

Hong Kong Covering Document - January 2016

CIFM China Multi-Assets Fund

Mainland-Hong Kong Mutual Recognition of Funds



Fund Manager:

China International
Fund Management

Main Distributor in Hong Kong:

J.P.Morgan
Asset Management

CIFM China Multi-Assets Fund
(the “Fund”)

FOURTH ADDENDUM

This Fourth Addendum forms an integral part of and should be read in conjunction with the Hong Kong Covering Document of the Fund dated January 2016, as amended from time to time (the “HKCD”).

China International Fund Management Co., Ltd. (the “Fund Manager”) accepts full responsibility for the accuracy of the information contained in this Addendum, and confirms, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement misleading.

Capitalized terms used herein not otherwise defined have the meaning ascribed to those terms in the Fund’s HKCD.

With effect from 21 April 2021, the HKCD shall be amended as follows:

- (i) The fourth paragraph of the section headed “**Settlement**” in page 14 of the HKCD is deleted in its entirety and replaced with the following:

“Please note that payment of redemption proceeds may be deferred in the circumstances as set out in the sub-section headed “**(VII) Suspension of Redemption or Deferral Payment of Redemption Monies**” under the section headed “**VII. Subscription, Redemption and Switching of Fund Units**”, as well as, the section headed “**XVI. Side Pocket Mechanism**” of the Prospectus. In these circumstances, the extended time frame for the payment of redemption proceeds shall reflect the additional time needed in light of the specific situations and the redemption proceeds will be made to the Unitholders as soon as practicable.”

- (ii) The section headed “**Suspension of Valuation and Dealing**” in page 17 of the HKCD is deleted in its entirety and replaced with the following:

“Suspension of Valuation and Dealing, Deferral of Redemption and Exercise of Side Pocket

Any suspension of determination of the Net Asset Value of the Fund and the subscription or redemption of units of the Fund will be announced as soon as practicable following such decision and within the timeframe as required under applicable regulations on the website of the Hong Kong Representative at www.jpmorgan.com/hk/am/. Investors should note that this website has not been reviewed by the SFC.

For any suspension or deferral of dealings, as well as exercise of side pocket requiring notification to the CSRC, the SFC shall also be notified correspondingly.”

(iii) The paragraph of (iv) under the section headed “**DOCUMENTS AVAILABLE TO INVESTORS**” in page 21 of the HKCD (as amended by the Third Addendum) is deleted in its entirety and replaced with the following:

“iv. the Prospectus of the Fund registered with the CSRC, this Hong Kong Covering Document and the Product Key Facts Statement, as amended from time to time;”

(iv) The last paragraph of the section headed “**DOCUMENTS AVAILABLE TO INVESTORS**” in page 22 of the HKCD (as amended by the Third Addendum) is deleted in its entirety and replaced with the following:

“As regards item (iv), the Prospectus of the Fund shall normally be updated at least once every year and the Hong Kong Covering Document and the Product Key Facts Statement shall be updated where necessary to reflect corresponding changes.”

(v) All references in the HKCD to the website “www.jpmorganam.com.hk” shall be deleted and replaced by “www.jpmorganam.com/hk/am”.

China International Fund Management Co., Ltd.

April 2021

CIFM China Multi-Assets Fund
(the “Fund”)

THIRD ADDENDUM

This Third Addendum forms an integral part of and should be read in conjunction with the Hong Kong Covering Document of the Fund dated January 2016, as amended from time to time (the “HKCD”) and the Product Key Facts Statement of the Fund dated April 2020 (the “KFS”).

China International Fund Management Co., Ltd. (the “Fund Manager”) accepts full responsibility for the accuracy of the information contained in this Addendum, and confirms, having made all reasonable enquiries that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading.

Capitalized terms used herein not otherwise defined have the meaning ascribed to those terms in the Fund’s HKCD and KFS.

The HKCD shall be amended as follows:

1. Information Disclosure

- (i) The first paragraph of the section headed “**REPORTS**” in page 21 of the HKCD is deleted in its entirety and replaced with the following:

“Audited annual reports incorporating financial statements, unaudited half-yearly reports and quarterly reports shall be made available to each Unitholder in accordance with the section headed “**XV. Information Disclosure of the Fund**” of the Prospectus. Annual reports will be made available within three months after the end of each year. Semi-annual reports of the Fund will be made available within two months after the end of the first half of each year. Quarterly reports of the Fund will be made available within 15 Business Days after the end of each quarter.

- (ii) The paragraph of (iv) under the section headed “**DOCUMENTS AVAILABLE TO INVESTORS**” in page 21 of the HKCD is deleted in its entirety and replaced with the following:

“iv. the Prospectus of the Fund and the Fund Product Key Facts Statement of the Fund (as set out in the section headed “**XV. Information Disclosure of the Fund**” of the Prospectus) registered with the CSRC, this Hong Kong Covering Document and the Product Key Facts Statement, as amended from time to time;”

- (iii) The last paragraph of the section headed “**DOCUMENTS AVAILABLE TO INVESTORS**” in page 22 of the HKCD is deleted in its entirety and replaced with the following:

“As regards item (iv), the Prospectus of the Fund and the Fund Product Key Facts Statement of the Fund (as set out in the section headed “**XV. Information Disclosure of the Fund**” of the Prospectus) shall normally be updated at least once every year and the Hong Kong Covering Document and the Product Key Facts Statement shall be updated where necessary to reflect corresponding changes.

2. **Enhanced Disclosure on Risk Factors**

- (iv) The paragraph of “*High valuation risk*” in the sub-section headed “**5. Mainland China equity risk**” under the section headed “**RISK FACTORS**” in page 10 of the HKCD is deleted in its entirety and replaced with the following:

“High valuation risk: There is a risk that the stocks listed on the Mainland China stock exchanges, in particular the ChiNext, SME board and STAR Board stocks, may have a higher price-earnings ratio. The high valuation may not be sustainable and stock prices may fall drastically.

- (v) The following sub-section will be added after the sub-section headed “**10. Taxation and FATCA risk**” under the section headed “**RISK FACTORS**” in page 12 of the HKCD:

“11. Risks associated with the Small and Medium Enterprise (SME) board, ChiNext market and/or the Science and Technology Innovation Board (STAR Board)

- Higher fluctuation on stock prices and liquidity risk: Listed companies on the SME board, ChiNext market and/or STAR Board are usually of emerging nature with smaller operating scale. In particular, listed companies on STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors may have limited liquidity, compared to other boards. Hence, companies listed on these boards are subject to higher fluctuation in stock prices and liquidity risks and have higher risks and turnover ratios than companies listed on the main board.
- Over-valuation risk: Stocks listed on SME board, ChiNext and/or STAR Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.
- Differences in regulation: The rules and regulations regarding companies listed on the ChiNext market and STAR Board are less stringent in terms of profitability and share capital than those in the main board and SME board.
- Delisting risk: It may be more common and faster for companies listed on the SME board, ChiNext market and/or STAR Board to delist. In particular, STAR Board has stricter criteria for delisting compared to other boards. This may have an adverse impact on the Fund if the companies that it invests in are delisted.
- Concentration risk: STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in STAR Board may be concentrated in a small number of stocks and subject the Fund to higher concentration risk.
- Investments in the SME board, the ChiNext market and/or STAR Board may result in significant losses for the Fund and its investors.”

China International Fund Management Co., Ltd.

April 2020

**CIFM China Multi-Assets Fund
(the “Fund”)**

SECOND ADDENDUM

This Second Addendum forms an integral part of and should be read in conjunction with the Hong Kong Covering Document of the Fund dated January 2016, as amended from time to time (the “HKCD”) and the Product Key Facts Statement of the Fund dated January 2016 (the “KFS”).

China International Fund Management Co., Ltd. (the “Fund Manager”) accepts full responsibility for the accuracy of the information contained in this Addendum, and confirms, having made all reasonable enquiries that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading.

Capitalized terms used herein not otherwise defined have the meaning ascribed to those terms in the Fund’s HKCD and KFS.

The HKCD shall be amended as follows:

Revise the language of the documents available for investors’ inspection

With immediate effect, the third and fourth paragraphs under the section headed “DOCUMENTS AVAILABLE TO INVESTORS” in page 22 of the HKCD is deleted in its entirety and replaced with the following:

“Items (i), (ii), (iii), (v), (vi) and (ix) will be available in simplified Chinese only. Documents set out in items (iv) and (viii) will be available in English and traditional Chinese only. Item (vii) will be available in English only.

Investors may request for specific information regarding items (ii) and (v) in English or in traditional Chinese by submitting a request in writing to the Hong Kong Representative. The Hong Kong Representative will respond to such request as soon as practicable.”

China International Fund Management Co., Ltd.

July 2016

**CIFM China Multi-Assets Fund
(the “Fund”)**

FIRST ADDENDUM

This First Addendum forms an integral part of and should be read in conjunction with the Hong Kong Covering Document of the Fund dated January 2016, as amended from time to time (the “HKCD”) and the Product Key Facts Statement of the Fund dated January 2016 (the “KFS”).

China International Fund Management Co., Ltd. (the “Manager”) accepts full responsibility for the accuracy of the information contained in this Addendum, and confirms, having made all reasonable enquiries that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading.

Capitalized terms used herein not otherwise defined have the meaning ascribed to those terms in the Fund’s HKCD and KFS.

The HKCD and KFS shall be amended as follows:

1. Enhanced disclosure for dealing procedures

With immediate effect, the following enhanced disclosure statement will be inserted after the last paragraph under the section headed “**DEALING AND SETTLEMENT PROCEDURES IN HONG KONG**” in page 13 of the HKCD and after the second bullet point under the section headed “**Additional Information**” in page 5 of the KFS:

“There may also be changes to the dealing and cut-off time arrangements as a result of market events. Investors should inquire with the Hong Kong Representative or their authorised distributors for the related dealing and cut-off time arrangements.”

China International Fund Management Co., Ltd.

January 2016

CIFM China Multi-Assets Fund

a fund established pursuant to
a Fund Contract taking effect from 26 April 2006 (and as amended from time to time)
between the Fund Manager and the Fund Custodian
and regulated under the *Securities Investment Funds Law* of the *People's Republic of China*

HONG KONG COVERING DOCUMENT

This document (herein the “Hong Kong Covering Document”) is supplemental to, forms part of and should be read in conjunction with the prospectus for CIFM China Multi-Assets Fund (the “Fund”) (as amended from time to time) (the “Prospectus”) and the Product Key Facts Statement of the Fund. Unless otherwise provided in this Hong Kong Covering Document, terms defined in the Prospectus shall have the same meaning in this Hong Kong Covering Document.

January 2016

IMPORTANT INFORMATION FOR INVESTORS

If you are in doubt about the contents of the Prospectus, this Hong Kong Covering Document or the Product Key Facts Statement, you should consult your bank manager, legal adviser, accountant or other independent financial adviser.

China International Fund Management Co., Ltd., the Fund Manager of the Fund, accepts full responsibility for the accuracy of the information contained in the Prospectus, this Hong Kong Covering Document and the Product Key Facts Statement of the Fund, and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement in these documents misleading. However, neither the delivery of the Prospectus, this Hong Kong Covering Document or the Product Key Facts Statement of the Fund nor the offer or issue of units shall under any circumstances constitute a representation that the information contained therein is correct as of any time subsequent to the date of publication. These documents may from time to time be updated.

The Fund is an open-ended contract-type investment fund established under a Fund Contract taking effect from 26 April 2006 (and as amended from time to time) between the Fund Manager and the Fund Custodian. The Fund has been registered with and is subject to the on-going supervision of the China Securities Regulatory Commission (“**CSRC**”).

The Fund has been authorised by the Securities and Futures Commission (“**SFC**”) in Hong Kong under Section 104 of the Securities and Futures Ordinance of Hong Kong (“**SFO**”) and is available for sale to the public in Hong Kong. Such 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 Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

This Hong Kong Covering Document and the Product Key Facts Statement of the Fund are prepared for distribution in Hong Kong only. These documents contain additional details of the Fund in connection with its authorisation for distribution in Hong Kong and must be read in conjunction with the Fund's latest available Prospectus.

