee Appendix attached).

(Fee for switching from Standard Units of another class of the Fund to Standard Units of this class: currently as set out in Supplemental Fee Appendix).

**8. Management fee**

Not exceeding 1.5% per annum (currently as set out in Supplemental Fee Appendix attached).

**9. Trustee's fee**

Not exceeding 0.05% per annum (currently as set out in Supplemental Fee Appendix attached).

**10. Custodian's fee**

A custodian fee not exceeding 0.50% per annum (currently as set out in Supplemental Fee Appendix attached, subject to review from time to time).

**11. Administrator's fee**

A transaction fee of between US\$15-205 per transaction and a valuation fee of US\$50 per day and such registration and other fees as the Manager may approve from time to time (subject to review from time to time).

**12. Unamortized Preliminary expenses**

Nil.

**13. MPF compliance costs**

Nil.

**(B) PROVIDENT FUND UNITS**

As (A) above except for the following:

**1. Sales charge**

Nil.

(Fee for switching from Provident Fund Units of another class of the Fund to Provident Fund Units of this class: Nil).

**2. Management fee**

Nil.

**3. Minimum holding**

Nil.

## APPENDIX VII

### PINEBRIDGE EUROPE EQUITY FUND

*Unitholders and prospective investors in this class should note that the different fees payable in relation to Standard Units and Provident Fund Units will be reflected in the Net Asset Value per unit of each sub-class.*

#### **(A) STANDARD UNITS**

##### **1. Investment objectives and policies**

The PineBridge Europe Equity Fund seeks to provide capital appreciation through a managed portfolio of shares in European companies.

##### **2. Risk factors**

Investors should be aware of the following risk factors:

- (i) all financial markets and therefore the value of this class may at times be adversely affected by changes in political, economic and social conditions and policies; and
- (ii) investments are subject to the risks inherent in all securities. The value of holdings may rise as well as fall.

##### **3. Minimum holding**

On initial application: one unit.

Subsequently: no minimum (or such higher amounts as the Manager may specify from time to time).

##### **4. Currency of denomination**

HK dollars.

##### **5. Investment and borrowing restrictions**

In addition to the provisions of the General Investment Restrictions, at least 70% of the assets of the class (other than assets held in cash) should be invested in European equity securities, securities convertible into European equity securities and other investments giving exposure to European equity securities. The Manager may, at its discretion, reduce this percentage should, in its opinion, market or other conditions warrant such reduction.

##### **6. Distribution policy**

Distributions are at the discretion of the Manager but it is intended that all profits accruing to the class will be retained in the class and that, accordingly, no distributions will be made.

**7. Sales charge**

Not exceeding 6% (currently as set out in Supplemental Fee Appendix attached).

(Fee for switching from Standard Units of another class of the Fund to Standard Units of this class: currently as set out in Supplemental Fee Appendix).

**8. Management fee**

Not exceeding 1.5% per annum (currently as set out in Supplemental Fee Appendix attached).

**9. Trustee's fee**

Not exceeding 0.05% per annum (currently as set out in Supplemental Fee Appendix attached).

**10. Custodian's fee**

A custodian fee not exceeding 0.50% per annum (currently as set out in Supplemental Fee Appendix attached, subject to review from time to time).

**11. Administrator's fee**

A transaction fee of between US\$15-205 per transaction and a valuation fee of US\$50 per day and such registration and other fees as the Manager may approve from time to time (subject to review from time to time).

**12. Unamortized Preliminary expenses**

Nil.

**13. MPF compliance costs**

Nil.

**(B) PROVIDENT FUND UNITS**

As (A) above except for the following:

**1. Sales charge**

Nil.

(Fee for switching from Provident Fund Units of another class of the Fund to Provident Fund Units of this class: Nil.)

**2. Management fee**

Nil.

**3. Minimum holding**

Nil.

## APPENDIX VIII

### PINEBRIDGE JAPAN EQUITY FUND

*Unitholders and prospective investors in this class should note that the different fees payable in relation to Standard Units and Provident Fund Units will be reflected in the Net Asset Value per unit of each sub-class.*

#### **(A) STANDARD UNITS**

##### **1. Investment objectives and policies**

The PineBridge Japan Equity Fund seeks to provide capital appreciation through a managed portfolio of shares in Japanese companies.