Units are offered only on the basis of the information contained in the Prospectus, this Hong Kong Covering Document and the Product Key Facts Statement, which are valid only if accompanied by a copy of the latest annual report and, if published thereafter, the latest half-yearly and quarterly reports.

In particular:

United States

The Fund has not been registered under the United States (the “**US**”) Securities Act, as amended, (the “**Act**”) or under any similar or analogous provision of law enacted by any jurisdiction in the US. The units may not be offered or sold to any US Person unless the Fund Manager, at its absolute discretion, grants an exception. For this purpose, a US Person is one falling under the definition of US Person under the Act, under the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations of the Commodities Futures Trading Commission, as amended, or under the US Internal Revenue Code (“**IRC**”) as specified below or under the US federal income tax law (as

described below under paragraphs 1 through 4), or a non-US entity with certain US owners (as described below under paragraph 5):

1. An individual who is a citizen of the US or a resident alien for US federal income tax purposes. In general, the term “**resident alien**” is defined for this purpose to include any individual who (i) holds an Alien Registration Card (a “**green card**”) issued by the US Citizenship and Immigration Services or (ii) meets a “**substantial presence**” test. The “**substantial presence**” test is generally met with respect to any calendar year if (i) the individual was present in the US on at least 31 days during such year and (ii) the sum of the number of days in which such individual was present in the US during such year, 1/3 of the number of such days during the first preceding year, and 1/6 of the number of such days during the second preceding year, equals or exceeds 183 days;
2. A corporation, an entity taxable as a corporation, or a partnership, created or organized in or under the laws of the US or any state or political subdivision thereof or therein, including the District of Columbia (other than a partnership that is not treated as a US person under Treasury Regulations);
3. An estate the income of which is subject to US federal income tax regardless of the source thereof;
4. A trust with respect to which a court within the US is able to exercise primary supervision over its administration and one or more US persons have the authority to control all of its substantial decisions, or certain electing trusts that were in existence on August 20, 1996 and were treated as domestic trusts on August 19, 1996; or
5. A Passive Non-Financial Foreign Entity (“**Passive NFFE**”) with one or more “**Controlling Persons**” (within the meaning of any Intergovernmental Agreement relating to the Foreign Account Tax Compliance Act (as set forth in Sections 1471 through 1474 of the IRC (“**FATCA**”)) that may be entered into by the US and any other jurisdiction (“**IGA**”)) that is a US Person (as described above under paragraph 1). A Passive NFFE is generally a non-US and non-financial institution entity that is neither a “**publicly traded corporation**” nor an “**active NFFE**” (within the meaning of the applicable IGA).

THE CHINA-HONG KONG MUTUAL RECOGNITION OF FUNDS (“MRF”)

On 22 May 2015, the SFC and the CSRC signed a “*Memorandum of Regulatory Cooperation concerning Mutual Recognition of Funds between the Mainland and Hong Kong*” (the “**Memorandum**”). The Memorandum provides a framework for mutual recognition of publicly offered funds between the CSRC and the SFC so that these recognised funds may be offered to the public in both markets.

Under the MRF framework, securities investment funds regulated by the CSRC and offered for sale to the public in Mainland China (i.e. the People’s Republic of China, which for the purpose of this Hong Kong Covering Document excludes Hong Kong, Macau and Taiwan) may be authorised by the SFC and offered to the public in Hong Kong, subject to any additional requirements imposed by the SFC.

The Fund is registered with and regulated by the CSRC and has been authorised by the SFC under the SFO pursuant to the terms of the MRF. Pursuant to the terms of the MRF, the Fund operates under the following principles:

- a) the Fund meets the prevailing eligibility requirements released by the SFC;

- b) the Fund remains registered with the CSRC and is allowed to be marketed to the public within Mainland China;
- c) the Fund generally operates and is managed in accordance with the relevant laws and regulations in Mainland China and its constitutive documents (i.e. the Fund Contract);
- d) the sale and distribution of the Fund in Hong Kong shall comply with the applicable laws and regulations in Hong Kong;
- e) the Fund will comply with the additional rules released by the SFC governing the authorisation, post-authorisation and ongoing compliance, and the sale and distribution of the Fund in Hong Kong; and
- f) during the period the Fund remains authorised by the SFC, the Fund Manager shall ensure Unitholders of both Mainland China and Hong Kong receive fair and the same treatment, including in respect of investor protection, exercise of rights, compensation and disclosure of information.

The Fund Manager confirms that Unitholders of both Mainland China and Hong Kong will receive fair and the same treatment pursuant to (f) above.

The Fund is a MRF fund which is subject to the following eligibility requirements:

- a) the Fund is an eligible fund type under the MRF;
- b) the Fund is established and managed and operates in accordance with Mainland China laws and regulations and its constitutive documents;
- c) the Fund is a publicly offered securities investment fund registered with the CSRC under the Securities *Investment Funds Law of the People's Republic of China*;
- d) the Fund has been established for more than 1 year;
- e) the Fund has a minimum fund size of not less than RMB 200 million or its equivalent in a different currency;
- f) the Fund does not primarily invest in the Hong Kong market; and
- g) the value of units in the Fund sold to investors in Hong Kong shall not be more than 50% of the value of the Fund's total assets.

The Fund Manager is registered and operates in Mainland China in accordance with Mainland China laws and regulations and is licensed by the CSRC to manage publicly offered securities investment funds.

The Fund Custodian is qualified to act as custodian for publicly offered securities investment funds pursuant to Mainland China laws and regulations.

Following SFC authorisation, if the Fund ceases to meet the requirements prescribed by the SFC from time to time, the Fund Manager shall notify the SFC immediately whereupon the Fund may not continue to be marketed to the public in Hong Kong and may not accept new subscriptions.

Investors should note that, when the value of units in the Fund sold to investors in Hong Kong is approaching the 50% limit mentioned in sub-paragraph (g) above, the Fund should notify the SFC in writing immediately, and suspend subscription or apply a fair arrangement to apportion subscription orders until the 50% limit is reached. Moreover, all MRF funds (including the Fund) are subject to an overall quota restriction. Once the quota is used up, the Fund may have to suspend for subscription. In these circumstances, there is a risk that

Hong Kong investors may not be able to subscribe for the number of units they desire (or not able to subscribe for any units at all). For the avoidance of doubt, even if the 50% limit is reached or the quota is used up, Hong Kong investors can continue to hold their existing units in the Fund and such units will not be compulsorily redeemed.

HONG KONG REPRESENTATIVE

The Hong Kong Representative is JPMorgan Funds (Asia) Limited. The Hong Kong Representative has been appointed by the China International Fund Management Co., Ltd. in accordance with the Code on Unit Trusts and Mutual Funds. The fees (if any) of the Hong Kong Representative are borne by the Fund Manager.

Contact details of the Hong Kong Representative:

Address: 21/F Chater House, 8 Connaught Road Central, Hong Kong

Telephone: (852) 2978 7788

SERVICE RENDERED TO UNITHOLDERS

Without prejudice to the principle of equal treatment for Mainland China and Hong Kong investors, some of the services mentioned in the Prospectus may not be available to Hong Kong investors (for example, information relating to Class A Units which will not be offered to Hong Kong investors, the sub-section headed “**(I) Sales Institutions of Fund**” in the section headed “**V. Relevant Service Institutions**”, the services set out in the section headed “**XX. Service to Unitholders**” of the Prospectus. Hong Kong investors should check with local authorised distributors for further details. Different authorised distributors may provide different types of services associated with investment in the Fund. Please check with the respective authorised distributors for details.

ENQUIRIES AND COMPLAINTS

Investors may contact the Hong Kong Representative for any queries or complaints in relation to the Fund at the Hong Kong Representative’s address or by phone as set out in the section headed “**Hong Kong Representative**”.

In respect of a general enquiry or complaint, the Hong Kong Representative will revert to the relevant investor within five Hong Kong Dealing Days of receipt in writing. Enquiries and complaints will be handled on a case by case basis.

FURTHER INFORMATION

Investors may access the website of the Hong Kong Representative at www.jpmorganam.com.hk for further information on the Fund, including the offering documents, the financial reports, notices, latest Net Asset Value per Unit and the composition of distributions. This website has not been reviewed by the SFC.

SCHEMES NOT AUTHORISED BY SFC

In relation to fund(s) as set out in the Hong Kong offering documents (including the CSRC registered Prospectus, the Hong Kong Covering Document and the Product Key Facts Statement), only the following fund is authorised by the SFC for offering to the public in Hong Kong pursuant to section 104 of the SFO.

- (a) CIFM China Multi-Assets Fund
- (b) CIFM China Sector Rotation Fund

Warning: Please note that the other fund(s) mentioned in the Hong Kong offering documents (including the CSRC registered Prospectus, the Hong Kong Covering Document and the Product Key Facts Statement) may not be authorised by the SFC for offering to the public in Hong Kong. It is an offence to offer any of these funds which have not been authorised by the SFC to the public in Hong Kong unless an exemption under section 103 of the SFO applies. Intermediaries should take note of this.

CLASSES OF UNITS FOR HONG KONG INVESTORS

Only Class H Units are available to Hong Kong investors. Hong Kong investors should pay attention to the details and specific features of such Class H Units as disclosed in this Hong Kong Covering Document. If there are inconsistencies with the Prospectus concerning any information about Class H Units, the disclosure in this Hong Kong Covering Document shall prevail.

Class H Units are denominated in Renminbi (“RMB”). The initial value of Class H Units will be set at the Net Asset Value of Class A Units on the first subscription date of Class H Units.

The Net Asset Value per Unit for Class H Units is calculated after the market closes by dividing the Net Asset Value attributable to Class H Units by the total number of Class H Units on the relevant Hong Kong Dealing Day.

Dealing in Class H Units will be in accordance with the procedures set out below under “**Dealing and Settlement Procedures in Hong Kong**”.

CHANGES AND NOTIFICATION

Changes to the Fund will be made in accordance with the applicable Mainland China laws and regulations and the provisions of the Fund’s constitutive documents. Such changes shall be effective upon approval by the CSRC or compliance with the appropriate procedures in Mainland China, and thereafter, the changes shall be submitted to the SFC for filing. Changes that relate to the eligibility of the Fund under the MRF arrangement will generally require prior approval from the SFC (e.g. changes in the investment objectives, strategies and key operators of the Fund). Changes affecting Hong Kong investors only (e.g. change of Hong Kong Representative) may be subject to prior approval from the SFC pursuant to applicable requirements under the Code. Unitholders will be notified of the changes pursuant to applicable regulatory requirements. In general, notices (in both English and traditional Chinese) in relation to changes that affect Hong Kong investors will be posted on the Hong Kong Representative’s website at www.jpmorganam.com.hk. This website has not been reviewed by the SFC.

The Fund Manager shall take reasonable steps and measures to ensure ongoing disclosure of information of the Fund shall be made available to Mainland Chinese investors and Hong Kong investors at the same time, except for any notice to Mainland Chinese investors which is issued only in respect of class(es) of Units of the Fund not available in Hong Kong and not relevant to Hong Kong investors, or relate solely to issues that have no impact on Hong Kong investors.

INVESTMENT OBJECTIVES AND STRATEGIES

Investors' attention is drawn to the investment objectives, strategies and other details on the Fund's investments in the section headed "**VIII. Investments of the Fund**" in the Prospectus and the Product Key Facts Statement.

For clarification, notwithstanding the disclosure in the Prospectus, the Fund will use financial derivative instruments for hedging purposes only. Should this intention change in the future, prior regulatory approval will be sought and at least 1 month's prior notice will be given to investors.

The Fund's investments will be made in the Mainland market only.

The Fund may invest up to 75% of its Net Asset Value in bonds which may include asset-backed securities and urban investment bonds.

The Fund currently only invests in debt securities rated BBB- or above by a Mainland Chinese credit rating agency at the time the investments were made. Where the credit ratings of the relevant debt securities are downgraded to below BBB-, the Fund Manager will, having regard to the interests of the investors, seek to dispose of all such downgraded debt securities in a gradual and orderly manner in light of the then prevailing market conditions.

The total extent of leverage of the Fund will not exceed 40% of the Fund's Net Asset Value and will be by way of repurchase transactions only.

ADDITIONAL DISCLOSURE ON SECURITIES LENDING AND/OR REPURCHASE TRANSACTIONS

The Fund does not currently intend to engage in securities lending. Prior regulatory approval will be sought and at least one month's prior notice will be given to Unitholders in Hong Kong if there is a change in this policy. Provided that the minimum investment requirements for meeting the Fund's investment objectives and strategy and other applicable regulatory requirements are complied with, the Fund may enter into repurchase transactions and reverse repurchase transactions for up to 40% of the Fund's Net Asset Value on both the exchange market and in the interbank market.

(A) Exchange Market

In respect of repurchase / reverse repurchase transactions carried out on the exchange market in Mainland China, all such transactions are centrally cleared and settled with the China Securities Depository and Clearing Corporation Limited ("**CSDCCL**") which in effect, acts as the sole counterparty to such transactions.

Where the Fund enters into a repurchase transaction, the Fund will receive cash (i.e. borrow cash) and provide collateral which will be placed under custody of the CSDCCL.

With respect to a reverse repurchase transaction, the Fund will pay cash (i.e. lend out cash) to CSDCCL and is subject to counterparty risk of CSDCCL. Collateral provided by the counterparty borrowing cash is placed under the custody to and in favour of the CSDCCL.

The stock exchanges determine the types of bonds which may be used by counterparties as collateral. In general, collateral may include government bonds and/or corporate bonds with a credit rating of AA or above as rated by a Mainland Chinese credit rating agency. The stock exchanges also apply prescribed haircut rates for different types of bonds. The collateral is marked to market daily to ensure the value of collateral is greater than or equal to the value of such repurchase/reverse repurchase transactions. Where the value of collateral falls below the secured amount, the relevant participant participating in the relevant transaction is required to deliver additional cash or collateral, failing which the CSDCCL has the right to dispose of the existing collateral securities and collect any outstanding amount from the defaulting participant. The Fund may enter into either pledged repurchase / reverse repurchase transactions or **“buy-out”** repurchase / reverse repurchase transactions in the exchange market. For pledged repurchase / reverse repurchase transactions, ownership of the collateral will not be transferred to the other party but rather the collateral will be under custody in a specific pledge account of the CSDCCL until repayment of the cash lent. For **“buy-out”** repurchase / reverse repurchase transactions, the ownership of the collateral will be transferred to the buyer at inception, and transferred back to the seller upon repayment of the cash lent.

(B) Interbank Market

Where the Fund carries out repurchase / reverse repurchase transactions in the interbank market in Mainland China, the Fund Manager will select the counterparties for such transactions based on their business nature, size, reputation, financial standing and track record, etc.

In a repurchase transaction, the Fund will receive cash (i.e. borrow cash) and pledge collateral which will be received by and kept under custody of Shanghai Clearing House Co., Ltd. (“SCH”) or China Central Depository & Clearing Co., Ltd. (“CCDC”).

With respect to a reverse repurchase transaction, the Fund will pay cash (i.e. lend out cash) and the collateral pledged by the counterparty borrowing cash will be received by and kept under custody of SCH or CCDC on behalf of the Fund.

Where the Fund enters into reverse repurchase transactions in the interbank market, collateral acceptable to the Fund may include cash, as well as, government bonds, local government bonds, central bank bills, commercial bank bonds, non-bank financial institution bonds, corporate bonds, commercial papers, and/or mid-term notes with a credit rating of AA or above as rated by a Mainland Chinese credit rating agency. Collateral acceptable to the Fund should also comply with the applicable rules and regulations. The Fund Manager will adopt a prudent haircut policy for the collateral which will take into account factors such as credit ratings and quality of the bond. Unlike the repurchase / reverse repurchase transaction conducted on exchange market, the collateral will not be marked to market daily. Under normal circumstances, the Fund Manager will aim to enter into such transactions with relatively short term in order to mitigate the market risk on collateral taken. The Fund will only enter into pledged repurchase / reverse repurchase transactions (i.e. ownership of the collateral will not be transferred to the other party but rather the collateral will be in the custody of the relevant securities clearing company until a repayment of the cash lent is made) on the interbank market.

For repurchase transactions, the cash proceeds received by the Fund may be used for liquidity management and/or reinvestment, at the discretion of the Fund Manager. Given that the collateral received from reverse repurchase transactions will be placed under custody of CSDCCL, SCH or CCDC, the Fund will not use them as collateral for other repurchase transactions, or to acquire cash for liquidity management and/or reinvestment.

Any incremental income generated will be credited to the account of the Fund after deducting any fees charged by parties such as custodian bank, international clearing organisations or agents operating or administering such transactions. The repurchase / reverse repurchase transactions may be carried out through the Fund Manager, the Fund Custodian or their connected persons, and in such case each of the parties (as the case may be) shall be entitled to retain a fee on a commercial basis, provided that all transactions shall be effected at arm's length and on best available terms (i.e. the fee shall be no greater than the prevailing market rates for a transaction of the same scale and nature) and periodic disclosure on such fees payable to the relevant connected person(s) is made in the Fund's annual reports.

RISK FACTORS

Investors should refer to the section headed "XVI. Risk Disclosures" in the Prospectus as are relevant to investment in the Fund and the following additional information in respect of the risks associated with investing in the Fund:

1. Investment risk

The Fund is an investment fund. There is no guarantee of the repayment of principal. There is also no guarantee of dividend or distribution payments during the period investors hold the units of the Fund. Further, there is no guarantee that the Fund will be able to achieve its investment objectives and there can be no assurance that the stated strategies can be successfully implemented. Investors may lose entire amount originally invested under extreme circumstances.

2. Risks associated with the MRF arrangement

- *Quota restrictions:* The Mainland-Hong Kong Mutual Recognition of Funds (MRF) scheme is subject to an overall quota restriction. Subscription of units in the Fund may be suspended at any time if such quota is used up.
- *Failure to meet eligibility requirements:* If the Fund ceases to meet any of the eligibility requirements under the MRF, it may not be allowed to accept new subscriptions. In the worst scenario, the SFC may even withdraw its authorisation for the Fund to be publicly offered in Hong Kong for breach of eligibility requirements. There is no assurance that the Fund can satisfy these requirements on a continuous basis.
- *Mainland China tax risk:* Currently, certain tax concessions and exemptions are available to the Fund and/or its investors under the MRF regime. There is no assurance that such concessions and exemptions or Mainland China tax laws and regulations will not change. Any change to the existing concessions and exemptions as well as the relevant laws and regulations may adversely affect the Fund and/or its investors and they may suffer substantial losses as a result.
- *Different market practices:* Market practices in the Mainland China and Hong Kong may be different. In addition, operational arrangements of the Fund and other public funds offered in Hong Kong may be different in certain ways. For example, subscriptions or redemption of units of the Fund may only be processed on a day when both Mainland China and Hong Kong markets are open, or it may have different cut-off times or dealing day arrangements versus other SFC-authorised funds. Investors should ensure that they understand these differences and their implications.

3. Concentration risk / Mainland China market risk

- The Fund invests primarily in securities related to the Mainland China market and may be subject to additional concentration risk. Investing in the Mainland China market may give rise to different risks including political, policy, tax, economic, foreign exchange, legal, regulatory and liquidity risks.

4. RMB currency and conversion risks

- RMB is currently not freely convertible and is subject to exchange controls and restrictions.
- Non-RMB based investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' base currencies (for example HKD) will not depreciate. Any depreciation of RMB could adversely affect the value of investor's investment in the Fund.
- Investors may not receive RMB upon redemption of investments and/or dividend payment or such payment may be delayed due to the exchange controls and restrictions applicable to RMB.
- The Fund and Class H Units are both denominated in Chinese Yuan (CNY). For investors who need to convert into RMB before subscribing the Class H Units, the exchange rate for the offshore RMB market in Hong Kong (i.e. the CNH exchange rate) may be at a premium or discount to the CNY rate (i.e. the exchange rate for the onshore RMB market in the Mainland China).

5. Mainland China equity risk

- *Market risk:* The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors.
- *Volatility risk:* High market volatility and potential settlement difficulties in the Mainland China equity markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.
- *Policy risk:* Securities exchanges in Mainland China typically have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets. All these may have a negative impact on the Fund.
- *Risk associated with small-capitalisation / mid-capitalisation companies:* The stock of small-capitalisation / mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.
- *High valuation risk:* There is a risk that the stocks listed on the Mainland China stock exchanges may have a higher price-earnings ratio. The high valuation may not be sustainable and stock prices may fall drastically.
- *Liquidity risk:* Securities markets in Mainland China may be less liquid than other developed markets. Mainland China equities are subject to the risks of government intervention such as suspension of trading and trading band limits. This may result in the fluctuation in the prices and illiquidity of Mainland China equities. The Fund may suffer substantial losses if it is not able to dispose of its investment in Mainland China equities at a time it desires.

6. Mainland debt securities risk

- *Volatility and liquidity risks:* The Mainland China debt securities markets may be

subject to higher volatility and lower liquidity compared to more developed markets. The prices of securities traded in such markets may be subject to fluctuations.

- *Counterparty risk*: The Fund is exposed to the credit/default risk of issuers of the debt securities that the Fund may invest in.
- *Interest rate risk*: Investment in the Fund is subject to interest rate risk. In general, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise.
- *Downgrading risk*: The credit rating of a debt instrument or its issuer may subsequently be downgraded. In the event of such downgrading, the value of the Fund may be adversely affected. The Fund Manager may or may not be able to dispose of the debt instruments that are being downgraded.
- *Credit rating agency risk*: The credit appraisal system in Mainland China and the rating methodologies employed in Mainland China may be different from those employed in other markets. Credit ratings given by Mainland China rating agencies may therefore not be directly comparable with those given by other international rating agencies.
- *Risk associated with urban investment bonds*: The Fund may invest in urban investment bonds. Urban investment bonds are issued by local government financing vehicles (“LGFVs”), such bonds are typically not guaranteed by local governments or the central government of Mainland China. In the event that the LGFVs default on payment of principal or interest of the urban investment bonds, the Fund could suffer substantial loss and the Net Asset Value of the Fund could be adversely affected.
- *Risk associated with asset-backed securities*: The Fund may invest in asset-backed securities (including asset-backed commercial papers) which may be highly illiquid and prone to substantial price volatility. These instruments may be subject to greater credit, liquidity and interest rate risk compared to other debt securities. They are often exposed to extension and prepayment risks and risks that the payment obligations relating to the underlying assets are not met, which may adversely impact the returns of the securities.

7. Substantial redemption risk

- Substantial redemptions may require the Fund Manager to liquidate investments of the Fund rapidly which would adversely affect the Net Asset Value of the Fund, and may result in suspension or delay in redemption process in the worst case. Pursuant to Mainland China regulations, the payment of proceeds of redemption may be deferred by not more than 20 Business Days, where a situation of continuous substantial redemption occurs.

8. Distribution out of capital risk

- The payment of distributions out of accrued net distributable income carried over from the previous financial year(s) amounts to distributions out of capital under Hong Kong regulatory disclosure requirements. Investors should note that the payment of distributions out of capital represents a return or a withdrawal of part of the amount they originally invested or capital gain attributable to that amount. Any distributions involving payment of dividends out of capital of the class will result in an immediate decrease in the Net Asset Value per unit of the relevant units.

9. Risks relating to repurchase / reverse repurchase transactions

- The Fund Manager may enter into repurchase transactions for the account of the Fund. The Fund may suffer substantial loss as there may be delay and difficulties in

recovering collateral placed with the counterparty or the cash originally received may be less than the collateral placed with the counterparty due to inaccurate and inadequate valuation of the collateral and market movements upon default of the counterparty.