##### **2. Risk factors**

Investors should be aware of the following risk factors:

- (i) all financial markets and therefore the value of this class may at times be adversely affected by changes in political, economic and social conditions and policies; and
- (ii) investments are subject to the risks inherent in all securities. The value of holdings may rise as well as fall.

##### **3. Minimum holding**

On initial application: one unit

Subsequently: no minimum (or such higher amounts as the Manager may specify from time to time).

##### **4. Currency of denomination**

HK dollars.

##### **5. Investment and borrowing restrictions**

In addition to the provisions of the General Investment Restrictions, at least 70% of the assets of the class (other than assets held in cash) should be invested in Japanese equity securities, securities convertible into Japanese equity securities and other investments giving exposure to Japanese equity securities. The Manager may, at its discretion, reduce this percentage should, in its opinion, market or other conditions warrant such reduction.

##### **6. Distribution policy**

Distributions are at the discretion of the Manager but it is intended that all profits accruing to the class will be retained in the class and that, accordingly, no distributions will be made.

##### **7. Sales charge**

Not exceeding 6% (currently as set out in Supplemental Fee Appendix attached).

(Fee for switching from Standard Units of another class of the Fund to Standard Units of this class: currently as set out in Supplemental Fee Appendix).

**8. Management fee**

Not exceeding 1.5% per annum (currently as set out in Supplemental Fee Appendix attached).

**9. Trustee's fee**

Not exceeding 0.05% per annum (currently as set out in Supplemental Fee Appendix attached).

**10. Custodian's fee**

A custodian fee not exceeding 0.50% per annum (currently as set out in Supplemental Fee Appendix attached, subject to review from time to time).

**11. Administrator's fee**

A transaction fee of between US\$15-205 per transaction and a valuation fee of US\$50 per day and such registration and other fees as the Manager may approve from time to time(subject to review from time to time)

**12. Unamortized Preliminary expenses**

Nil.

**13. MPF compliance costs**

Nil.

**(B) PROVIDENT FUND UNITS**

As (A) above except for the following:

**1. Sales charge**

Nil.

(Fee for switching from Provident Fund Units of another class of the Fund to Provident Fund Units of this class: Nil.)

**2. Management fee**

Nil.

**3. Minimum holding**

Nil.

## APPENDIX IX

### PINEBRIDGE GREATER CHINA EQUITY FUND

*Unitholders and prospective investors in this class should note that the different fees payable in relation to Standard Units and Provident Fund Units will be reflected in the Net Asset Value per unit of each sub-class.*

#### (A) STANDARD UNITS

##### 1. Investment objectives and policies

The PineBridge Greater China Equity Fund seeks to provide long term capital appreciation by investing in the equity securities of companies with exposure to the economies of countries within the Greater China Region, i.e. China, Hong Kong and Taiwan.

Implementation of the investment policy is considered to be of high inherent risk.

##### 2. Risk factors

Investors should be aware of the following risk factors:

- (i) all financial markets and therefore the value of this class may at times be adversely affected by changes in political, economic and social conditions and policies;
- (ii) this class may invest in holdings denominated in other currencies and therefore be exposed to currency movements; and
- (iii) investments are subject to the risks inherent in all securities. The value of holdings may rise as well as fall.

##### 3. Minimum holding

On initial application: one unit.

Subsequently: no minimum (or such higher amounts as the Manager may specify from time to time).

##### 4. Currency of denomination

Hong Kong dollars.

##### 5. Investment and borrowing restrictions

In addition to the provisions of the General Investment Restrictions, at least 70% of the assets of the class (other than assets held in cash or near-cash securities) should be invested in equity securities, securities convertible into equity securities and other investments giving exposure to equity securities, in each case where the equity securities are listed or to be listed on the stock exchanges of Hong Kong and Taiwan. The Manager may, in its discretion, reduce this percentage should, in its opinion, market or other conditions warrant such reduction.