- The Fund Manager may also enter into reverse repurchase transactions for the account of the Fund. The collateral placed under the reverse repurchase transactions in the interbank market may not be marked to market. Besides, the Fund may suffer substantial loss when engaging in reverse repurchase transactions as there may be delay and difficulties in recovering the cash placed out or realizing the collateral, or proceeds from the sale of collateral may be less than the cash placed with the counterparty due to inaccurate and inadequate valuation of the collateral and market movements upon default of the counterparty.

10. Taxation and FATCA risk

- Investors should note specific uncertainty in tax position and tax risks relating to potential tax liabilities on income and gains that arise from investing in, holding or disposing of units in the Fund. Changes in tax regulations and/or tax provisioning policy of the Fund may only impact investors remaining in the Fund. Investors who have sold or redeemed their units prior to such change may not be impacted. Investors may be advantaged or disadvantaged depending upon whether and how the capital gains arising from the redemption of units and distributions from the Fund will ultimately be taxed and when the investors invest in the Fund. There are certain risks relating to the Mainland China tax regime and FATCA, as further described in the section headed “**Taxation**” of this document.

DEALING AND SETTLEMENT PROCEDURES IN HONG KONG

For Hong Kong investors, the details on the minimum initial investment, minimum subsequent investment, minimum redemption and the minimum holding in respect of the Fund are set out below:

Minimum initial investment	Minimum subsequent investment	Minimum redemption	Minimum holding
RMB 100	RMB 100	100 units	100 units

For the purpose of dealing in units through the Hong Kong Representative, a “**Hong Kong Dealing Day**” shall mean a Dealing Day on which banks in Hong Kong are also open for normal banking business. Where as a result of a number 8 typhoon signal, black rainstorm warning or other similar event, the period during which banks in Hong Kong are open on any day is reduced, such day shall not be a Hong Kong Dealing Day unless the Fund Manager determines otherwise. “**Dealing Day**” is defined to mean a “**Business Day**” on which Subscription, Redemption or other business of fund units are processed for the Fund Investors and “**Business Day**” is defined to mean a normal trading day of Shanghai Stock Exchange and Shenzhen Stock Exchange.

Subscription and redemption of units in Hong Kong take place on each Hong Kong Dealing Day, save for the period of suspension of valuation of and dealing in units of the Fund set out below under the heading “**Suspension of Valuation and Dealing**” under the section “**Net Asset Value**” and the period when the Fund is closed for subscription.

Instructions for subscriptions and redemptions which the Hong Kong Representative considers unclear or incomplete may lead to a delay in their execution. Such instructions will

only be executed once they have been verified and confirmed to the Hong Kong Representative's satisfaction. The Hong Kong Representative will not be liable for any losses which may result from delays arising from unclear instructions.

Subscription Procedures

To purchase Units in the Fund, investors should make an application to authorised distributors or the Hong Kong Representative (if applicable) by 3:00 p.m. (Hong Kong time) on a Hong Kong Dealing Day ("**Dealing Deadline**") for dealing on the same day. Authorised distributors are required to forward the relevant applications received before the Dealing Deadline by 5:00 p.m. (Hong Kong time) to the Hong Kong Representative for dealing on the same day.

The Hong Kong Representative will aggregate the subscription applications received directly from investors and/or via authorised distributors and pass a consolidated order to the Fund Manager. Applications received after the Dealing Deadline will be forwarded to the Fund Manager on the immediately following Hong Kong Dealing Day. The number of Units allotted will be calculated by dividing subscription proceeds (net of subscription fee) by the Net Asset Value per Unit on the Hong Kong Dealing Day on which the Fund Manager receives the application. The subscription will be confirmed on the next Hong Kong Dealing Day.

Subscriptions for Units via the Hong Kong Representative may be made by Hong Kong investors by facsimile or by electronic communication (if applicable) placed by a person designated as an authorised person in the application form.

Different authorised distributors may have different practices for subscription. For subscription applications made through authorised distributors in Hong Kong, investors should consult with their respective authorised distributors for the dealing procedures (including the acceptable means of subscription order submission) applicable to dealing through such authorised distributors. Authorised distributors may impose different earlier dealing deadlines for receiving applications for subscriptions. Investors should pay attention to the arrangements of the authorised distributors concerned.

Hong Kong investors may not switch to other class of the Fund or any other investment funds.

Redemption Procedures

A Hong Kong Unitholder who wishes to request a redemption of the whole or any part of his holding of Units in the Fund may submit his redemption order (in the prescribed form) to authorised distributors or the Hong Kong Representative (if applicable) by the Dealing Deadline for dealing on the same day. Authorised distributors are required to forward the relevant applications received before the Dealing Deadline by 5:00 p.m. (Hong Kong time) to the Hong Kong Representative for dealing on the same day.

The Hong Kong Representative will aggregate redemption orders received directly from investors and/or via authorised distributors and pass a consolidated order to the Fund Manager. Applications received after the Dealing Deadline will be dealt with on the immediately following Hong Kong Dealing Day. Units will be redeemed at the Net Asset Value per Unit on the Hong Kong Dealing Day on which the Fund Manager receives the application. The redemption will be confirmed on the next Hong Kong Dealing Day.

Redemption of Units via the Hong Kong Representative may be made by Hong Kong

investors by facsimile or by electronic communication (if applicable) placed by a person designated as an authorised person in the redemption form.

Different authorised distributors may have different practices for redemption. To redeem units through authorised distributors in Hong Kong, investors should consult with their respective authorised distributors for the dealing procedures (including the acceptable means of redemption order submission) applicable to dealing through such authorised distributors. Authorised distributors may impose different earlier dealing deadlines for receiving applications for redemption. Investors should pay attention to the arrangements of the authorised distributors concerned.

If, upon redemption of Class H Units held by a Unitholder, the remaining balance of the units is of a value less than 100 units upon or after the redemption, the redemption request shall be treated as a request to redeem all remaining units held by the Unitholder. In other words, the remaining units will be compulsorily redeemed and this compulsory redemption will be processed without consent of or notification to the investors. There are no other circumstances of compulsory redemption.

Settlement

Payment of the subscription monies must be made at the time of application. Payment must be made in RMB in cleared funds.

No money should be paid to any intermediary in Hong Kong who is not licensed or registered to carry on the Type 1 (dealing in securities) regulated activity under Part V of the Securities and Futures Ordinance.

Proceeds from redemption will be paid in RMB to the registered Unitholder by telegraphic transfer usually within 7 Hong Kong Dealing Days, upon proper receipt by the Hong Kong Representative of the documents necessary to complete the redemption.

Please note that payment of redemption proceeds may be deferred in the circumstances as set out in the sub-section headed “**(VII) Suspension of Redemption or Deferral Payment of Redemption Monies**” under the section headed “**VII. Subscription, Redemption and Switching of Units**” of the Prospectus. In these circumstances, the extended time frame for the payment of redemption proceeds shall reflect the additional time needed in light of the specific situations and the redemption proceeds will be made to the Unitholders as soon as practicable. In any event, the payment of redemption proceeds will be made within 20 Business Days after the Fund Manager accepts and confirms the redemption requests.

All bank charges incurred in making the redemption payment will be borne by the redeeming Unitholder. Investors should check with authorised distributors or the Hong Kong Representative for further details.

For dealing in Units through authorised distributors, investors are advised to obtain information on settlement from the distributors concerned.

Changes to information and Anti-money Laundering Checks

If there is any change in the information contained in a Unitholder’s application form or the Unitholder’s personal information or details, the Unitholders should notify the Hong Kong Representative or the relevant authorised distributor (who in turn will notify the Fund Manager) in writing of any such change and furnish the Hong Kong Representative or the relevant authorised distributor with such additional documents relating to such change as the

Hong Kong Representative, or the relevant authorised distributor or the Fund Manager may request.

In the event of delay or failure to produce any documents or information required for verification of identity or legitimacy of subscription monies, the Fund Manager, the Fund Custodian, the Hong Kong Representative and/or the relevant authorised distributor may refuse to accept an application and the subscription moneys relating thereto. Further, they may delay in paying any redemption proceeds if a Unitholder delays in producing or fails to produce any documents or information required for the purposes of verification of identity, and may refuse to make payment to a Unitholder if either of them suspects or is advised that (i) such payment may result in a breach or violation of any anti-money laundering law or other laws or regulations by any person in any relevant jurisdiction; or (ii) such refusal is necessary or appropriate to ensure compliance with any such laws or regulations in any relevant jurisdiction.

NOMINEE ARRANGEMENTS AND UNITHOLDER MEETINGS

For Hong Kong investors subscribing the Units through the Hong Kong Representative, the holding of units in the Fund will be through JPMorgan Investor Services (Asia) Limited (the “**Nominee**”), an associated company of the Hong Kong Representative.

The Hong Kong Representative has appointed the Nominee, under the terms of the nominee agreement, to hold the units on behalf of the Hong Kong investors in accordance with the terms and conditions which are summarised below: -

- (i) The Hong Kong Representative acting as agent for each Hong Kong Unitholder may:
 - a. place any orders for the sale or purchase of units held or to be held by the Nominee for the account of that Hong Kong Unitholder;
 - b. without further instructions from that Hong Kong Unitholder, direct the Nominee or the Fund to procure that, or cause, any dividends or other entitlements or redemption proceeds paid or payable in respect of any such units to be paid directly to the Hong Kong Representative on behalf of that Hong Kong Unitholder. Any such dividends or proceeds will be applied by the Hong Kong Representative in accordance with the relevant Hong Kong Unitholder’s instructions from time to time.
- (ii) Subject to the above, instructions in connection with any units held for a Hong Kong Unitholder’s account will only be given to the Nominee by the Hong Kong Representative acting as agent for that Hong Kong Unitholder. Each of the Hong Kong Representative and the Nominee will act on any instructions given to it by that Hong Kong Unitholder and the Hong Kong Representative, respectively, provided that each of the Hong Kong Representative and the Nominee receives sufficient notice to enable it to so act (that period of notice to be determined, in its absolute discretion, by the Hong Kong Representative).
- (iii) The Hong Kong Representative and other relevant parties, including the Fund Manager, shall be indemnified by each Hong Kong Unitholder against any actions, proceedings, claims, losses, damages, taxes, costs and expenses which may be brought against, suffered or incurred by any or all of them arising either directly or indirectly out of or in connection with the Hong Kong Representative’s or the Nominee’s accepting, or relying on any instructions given or purported to be given by or on behalf of that Hong Kong Unitholder or given by the Hong Kong

Representative provided that the Hong Kong Representative or the Nominee, as the case may be, acts in good faith, unless due to the wilful default, negligence or fraud of the Hong Kong Representative or any other relevant party.

- (iv) Any taxes incurred by the Nominee in respect of any units held on account of that Hong Kong Unitholder shall be the responsibility of each Hong Kong Unitholder.

For Hong Kong investors subscribing the Units through authorized distributors, they should contact the relevant authorised distributor to find out details of the applicable nominee arrangement.

The Nominee or each authorised distributor, as the case may be, will keep a record of the underlying Hong Kong Unitholders on behalf of whom it holds units in the Fund. Because of the nominee arrangement, the Nominee or each authorised distributor, as the case may be, will be recorded as holder on the register of the Fund (nominee account holder). The underlying Hong Kong Unitholders will not be recorded as the holder of the relevant units. The Nominee or each authorised distributor, as the case may be, will be entitled to exercise the rights as a holder of units (including but not limited to voting rights, the right to take legal action against the Fund Manager and the Fund Custodian), instead of the individual underlying Hong Kong Unitholders.

The Fund Manager will communicate details of all Unitholder Meetings such as meeting date, time and the resolutions relating to the Fund to the Nominee or the authorised distributors, as the case may be, who are expected to further notify the underlying Hong Kong Unitholders such details, together with the voting arrangements as soon as practicable. The Nominee or any authorised distributors in Hong Kong, under the provisions of the Fund Contract and without prejudice to the interests of the Unitholders, provides services to the underlying Hong Kong Unitholders of Class H Unit. The services include requesting the Unitholder Meetings by proxy, convening the Unitholder Meetings by proxy, attending the Unitholder Meetings by proxy, voting in the Unitholder Meetings by proxy, etc. The Nominee or the authorised distributors, as the case may be, will consolidate the voting instructions from the underlying Hong Kong Unitholders and submit such voting instructions to the Fund Manager. These instructions will be processed pursuant to the provisions of the Fund Contract.

Investors must comply with the arrangements and deadlines specified by the Nominee or the relevant authorised distributors, as the case may be, in order to participate in the voting process in Unitholder Meetings.

Hong Kong investors should note that their investment via these nominee arrangements does not have any direct contractual relationship with the Hong Kong Representative or the Fund Manager. Although the underlying Hong Kong Unitholders are the beneficial owners of the units, legally the units are owned by the Nominee or the relevant authorised distributors, as the case may be. In these circumstances, the underlying Hong Kong Unitholders do not have any direct contractual relationship with the Hong Kong Representative (save for the circumstances where the Hong Kong Unitholders subscribed the Units directly through the Hong Kong Representative) or the Fund Manager, and therefore will not have direct recourse on the Hong Kong Representative (save for the circumstances where the Hong Kong Unitholders subscribed the Units directly through the Hong Kong Representative) or the Fund Manager as Hong Kong Unitholders can only pursue claims through the Nominee or the relevant authorised distributor, as the case may be.

Hong Kong investors should consider the above and understand the difference in position as a result of holding units by way of a nominee arrangement. In particular, Hong Kong

investors will exercise their rights in the Fund through a nominee, whereas Mainland China investors holding units directly are entitled to exercise their rights in the Fund directly.

NET ASSET VALUE

Publication of the Net Asset Value per Unit

The Net Asset Value per Unit shall be made available on each Hong Kong Dealing Day on the website of the Hong Kong Representative at www.jpmorganam.com.hk. This website has not been reviewed by the SFC.

Suspension of Valuation and Dealing

Any suspension of the determination of the Net Asset Value of the Fund and the subscription or redemption of units of the Fund will be announced as soon as practicable following such decision and within the timeframe as required under applicable regulations on the website of the Hong Kong Representative at www.jpmorganam.com.hk. For any suspension or deferral of dealings of the Fund requiring notification to the CSRC, the SFC shall also be notified correspondingly.

Investors should note that the aforesaid website has not been reviewed by the SFC.

DISTRIBUTION

Please refer to the section headed “**XII. Fund Income and Distribution**” of the Prospectus for the distribution policy applicable to Class H Units, except that the Class H Unitholders currently are not offered the option of reinvestment of distributions (if declared). Investors will be notified when reinvestment option is available.

Distributions may be paid out of accrued net distributable income carried over from the previous financial year(s), which amount to distributions out of capital under Hong Kong regulatory disclosure requirements.

Investors should note that where the payment of dividends are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount originally invested or capital gains attributable to that, and may result in an immediate decrease in the value of the Class H Units and will reduce any capital appreciation for the Unitholders of such Class H Units.

The composition of the distributions in respect of the Class H Units (i.e. the relative amounts paid out of net distributable income and capital) for the last 12 months[#] are available by the Hong Kong Representative on request and also on the website www.jpmorganam.com.hk. Investors should note that the aforesaid website has not been reviewed by the SFC.

The Fund Manager may amend the dividend policy with respect to payment of distribution out of capital of the Class H Units subject to obtaining the prior regulatory approval and by giving not less than one month's prior notice to Unitholders.

[#] This refers to a rolling 12 month period after date of launch of the class.

FEES AND EXPENSES

The attention of prospective investors is drawn to details of the fees and expenses relating to

the Fund as set out in the sections headed “**VII. Subscription, Redemption and Switching of Fund Units**” and “**XIII. Expenses and Taxes of the Fund**” of the Prospectus.

Subscription of Class H Units is subject to a subscription fee of up to 5% of the subscription amount. The subscription fee is payable to the relevant authorised distributors or the Hong Kong Representative, as the case may be. An illustrative example of the subscription fee is set out below for reference:

Example: Assuming that an investor invests RMB 10,000 to subscribe for Class H Units, the rate of the applicable subscription fee is 5%, and the net asset value per Unit on a Hong Kong Dealing Day is RMB 1.5, then the number of units to be allotted shall be calculated as follows: Subscription fee = (RMB 10,000 X 5%) / (1+5%) = RMB 476.19

Net subscription proceeds = RMB 10,000 – RMB 476.19 = RMB 9,523.81

Number of units subscribed = RMB 9,523.81/ RMB 1.5 = 6,349.21 units

Therefore, the investor receives 6,349.21 Class H Units in the Fund by investing RMB 10,000 in the above example.

Redemption of Class H Units is subject to a redemption fee of 0.13% (maximum: up to 0.5%) of the redemption amount. The redemption fee is payable to the Fund. For the avoidance of doubt, the arrangement that no less than 25% of the total redemption fees should be credited to the property of the Fund as set out in the sections headed “**VII. Subscription, Redemption and Switching of Fund Units**” is not applicable for Class H Units.

An illustrative example of the redemption fee is set out below for reference:

Example: Assuming that an investor redeems 10,000 Units from the Fund, and the net asset value per Unit on a Hong Kong Dealing Day is RMB 1.5, then redemption proceeds to be paid to the investor shall be calculated as follows:

Total redemption amount = 10,000 × RMB 1.5 = RMB 15,000

Redemption fee = RMB 15,000 * 0.13% = RMB 19.5

Net redemption proceeds = RMB 15,000 – RMB 19.5 = RMB 14,980.5

Therefore, the investor receives RMB 14,980.5 for the redemption effected in the above example.

TAXATION

Investors may refer to the Prospectus for more information on the possible tax implications. Investors should inform themselves of, and where appropriate consult their professional advisors on, the possible tax consequences of subscribing for, buying, holding, converting, redeeming or otherwise disposing of Units under the laws of their country of citizenship, residence, or domicile or incorporation.

Mainland China

(A) Taxation for Hong Kong Investors under MRF

On 18 December 2015, The Ministry of Finance, the State of Administration of Taxation and the CSRC jointly released the Caishui [2015] No.125 (the “**Notice**”) which specifies the Mainland China taxation for investments in Mainland China securities investment funds under MRF (“**Recognised Mainland Funds**”) by Hong Kong investors or investors in Hong Kong (“**Hong Kong Investors**”), and as set out below:

Corporate Income Tax (“CIT”) and Individual Income Tax (“IIT”)

Income derived from disposal gains of Recognised Mainland Funds by Hong Kong Investors (either corporate investors or individual investors) is temporarily exempt from income tax (including CIT and IIT respectively). Income derived by Hong Kong Investors from distributions from Recognised Mainland Funds would not be subject to income tax (including CIT and IIT respectively) again as such taxes already been withheld by PRC listed companies / issuers of bonds at time of distribution to Recognised Mainland Funds.

Business Tax (“BT”)

BT is temporarily exempted on the income derived from disposal gains of Recognised Mainland Funds by Hong Kong Investors.

Stamp Duty

Mainland China Stamp Duty is temporarily not payable by Hong Kong Investors for the subscription, redemption, purchase, sales, transfer or inheritance of units/shares of Recognised Mainland Funds.

(B) Taxation for Mainland China Securities Investment Fund

Pursuant to Caishui [2008] No. 1, gains realized from the trading of Mainland China shares and bonds, dividend from Mainland China shares, interest from Mainland China bonds and other income by Mainland China securities investment fund shall be temporarily exempted from CIT.

Pursuant to Caishui [2002] No. 128, listed companies and issuers of bonds should withhold 20% IIT from payment of dividends or interest to a Mainland China securities investment fund. However, distribution derived by Hong Kong investors (either corporate investors or individual investors) should be subject to income tax (on a withholding basis) at the rates of 10% and 7% respectively for dividends and interests declared – which would be withheld at the time when the Mainland China issuers (as withholding agent) distributes to Recognised Mainland Funds on the portion of dividends and interests attributable to Hong Kong Investors pursuant to the Notice.

In addition, sale of A-Shares and B-Shares (“**Mainland Shares**”) is subject to Mainland China stamp duty at a rate of 0.1% of the total proceed. However, the purchase of Mainland Shares is not subject to PRC Stamp Duty.

Various tax reform policies have been implemented by the Mainland China government in

recent years, and existing tax laws and regulations may be revised or amended in the future. There is no assurance that current tax exemptions or incentives will not be abolished in the future. Investors should seek their own tax advice on their Mainland China tax position with regard to their investment in the Recognised Mainland Fund.

Hong Kong

Under current law and practice in Hong Kong, during such time as the Fund remains authorised by the SFC, it is not expected to be subject to any Hong Kong profits tax arising from the carrying on of its activities as described in the Prospectus and this Hong Kong Covering Document. Except as mentioned below, Unitholders will not be subject to any Hong Kong tax on distributions from the Fund or on capital gains realised on the sale of any Unit.

If the acquisition and redemption of units is or forms part of a trade, profession or business carried on in Hong Kong, gains realised by the relevant Unitholder may attract Hong Kong profits tax. Units will not attract Hong Kong estate duty and no Hong Kong stamp duty will be payable on the issue or transfer of units.

Foreign Account Tax Compliance Act

Sections 1471 – 1474 (referred to as “**FATCA**”) of the U.S. Internal Revenue Code of 1986, as amended (“**IRS Code**”) impose rules with respect to certain payments to non-United States persons, such as the Fund, including interest and dividends from securities of U.S. issuers and gross proceeds from the sale of such securities. All such payments may be subject to withholding at a 30% rate, unless the recipient of the payment satisfies certain requirements intended to enable the U.S. Internal Revenue Service (“**IRS**”) to identify United States persons (within the meaning of the IRS Code) with interests in such payments. To avoid such withholding on payments made to it, a foreign financial institution (an “**FFI**”), such as the Fund (and, generally, other investment funds organised outside the U.S.), generally will be required to enter into an agreement (an “**FFI Agreement**”) with the U.S. IRS under which it will agree to identify its direct or indirect owners who are United States persons and report certain information concerning such persons to the U.S. IRS.

In general, an FFI which does not sign an FFI Agreement or is not otherwise exempt will face a punitive 30% withholding tax on all “**withholdable payments**” derived from U.S. sources, including dividends, interest and certain derivative payments made on or after 1 July 2014. In addition, starting from 1 January 2019, gross proceeds such as sales proceeds and returns of principal derived from stocks and debt obligations generating U.S. source dividends or interest will be treated as “**withholdable payments**”.

Recognising that there may be legal issues with financial institutions entering into a FFI Agreement with the IRS, many governments have entered or will enter into an Inter-governmental Agreement (“**IGA**”) with the IRS. The Mainland China government has not entered into an IGA with the United States as of the date hereof, although it has substantially negotiated such agreement and has been added to the “**white list**” countries treated as having an Model 1 IGA in place.

As of the date hereof, the Fund Manager has already registered with the U.S. IRS as a Registered Deemed-Compliant Financial Institution (including a reporting Model 1 FFI) and has obtained its Global Intermediary Identification Number. The Fund Manager acts as the sponsoring entity for the Fund. The Fund will rely on the Fund Manager for the purpose of complying with FATCA.

The Fund Manager and the Fund will endeavour to satisfy the requirements imposed under

FATCA to avoid any withholding tax. In the event that the Fund is not able to comply with the requirements imposed by FATCA and the Fund does suffer U.S. withholding tax on its investments as a result of non-compliance, the Net Asset Value of the Fund may be adversely affected and the Fund may suffer significant loss as a result.

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

REPORTS

Audited annual reports incorporating financial statements, unaudited half-yearly reports and quarterly reports shall be made available to each Unitholder in accordance with the section headed "**XV. Information Disclosure of the Fund**" of the Prospectus. Annual reports will be made available within 90 days after the end of each year. Semi-annual reports of the Fund will be made available within 60 days after the end of the first half of each year. Quarterly reports of the Fund will be made available within 15 Business Days after the end of each quarter.