**6. Distribution policy**

Distributions are at the discretion of the Manager but it is intended that all profits accruing to the class will be retained in the class and that, accordingly, no distributions will be made.

**7. Sales charge**

Not exceeding 6% (currently as set out in Supplemental Fee Appendix attached).

(Fee for switching from Standard Units of another class of the Fund to Standard Units of this class: currently as set out in Supplemental Fee Appendix).

**8. Management fee**

Not exceeding 1.5% per annum (currently as set out in Supplemental Fee Appendix attached).

**9. Trustee's fee**

Not exceeding 0.05% per annum (currently as set out in Supplemental Fee Appendix attached).

**10. Custodian's fee**

Not exceeding 0.50% per annum (currently as set out in Supplemental Fee Appendix attached, subject to review from time to time).

**11. Administrator's fee**

A transaction fee of between US\$50-90 per transaction and a valuation fee of US\$50 per day and such registration and other fees as the Manager may approve from time to time (subject to review from time to time).

**12. Unamortized Preliminary expenses**

Nil.

**13. MPF compliance costs**

Nil.

**(B) PROVIDENT FUND UNITS**

As (A) above except for the following:

**1. Sales charge**

Nil.

(Fee for switching from Provident Fund Units of another class of the Fund to Provident Fund Units of this class: Nil.)

**2. Management fee**

Nil.

**3. Minimum holding**

Nil.

**SUPPLEMENTAL FEE APPENDIX**

**(CURRENT AS OF THE DATE OF THIS DOCUMENT)**

The fees indicated in the following tables are those payable as at the date of this document. With the prior consent of the SFC, for changes in relation to Standard Units, and the Authority for changes in relation to Provident Fund Units, such fees are subject to change at the Manager's discretion, up to the maximum levels permitted under the Trust Deed, which are also shown in the tables. The Manager will give Unit Holders not less than 3 months' notice of any proposed increases from the levels shown below.

**STANDARD UNITS**

	<b>Sales Charge<sup>1</sup></b>	<b>Management Fee<sup>2</sup></b>	<b>Trustee's Fee</b>	<b>Custodian's Fee<sup>8</sup></b>	<b>Administrator's Fee</b>
PineBridge Hong Kong Dollar Money Market Fund	NIL	0.25% p.a. (permitted maximum <sup>3</sup> : 1.0% p.a.)	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.15% p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	NIL <sup>6</sup>
Hong Kong Dollar Fixed Income Fund	Subscription: 5% (permitted maximum: 6.0%) Switching: 1%	0.75% p.a. (permitted maximum <sup>3</sup> : 1.0% p.a.)	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.10% p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	HK\$400 per transaction HK\$400 per day (valuation fee) <sup>6,7</sup>
PineBridge Hong Kong Equity Fund	Subscription: 5% (permitted maximum: 6.0%) Switching: 1%	1.25% p.a. (permitted maximum <sup>3</sup> : 1.5% p.a.)	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.10% p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	HK\$400 per transaction HK\$400 per day (valuation fee) <sup>6,7</sup>
PineBridge Asian Fund	Subscription: 5% (permitted maximum: 6.0%) Switching: 1%	1.25% p.a. (permitted maximum <sup>3</sup> : 1.5% p.a.)	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.13% <sup>5</sup> p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	US\$15 - 205 per transaction US\$50 per day (valuation fee) <sup>5,6,7</sup>
PineBridge Global Bond Fund	Subscription: 5% (permitted maximum: 6.0%)	0.60% p.a. (permitted maximum <sup>3</sup> : 0.75% p.a.)	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.095% <sup>5</sup> p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	US\$15 - 205 per transaction US\$50 per day (valuation fee) <sup>5,6,7</sup>