Financial reports made available to Hong Kong investors will be supplemented with such additional information as required to be furnished to Hong Kong investors under the MRF arrangement (or otherwise required by the SFC from time to time).

All the above reports shall be made available to Unitholders electronically on www.jpmmorganam.com.hk. Investors should note that the aforesaid website has not been reviewed by the SFC. Unitholders will be notified as and when these reports are available. These reports will be also made available for inspection at the registered office of the Hong Kong Representative.

DOCUMENTS AVAILABLE TO INVESTORS

Offering documents and ongoing disclosure of information of the Fund shall be made available to Mainland Chinese investors and Hong Kong investors at the same time, except for any notice to Mainland Chinese investors which is issued only in respect of classes of units of the Fund not available in Hong Kong and not relevant to Hong Kong investors, or relate solely to issues that have no impact on Hong Kong investors.

Copies of the following documents are available for inspection free of charge during normal business hours on weekdays (excluding Saturdays and public holidays) at the registered office of the Hong Kong Representative:-

- i. approval documents of the CSRC for the offering of the Fund
- ii. the Fund Contract of the Fund, as amended from time to time;
- iii. the Custody Agreement as referred to in the Prospectus;
- iv. the Prospectus of the Fund registered with the CSRC, this Hong Kong Covering Document and the Product Key Facts Statement, as amended from time to time;
- v. financial reports of the Fund under the above section headed "**Reports**";
- vi. legal opinion (issued by Mainland China counsel);

- vii. the Hong Kong Representative Agreement;
- viii. notices of the Fund;
- ix. such other documents as are set out in the Prospectus to be available for public inspection.

Items (i), (iii), (vi) and (ix) will be available in simplified Chinese only. Items (ii) and (v) will be available in simplified Chinese and traditional Chinese only. Documents set out in items (iv) and (viii) will be available in English and traditional Chinese only. Item (vii) will be available in English only.

Investors may request for specific information regarding items (ii) and (v) in English by submitting a request in writing to the Hong Kong Representative. The Hong Kong Representative will respond to such request as soon as practicable.

Copies of documents set out in items (iv) and (v) may also be obtained, free of charge, upon request at the registered office of the Hong Kong Representative. Copies of the other documents set out above may be obtained upon payment of a reasonable fee upon request at the registered office of the Hong Kong Representative.

As regards item (iv), the Prospectus of the Fund shall normally be updated every six months; and the Hong Kong Covering Document and the Product Key Facts Statement shall be updated where necessary to reflect corresponding changes.

www.jpmorgan.com/hk/am/

Prospectus - March 2022

CIFM China Multi-Assets Fund

Mainland-Hong Kong Mutual Recognition of Funds



Fund Manager:

China International
Fund Management

Main Distributor in Hong Kong:

J.P.Morgan
Asset Management

CIFM China Multi-Assets Fund

Prospectus (Updated)

Approval Document No.: CSRC ZhengJianJiJin Zi [2006] No. 50

Approval Date: March 22, 2006

Fund Manager: China International Fund Management Co., Ltd.

Fund Custodian: China Construction Bank Corporation

IMPORTANT NOTES

1. The Fund Manager guarantees that the contents of this Prospectus are true, accurate and complete;
2. This Prospectus has been approved by the CSRC, but the CSRC's approval of the offering of the Fund neither represents its substantive judgment or guarantee on the value and return of the Fund, nor indicates that there is no risk when investing in the Fund;
3. Investment involves risks. Investors should read this Prospectus carefully when making application (or subscription) for Fund;
4. The Fund's past performance is not indicative of its future performance;
5. The Fund Manager shall manage and use the Fund's assets according to the principles of due diligence, honesty, good faith and prudence, but does not guarantee any profits or minimum returns of the Fund;
6. The Fund is allowed to invest in stocks listed on the STAR Market. Once invested in STAR Market – listed stocks, the Fund's assets will be exposed to unique risks caused by differences in investment targets, market systems and trading rules under the STAR Market mechanism, including but not limited to risks related to liquidity, delisting, investment concentration and market conditions, systematic risks, risks resulting from share – price fluctuations, and policy risks. The Fund may choose to invest, or not to invest, a portion of its assets in STAR Market – listed stocks, based on its investment strategies and changes in market conditions. The Fund's assets will not necessarily be invested in STAR Market – listed stocks.
7. The Fund is allowed to invest in Chinese depository receipts. In addition to the common risks faced by other funds that only invest in the stocks listed on the Shanghai and Shenzhen Stock Markets, the Fund's assets will also be exposed to the risks resulting from large price fluctuations of the Chinese depository receipts and even large losses, as well as the risks associated with Chinese depository receipts issuance mechanism.
8. When the Fund holds specific assets and there are, or there potentially will be substantive redemption applications, the Fund Manager can start the side pocket mechanism after performing the corresponding procedures. For details, please refer to the relevant chapters of the Fund Contract and this Prospectus. During the implementation of the side pocket mechanism, the Fund Manager will make a special mark on the Fund's abbreviation and will not process any subscription or redemption of the side pocket account. Unitholders of the Fund are requested to read the relevant content carefully and pay attention to the specific risks when the Fund implements the side pocket mechanism.

9. Individual investors should read and fully understand the CIFM User Privacy Policy (https://www.cifm.com/service/ETguide/rules/201908/t20190822_144519.html), be aware of and give your consent to the collection, use, storage or other processing of your personal information in accordance with the aforementioned privacy policy as well as the relevant laws, regulations and regulatory rules (such as anti-money laundering, investor suitability management, real-name registration, etc.) for the purposes of opening a fund account for you and providing corresponding fund management services to you. Your personal information includes your basic personal information, personally identifiable information and personal property information, etc., part of which is classified as sensitive personal information. If you do not give your consent to the processing of your personal information, we will not be able to open a fund account for you and provide you with corresponding fund management services.

If the provision of third-party personal information is involved, institutional investors should guarantee that the source of such personal information is legitimate and that the Fund Manager does not violate the rule on obtaining consent from such a third party when processing their personal information. Institutional investors should remind such a third party to read the CIFM User Privacy Policy, in particular, informing them of the way that the Fund Manager will process their personal information and obtain their prior consent in accordance with the relevant provisions of the Personal Information Protection Law.

10. The content contained in this Prospectus is as of February 16, 2022, while the cut-off date for the data of the Fund's portfolios and the Fund's performance is December 31, 2021.
11. For the detailed information and relevant matters relating to Class H Units of the Fund, please refer to the Hong Kong Covering Document of the Fund. The investors of Class H Units of the Fund shall read the Prospectus together with the Hong Kong Covering Document of the Fund and Product Key Facts Statement of Class H Units.

March 2022

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I. PREFACE

The Prospectus is prepared in accordance with the *Securities Investment Funds Law of the People's Republic of China* and other relevant laws and regulations, as well as the *Fund Contract of CIFM China Multi – Assets Fund* (hereinafter referred to as the “Contract” or “Fund Contract”).

The Prospectus sets forth all necessary matters related to the investment decisions of investors, such as the investment objectives, strategies, risks and rates of CIFM China Multi – Assets Fund (hereinafter referred to as “the Fund” or “Fund”), and investors should read the Prospectus carefully before making investment decisions.

The Fund Manager undertakes that there is no false content, misleading statement or material omission in this Prospectus, and accepts legal liability for its truth, accuracy and completeness. The application for the offering of the Fund is based on the information stated in the Prospectus. The Fund Manager does not entrust or authorise any other person to provide information, which is not stated in the Prospectus, nor to make any interpretation or explanation of the Prospectus.

The Fund Manager undertakes to manage and use the Fund's assets according to the principles of honesty, good faith, diligence and prudence, but does not guarantee any profits or minimum returns of the Fund. The Fund will be issued according to the information stated in the Prospectus.

This Prospectus is prepared according to the Fund Contract and is approved by the CSRC. The Fund Contract is a legal document that stipulates the rights and obligations of the parties concerned. The Prospectus mainly discloses information about matters related to the Fund to the investors, and serves as an invitation for the offer based on which investors can choose and decide whether they will invest in the Fund. Fund investors will become Unitholders and parties to the Fund Contract once the fund units are obtained pursuant to the Fund Contract. Their holding of the fund units is in itself an acknowledgment and acceptance of the Fund Contract, and they will be entitled to the rights and will assume the obligations pursuant to the *Funds Law*, the Fund Contract and other relevant provisions.

Fund Investors should read the Fund Contract carefully for the purpose of understanding the rights and obligations of the Unitholders.

II. DEFINITIONS

Unless otherwise specified herein, the following terms or abbreviations in this Prospectus shall have the meanings given below:

1. Fund or the Fund: CIFM China Multi – Assets Fund.
2. Fund Manager or the Fund Manager: China International Fund Management Co., Ltd.
3. Fund Custodian or the Fund Custodian: China Construction Bank Corporation.
4. Fund Contract: *Fund Contract of CIFM China Multi – Assets Fund* and any valid amendments or supplements made thereto.
5. Custody Agreement or the Custody Agreement: *Custody Agreement of CIFM China Multi – Assets Fund* entered into between the Fund Manager and the Fund Custodian in respect of the Fund, and any valid amendments or supplements made thereto.

6. Prospectus or the Prospectus: *Prospectus of CIFM China Multi – Assets Fund* and updates thereto. It is a legal document that gives details of the Fund under public offering.
7. Fund Units Offering Announcement: *Offering Announcement of Units of CIFM China Multi – Assets Fund*.
8. Laws and Regulations: Laws, administrative statutes, judicial interpretations and administrative regulations promulgated and currently put into force in China and other decisions, resolutions and notices binding upon the Parties to the Fund Contract.
9. *Funds Law: The Securities Investment Fund Law of the People’s Republic of China* which was revised during the thirtieth session of the Eleventh Standing Committee of the National People’s Congress on December 28, 2012, and implemented on June 1, 2013, and the amendments made thereto by the promulgation authority from time to time.
10. *Measures on Sales: Supervision and Administrative Measures on Sales Agencies of Publicly Offered Securities Investment Funds* which was issued by the CSRC on August 28, 2020 and implemented on October 1, 2020, and the amendments made thereto by the promulgation authority from time to time.
11. *Measures on Information Disclosure: Administrative Measures on Information Disclosure of Publicly Offered Securities Investment Funds* which was issued by the CSRC on July 26, 2019 and implemented on September 1, 2019, and amended through the Decision on Amending Certain Administrative Rules on Securities and Futures issued by the CSRC on March 20, 2020, and the amendments made thereto by the promulgation authority from time to time.
12. *Measures on Operation: Administrative Measures on the Operation of Publicly Offered Securities Investment Funds*, and the amendments made thereto by the promulgation authority from time to time.
13. “Liquidity Risk Management Regulations” refers to the “Liquidity Risk Management Regulations for Publicly – Offered Open – End Securities Investment Funds” issued by the China Securities Regulatory Commission (CSRC) on August 31, 2017, and implemented on October 1 of the same year, including amendments made thereto by the promulgation authority from time to time.
14. CSRC: China Securities Regulatory Commission
15. Banking Regulatory Authority: People’s Bank of China and/or China Banking and Insurance Regulatory Commission.
16. Parties to the Fund Contract: Legal entities that are bound by the Fund Contract and that are entitled to the rights and assume the obligations thereunder, including the Fund Manager, the Fund Custodian and Unitholders.
17. Individual Investors: Natural persons who satisfy the conditions of laws and regulations for investing in securities investment funds.