	Switching: 1%				
PineBridge US Equity Fund	Subscription: 5% (permitted maximum: 6.0%) Switching: 1%	1.25% p.a. (permitted maximum <sup>3</sup> : 1.5% p.a.)	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.13% <sup>5</sup> p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	US\$15 - 205 per transaction US\$50 per day (valuation fee) <sup>5,6,7</sup>
PineBridge Europe Equity Fund	Subscription: 5% (permitted maximum: 6.0%) Switching: 1%	1.25% p.a. (permitted maximum <sup>3</sup> : 1.5% p.a.)	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.13% <sup>5</sup> p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	US\$15 - 205 per transaction US\$50 per day (valuation fee) <sup>5,6,7</sup>
PineBridge Japan Equity Fund	Subscription: 5% (permitted maximum: 6.0%) Switching: 1%	1.25% p.a. (permitted maximum <sup>3</sup> : 1.5% p.a.)	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.13% <sup>5</sup> p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	US\$15 - 205 per transaction US\$50 per day (valuation fee) <sup>5,6,7</sup>
PineBridge Greater China Equity Fund	Subscription: 5% (permitted maximum: 6.0%) Switching: 1%	1.25% p.a. (permitted maximum <sup>3</sup> : 1.5% p.a.)	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.13% <sup>5</sup> p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	US\$50 - 90 per transaction US\$50 per day (valuation fee) <sup>6,7</sup>

## PROVIDENT FUND UNITS

	Sales Charge	Management Fee	Trustee's Fee	Custodian's Fee <sup>8</sup>	Administrator's Fee
PineBridge Hong Kong Dollar Money Market Fund	NIL	NIL	NIL	0.15% <sup>4</sup> p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	NIL <sup>6</sup>
PineBridge Hong Kong Dollar Fixed Income Fund	NIL	NIL	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.10% p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	HK\$400 per transaction HK\$400 per day (valuation fee) <sup>6,7</sup>
PineBridge Hong Kong Equity Fund	NIL	NIL	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.10% p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	HK\$400 per transaction HK\$400 per day (valuation fee) <sup>6,7</sup>

PineBridge Asian Fund	NIL	NIL	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.13% <sup>5</sup> p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	US\$15 - 205 per transaction US\$50 per day (valuation fee) <sup>5,6,7</sup>
PineBridge Global Bond Fund	NIL	NIL	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.095% <sup>5</sup> p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	US\$15 - 205 per transaction US\$50 per day (valuation fee) <sup>5,6,7</sup>
PineBridge US Equity Fund	NIL	NIL	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.13% <sup>5</sup> p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	US\$15 - 205 per transaction US\$50 per day (valuation fee) <sup>5,6,7</sup>
PineBridge Europe Equity Fund	NIL	NIL	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.13% <sup>5</sup> p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	US\$15 - 205 per transaction US\$50 per day (valuation fee) <sup>5,6,7</sup>
PineBridge Japan Equity Fund	NIL	NIL	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.13% <sup>5</sup> p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	US\$15 - 205 per transaction US\$50 per day (valuation fee) <sup>5,6,7</sup>
PineBridge Greater China Equity Fund	NIL	NIL	0.05% p.a. (permitted maximum <sup>3</sup> : 0.05% p.a.)	0.13% <sup>5</sup> p.a. (permitted maximum <sup>3</sup> : 0.50% p.a.)	US\$50 - 90 per transaction US\$50 per day (valuation fee) <sup>6,7</sup>

**Notes:**

1. The Sales Charge for subscriptions will equal the percentage shown × Net Asset Value per unit × number of units applied for. The permitted maximum percentage may only be increased as provided for in the Trust Deed and summarized above.

Percentages shown for switching are percentages of the money amount to be invested in units of this class (which will equal part or all of the redemption proceeds received from the redemption of units of one or more other classes of the Fund).

2. Percentages shown are percentages of the aggregate Net Asset Value of all the units in the relevant sub-class.
3. Permitted maximum percentages may only be changed by an Extraordinary Resolution of unitholders in accordance with the procedures laid down in the Trust Deed.
4. Subject to section 37 of the General Regulation.
5. Plus one-off set-up fee of US\$4,000 which has now been fully amortized.
6. The Manager may from time to time approve additional registration and other fees.

7. The aggregate valuation fee of HK\$400 per day shall be payable in respect of the whole class, i.e. Standard Units and Provident Fund Units.
8. The applicable custody fee is levied on the aggregate Net Asset Value of all the units comprising the relevant class. The actual rate of the Custodian fee is calculated on a sliding scale commencing from the percentage rate disclosed in the table above and reducing thereafter.