18. Institutional Investors: An enterprise legal person, public institution legal person, social group or other organizations which are lawfully registered or approved by competent government departments and exists in the People's Republic of China, and which can invest in open – end securities investment funds according to the laws.
19. Qualified Foreign Institutional Investors or QFIIs: Foreign fund management institutions, insurers, securities companies and other asset management institutions that meet the requirements specified by the *Interim Measures on the Management of Investment in Securities in China by Qualified Foreign Institutional Investors*, that have been approved by CSRC to invest in the Chinese securities market, and that have met the investment limits defined by the State Administration of Foreign Exchange.
20. Investors: A collective term for individual investors, institutional investors, and qualified foreign institutional investors.
21. Unitholders: Investors who legally acquire the fund units according to the Fund Contract or the Prospectus.
22. Sales Business of the Fund: Business such as the application, subscription, redemption, switching, non – trading transfer, agency transfer, and periodical subscription investment of the Fund.
23. Sales Institutions: Direct Sales Institution and Sales Agencies.
24. Direct Sales Institution: China International Fund Management Co., Ltd.
25. Sales Agencies: Institutions that satisfy the conditions in the Measures on Sales and other conditions specified by the CSRC, are qualified for carrying out fund sales agency business and have signed a fund sales service agency agreement with the Fund Manager to carry out fund sales business on its behalf.
26. Fund Sales Outlets: Direct sales centers of the Direct Sales Institution and outlets of Sales Agencies.
27. Registration Business: Registration, depository, transfer, clearing and settlement of the Fund, including the opening and management of Investors' fund accounts, registration of fund units, confirmation, clearing and settlement of Sales Business of the Fund, distribution of dividends on behalf of the Fund, establishment and keeping of the register of the Unitholders, etc.
28. Registrars: Institutions that process Registration Business. The Registrars of the Fund are China International Fund Management Co., Ltd. or institutions appointed by China International Fund Management Co., Ltd. to process the Registration Business of the Fund on its behalf.
29. Fund Accounts: Accounts opened at the Registrars for Investors, for the purpose of recording the balances and the changes of the fund units that are held by such Investors and managed by the Fund Manager.
30. Fund Trading Accounts: Accounts opened at the Sales Institutions for Investors, for the purpose of recording the changes and balances of the Investors' CIFM China Multi – Assets Fund units traded through the Sales Institutions.

31. **Effective Date of Fund Contract:** The date on which the conditions to the enforcement of Fund Contract are met after the expiry of the Initial Offer Period of the Fund and the Fund Manager obtains a written confirmation of its filing with CSRC from CSRC.
32. **Termination Date of Fund Contract:** The date on which the Fund Contract is terminated according to the procedures specified therein after any Fund Contract Termination Event specified in the Fund Contract has occurred.
33. **Initial Offer Period of the Fund:** The period from the date on which the offering of fund units begins to the date on which the offering ends, provided that the period shall not exceed three months.
34. **Duration:** The indefinite period from the Effective Date of Fund Contract to the date when the Fund Contract is terminated.
35. **Business Day:** A normal trading day of Shanghai Stock Exchange and Shenzhen Stock Exchange.
36. **T Day:** A Business Day on which the valid applications of Investors are accepted by the Sales Institutions.
37. **T+n Day:** The nth Business Day (excluding T Day) after T Day.
38. **Dealing Day:** A Business Day on which Subscription, Redemption or other businesses of fund units are processed for the Fund Investors.
39. **Trading Hours:** The hours in a Dealing Day during which Subscription, Redemption or other transactions of the Fund are accepted.
40. **Business Rules:** *The Business Rules on Open – end Funds of China International Fund Management Co., Ltd.* established to standardise the registration and operation of the open – end securities investment funds under the management of the Fund Manager, which shall be jointly followed by the Fund Manager and Investors.
41. **Application:** An Investor’s application for subscription of certain fund units within the Initial Offer Period of the Fund.
42. **Subscription:** An Investor’s application for subscription of certain fund units within the Duration of the Fund.
43. **Redemption:** The Fund Manager’s repurchase of the fund units required by the Unitholder pursuant to the conditions set forth in the Fund Contract.
44. **Fund Switching:** A Unitholder’s action of switching the units of the Fund into the units of other funds managed by the Fund Manager pursuant to the Fund Contract and the Business Rules of the Fund Manager in force then.
45. **Agency Transfer:** The action of a Unitholder to, between different Sales Institutions for the same fund, change the Sales Institutions for the fund units held.

46. Substantial Redemption: The net applications for Redemption of the Fund (i.e. the balance of the sum of total applications for Redemption of units and total applications for switching out from the Fund upon Fund Switching after deducting the sum of total applications for Subscription of units and the total applications for switching into the Fund upon Fund Switching) received on a single Dealing Day of the Fund exceeding 10% of the total fund units on the preceding day.
47. Periodical Subscription Plan: A business in which an Investor subscribes for the Fund according to the method, time, and amount agreed with the Fund Sales Institutions in advance.
48. Yuan: RMB Yuan.
49. Fund Income: The bonus, dividends, interests of bonds, bid – ask spreads of securities, interests of bank deposits, other lawful incomes realised and savings of costs and expenses incurred by the use of the assets of the Fund, as derived from the investment of the Fund.
50. Total Asset Value of the Fund: The total value of all marketable securities, the principal and interest of the bank deposits, subscription amount receivable of the Fund and other assets possessed by the Fund.
51. Net Asset Value (NAV) of the Fund: The value calculated by deducting liabilities of the Fund from the Total Asset Value of the Fund.
52. NAV per Fund Unit: The net asset value per unit of the fund units.
53. Valuation of Fund Assets: The process of estimating the value of assets and liabilities of the Fund to determine the NAV of the Fund and NAV per Fund Unit.
54. “Assets with Restricted Liquidity” refers to assets that cannot be realised at a reasonable price as prescribed by laws, regulations, regulatory authorities, contracts or transactional constraints, including but not limited to reverse repurchases and bank term deposits (including bank deposits with agreed terms and conditions for early withdrawal) with a maturity longer than 10 trading days, shares suspended from trading, new shares with circulation restrictions and shares issued through private placement, asset – backed securities and bonds which cannot be transferred or traded due to default by issuer, etc.
55. Fund Unit Classification: The fund units are classified into two classes based on the sales location of the Fund and the fee rates of Subscription and Redemption. Different fund codes are assigned to these two classes of fund units respectively, and the NAV per Fund Unit shall be announced separately.
56. Class A Unit: Such fund units are only sold in Mainland China, and Subscription fee and Redemption fee shall be charged to such fund units.
57. Class H Unit: Such fund units are only sold in Hong Kong, China, and Subscription fee and Redemption fee shall be charged to such fund units.
58. Designated Media: National newspapers, websites (including the websites of the Fund Manager and the Fund Custodian and the CSRC’s electronic disclosure website for funds) and other media outlets designated by the CSRC for information disclosure;

59. Fund Product Key Facts Statement: The “Fund Product Key Facts Statement of CIFM China Multi – Assets Fund” and updates thereto. Requirements concerning the compilation, disclosure and update of the Fund Product Key Facts Statement shall come into force one year after the implementation of the Measures on Information Disclosure.
60. Side Pocket Mechanism: The separation of specific assets in the Fund’s investment portfolio from the original account to a special account for disposal and liquidation. The purpose is to effectively separate and resolve risks and ensure that investors are treated fairly. It is a liquidity risk management tool. During the implementation of the side pocket mechanism, the original account is referred to as the main pocket account, and the special account is referred to as the side pocket account.
61. Specific Assets: Including: (1) Assets that have no reference active market prices and the use of valuation techniques still leads to significant uncertainty in their fair value; (2) Assets that are measured at amortized cost and the provision for asset impairment still leads to major uncertainties in the value of assets; and (3) Other assets with major uncertainties in the value of assets.
62. Force Majeure: Events that cannot be foreseen, defied or avoided by the Parties to the Fund Contract and occur after execution of the Fund Contract by the Fund Manager and the Fund Custodian and prevent the Parties to the Fund Contract from performing the Fund Contract in whole or in part, including but not limited to floods, earthquakes and other natural disasters, wars, chaos, fires, government forfeiture, confiscation, changes of laws and regulations, sudden power failures or other sudden incidents, and unusual suspension or discontinuation of trading on securities exchanges.

III. FUND MANAGER

(I) Profile of the Fund Manager

The Fund Manager of the Fund is China International Fund Management Co., Ltd., whose basic information is as follows:

Domicile: 25/F, Aurora Plaza, No. 99, Fucheng Road, China (Shanghai) Pilot Free Trade Zone

Office address: 25/F, Aurora Plaza, No. 99, Fucheng Road, China (Shanghai) Pilot Free Trade Zone

Legal representative: Chen Bing

General Manager: Eddy Wong

Date of establishment: May 12, 2004

Paid – up registered capital: RMB 250 million

Name of shareholders, shareholding structure and shareholding ratio:

Shanghai International Trust Co., Ltd. 51%

JP Morgan Asset Management (UK) Limited 49%

Approved by CSRC ZhengJianJiZi [2004] No.56, China International Fund Management Co., Ltd. is a joint venture fund management company established on May 12, 2004. On August 12, 2005, the Fund Manager completed the shareholding changes between the shareholders. The registered capital of the Fund Manager remained unchanged. The shareholder's capital contribution ratio changed from 67% to the current 51% for Shanghai International Trust Co., Ltd. and from 33% to the current 49% for JP Morgan Asset Management (UK) Limited.

On June 6, 2006, the name of the Fund Manager was changed from “Shanghai Investment Morgan Fleming Fund Management Co., Ltd.” to “China International Fund Management Co., Ltd.”. The approval from the CSRC with respect to the change of the name had been obtained on April 29, 2006, and all formalities related to such change had been completed at the State Administration for Industry and Commerce on June 2, 2006.

On March 31, 2009, the registered capital of the Fund Manager increased from RMB 150 million to RMB 250 million, and the proportion of the shareholders' capital contribution remained unchanged. All formalities related to the change have been completed at the State Administration for Industry and Commerce on March 31, 2009.

There is no record that the Fund Manager has been subject to any penalty.

(II) Information of key personnel:

1. Basic information of members of the Board of Directors:

Chairman: Chen Bing

Holder of a Ph.D. degree and Senior Economist.

Chen Bing was formerly the General Manager of Capital & Finance Division of Dalian Branch, Assistant to General Manager of Capital & Finance Division of Head Office, and General Manager of Management Accounting Division and Wealth Management Division of the Personal Banking Headquarters of Head Office of Shanghai Pudong Development Bank. He also served as the Deputy General Manager & Board Secretary, Deputy Party Committee Secretary, and General Manager of Shanghai International Trust Co., Ltd.

He is now the Party Committee Secretary and General Manager of Shanghai International Trust Co., Ltd.; and the Chairman of China International Fund Management Co., Ltd.

Directors:

Director: Paul Bateman

Bachelor's degree

Paul Bateman was formerly the Global Head of Chase Fleming Asset Management Limited and CEO of JP Morgan Asset Management's global investment management business.

He is currently the Global Chairman of JP Morgan Asset Management, a member of the Asset Management Operations Committee and a member of the Investment Committee.

Director: Daniel J. Watkins

Bachelor's degree.

Mr. Watkins formerly served as Deputy Chief Executive Officer for European Operations, Chief Operations Officer of J.P. Morgan Asset Management (Europe), Director of Global Investment Management Operations, Director of European Operations, Director of European Transfer Agency Operations, Director of Luxembourg Operations, Manager of European Transfer Agency and London Investment Operations and manager of the Flemings Investment Operations Teams.

He is currently the Chief Executive Officer and is a member of the Asset Management Operations Committee and the Asia Pacific Management Board at J.P. Morgan Asset Management (Asia).

Director: Richard Titherington

He obtained an M.A. in Politics, Philosophy and Economics from Oxford University.

He was the head of the global emerging markets business of J.P. Morgan Asset Management.

He is the managing director, and the Chief Investment Officer of the Emerging Markets and Asia Pacific Equities team of J.P. Morgan Asset Management.

Director: Eddy Wong

Bachelor's degree.

He formerly served as Head of Funds Business in Hong Kong and Mainland China of JP Morgan Asset Management, and Chairman and Head of JP Morgan Asset Management, Taiwan.

He is currently General Manager of China International Fund Management Co., Ltd.

Director: Chen Haining

Holder of a postgraduate degree and Economist.

He formerly acted as Assistant to General Manager of Financial Division, General Manager of Trade and Finance Division of Referendum Department, Vice Head, Party Committee Secretary, Head of Wuhan Branch and General Manager of the Asset and Liability Management Division at the head office of Shanghai Pudong Development Bank.

He is currently serving as General Manager of the Information Technology Department at the head office of Shanghai Pudong Development Bank.

Director: Lin Yiqiao

Master's Degree, qualified accountant, certified economist.

He was Assistant to General Manager of Investment Portfolio of Treasury Department of Shanghai Pudong Development Bank (SPDB) Headquarters, Assistant to General Manager of the Financial Market Department of SPDB Headquarters, Assistant to General Manager of SPDB Haikou Branch (temporary position), Assistant to General Manager of Financial Institution Department of SPDB Headquarters, and Deputy General Manager of Financial Market Department (Shenzhen) & Deputy General Manager of Financial Institution Department of SPDB Headquarters.

He is currently Compliance Officer of Corporate Business Sector of SPDB Headquarters.

Director: Zhou Ye

Master's Degree.

After joining Shanghai Pudong Development Bank (SPDB), he has been Deputy Section Chief of Personal Credit Department, Deputy Section Chief and Section Chief of the Office of Shanghai Branch. He was Assistant Manager, Deputy Manager of Sanlin Sub Branch and concurrently Manager of Kangqiao Industrial Zone Sub – Branch. He has also served as Deputy General Manager (presiding over the work) and General Manager of Retail Business Management Department, General Manager of Wealth Management Department and General Manager of Retail Business Department.

He is currently Assistant General Manager of Retail Business Department of SPDB Headquarters.

Independent Director: Liu Hongzhong

Ph.D.in Economics from the Department of International Finance.

Liu is currently a professor of School of Economics and Deputy Director of Financial Research Center of Fudan University. He concurrently serves as an Independent Director at Shenyin & Wanguo Futures Co., Ltd., Donghai Futures Co., Ltd., Industrial Securities Co., Ltd., Bank of Communications International Trust Co., Ltd., and is an External Director of Jin Jiang International (Holdings) Co., Ltd.

Independent Director: Alex Wong

Wang holds an MBA from the University of California, Los Angeles (UCLA), and is a Certified Public Accountant in California, US and China.

He formerly served as a partner in PricewaterhouseCoopers Financial Services and was a Managing Partner of Investment Management Industry at PwC China.

He currently serves as an Independent Director at China Merchants Securities Co., Ltd., Fosun United Health Insurance Co., Ltd., Asia – Pacific Property & Casualty Insurance Co., Ltd. and 51 Credit Card Inc., and is a Supervisor at Xuchang Biotechnology Co., Ltd. in Taiwan.

Independent Director: Jacob TSANG

Fellow member of the Association of Chartered Certified Accountants in the United Kingdom.

He was Director of Group Treasury of Hong Kong Jockey Club, member of the Products Advisory Committee of the SFC, Honorary Treasurer of Heep Hong Society and a member of its executive committee and investment sub – committee, chairman of the investment advisory committee of Sir David Trench Fund, Police Children Education Trust and Police Education and Welfare Trust, member of the ad hoc committee on funding management of Hong Kong Housing Society, member of global investor steering committee of the Alternative Investment Management Association (AIMA).

He is currently an Independent Advisor, an Independent Non – Executive Director of Amasse Capital Holding Limited, and part – time advisor to Allianz Global Investors H.K. Ltd.

Independent Director: Wang Xuejie

Holder of LL.B. from the East China University of Political Science and Law, and pre – SJD (an LL.M. equivalent) degree in civil and commercial law from Teikyo University (Japan).

He held the position of General Legal Consultant at the Overseas Business Office of Sunroute Japan, specialising in market development and company establishment in the Asia – Pacific region.

He currently serves as a Senior Partner and Lawyer at AllBright Law Offices (Shanghai).

2. Members of the Board of Supervisors:

Chairman of the Board of Supervisors: Ye Lijian

Holder of a Master's degree in management.

He previously held positions at Shanghai Huangpu State – Owned Assets General Company and the Investment Banking Department of Haitong Securities. Upon joining Shanghai International Trust Co., Ltd., he held the positions of Head of Capital Trust Headquarters, Head of Asset Management Headquarters and Head of Trust Development Headquarters.

He currently serves as Deputy General Manager of Shanghai International Trust Co., Ltd., General Manager of Shangxin Asset Management Co., Ltd. and Deputy Chair of the Shanghai Association of Stock System Enterprises.

Supervisor: Ben Leung

Bachelor's degree.

Liang previously worked as a lawyer at Clifford Chance (Hong Kong) for many years.

He is currently the Chinese General Counsel at JPMorgan Chase & Co.

Supervisor: Zhang Jun

Zhang Jun was formerly the Head of Trading Department, Fund Manager, Head of Investment Portfolio Management Department, Head of Investment Performance Appraisal, Head of International Investment Department, and Head of FOF Investment Department of China International Fund Management Co., Ltd.

He is currently the Investment Director and Senior Portfolio Manager of China International Fund Management Co., Ltd.

Supervisor: Wan Junchen

He was formerly the Senior Legal Manager of Shanghai International Group Co., Ltd; the Chief Risk Officer of China International Fund Management Co., Ltd.; and the Director of Sunward Capital Management Co., Ltd.

He is currently the General Manager of Sunward Capital Management Co., Ltd.

3. Basic information of General Manager:

Mr. Eddy Wong, General Manager.

Bachelor's degree.

He formerly served as Head of Funds Business in Hong Kong and Mainland China of JP Morgan Asset Management, and Chairman and Head of JP Morgan Asset Management, Taiwan.

4. Basic information of other senior executives:

Mr. Du Meng, Deputy General Manager

Graduated from Nanjing University with a Master's degree in Economics.

He has successively served as researcher of Tiantong Securities Co., Ltd., Central China Securities Holdings Co., Ltd., Guosen Securities Holdings Co., Ltd., and BOCI Securities. He worked for China International Fund Management Co., Ltd. (CIFM) as Industry Expert, Portfolio Manager Assistant, Portfolio Manager, Assistant to General Manager/Director & Senior Portfolio Manager of the First Investment Division of Domestic Equity Investment.

Ms. Sun Fang, Deputy General Manager

Graduated from East China Normal University with a Master's degree in World Economics.

She has served successively as researcher of Fortune SG Fund. She worked for China International Fund Management Co., Ltd. (CIFM) as Industry Expert, Portfolio Manager Assistant, Deputy Director of Research Department, Fund Manager, Assistant to General Manager/Director & Senior Portfolio Manager of the Second Investment Division of Domestic Equity Investment.

Mr. Guo Peng, Deputy General Manager

Graduated from Shanghai University of Finance and Economics with a Master's degree in Business Administration.

He has served successively as Marketing Manager, Deputy Marketing Director, Product and Customer Marketing Director, Marketing Director & Internet Finance Director and Assistant to General Manager of China International Fund Management Co., Ltd.

Mr. Liu Ludan, Deputy General Manager

He holds a Doctor degree.

He was the Director of Fixed Income of China Asset Management Co., Ltd. and the Director/Managing Director of Fixed Income of Asset Management Department of China International Capital Corporation Limited.

Mr. Zou Shubo, Chief Compliance Officer

Holder of a Bachelor's degree in management.

He was formerly the Senior Project Manager of Pan – China Certified Public Accountants, Chief Clerk of CSRC Shanghai Branch, Deputy Director and later Director of Compliance Department of China International Fund Management Co., Ltd.

Miss Lu Rong, Chief Information Officer

Holder of a Master's degree.

Lu previously served as Head of IT Department in First Capital Investment Banking Co. (Previous J.P. Morgan First Capital Securities Co.), CTO of Investment & Research Business Line in Harvest Fund Management Co., Ltd.

5. The portfolio manager of the Fund

Ms. Sun Fang, Master in Economics from East China Normal University. From July 2003 to October 2006, she served as the industry researcher in Fortune SGAM Fund. She has joined China International Fund Management Co., Ltd since December 2006 and had served successively as the industry expert, assistant to portfolio manager, Deputy Director of Research Department, Portfolio Manager, Assistant to General Manager/ Director of the Second Investment Division of Domestic Equity Investment, Senior Portfolio Manager, Deputy General Manager and Deputy Chief Investment Officer. She has worked as the portfolio manager of CIFM China Multi – Assets Fund from December 2011 and the portfolio manager of CIFM Core Selective Hybrid Fund from November 2012 concurrently. She acted as the portfolio manager of CIFM Core Growth Equity Fund from February 2014 to July 2015 and has worked as the Portfolio Manager of CIFM China Sector Rotation Fund from December 2014, and the Portfolio Manager of CIFM Sector Quality Select Equity Fund from February 2021 concurrently.

Mr. Li Bo, Master of Shanghai Jiao Tong University, worked for BOCI Securities Limited from March 2009 to October 2010 as a researcher responsible for the research work. He worked for China International Fund Management Co., Ltd since November 2010 as an industry expert, portfolio manager and senior portfolio manager, leader of the Value Growth Group of the Domestic Equity Investment Department and senior portfolio manager concurrently. Since December 2014, he acted as the Portfolio Manager of CIFM Core Growth Equity Fund. From August 2015 to November 2016, he concurrently acted as the Portfolio Manager of CIFM Advanced Technology Flexible Allocation Hybrid Fund. From September 2015, he concurrently acted as the Portfolio Manager of CIFM Alpha Hybrid Fund. From October 2016, he concurrently acted as the Portfolio Manager of CIFM China Multi – Assets Fund and has served as the Portfolio Manager of CIFM Core Enhanced Equity Fund since November 2018.

Ms. Li Ying once served as the portfolio manager of the Fund from August 29, 2007 to November 28, 2008; Mr. Rui Kun once served as the portfolio manager of the Fund from April 26, 2006 to October 24, 2009; Mr. Wang Zhenzhou once served as the portfolio manager of the Fund from October 10, 2009 to December 8, 2011 and Mr. Feng Gang once served as the portfolio manager of the Fund from December 8, 2011 to December 19, 2014.

6. Names and positions of members of the Investment Decision-making Committee of the Fund Manager

Du Meng, Deputy General Manager and Chief Investment Officer; Sun Fang, Deputy General Manager and Deputy Chief Investment Officer; Zhu Xiaolong, Director of Research Department and Portfolio Manager; Zhang Jun, Investment Director and Senior Portfolio Manager.

The persons listed above are not close relatives to each other.

(III) Duties and Responsibilities of the Fund Manager

1. To carry out the offering of the Fund according to the laws, and to undertake or entrust other institutions which are recognised by the securities supervisory authorities under the State Council to undertake the offer, subscription, redemption and registration of fund units;
2. To handle the procedures for filing of the Fund;
3. To carry out separate management, separate book – entry and securities investment for different fund assets under management;
4. To determine the income distribution of the Fund in accordance with the provisions of the Fund Contract and to distribute the income to the Unitholders in a timely manner;
5. To carry out accounting and audit for the Fund and to prepare financial accounts and reports of the Fund;
6. To prepare interim and annual reports of the Fund;
7. To calculate and publish the net asset value information of the Fund, and to determine the Subscription and Redemption prices per fund unit;
8. To issue notification in relation to the asset management activities of the Fund;
9. To convene a Unitholders' meeting;
10. To keep records, books and statements and other relevant information in relation to the asset management activities of the Fund;
11. To represent the Unitholders to exercise the right of action or to conduct other legal proceedings for the benefits of Unitholders in the capacity of the Fund Manager;
12. Any other duties and responsibilities as stipulated by the securities regulatory authorities under the State Council.

(IV) Undertakings of the Fund Manager

1. The Fund Manager shall have the full discretion to manage the investments of the Fund, pursuant to the provisions of the Fund Contract and in accordance with the investment objectives, strategies and restrictions stated in this Prospectus.

2. The Fund Manager shall not engage in any activities that violate the *Securities Law of the People's Republic of China* (hereinafter referred to as the "*Securities Law*") and other relevant laws and regulations. The Fund Manager shall establish a sound internal control system and adopt effective measures to prevent any breach of the *Securities Law* or non-compliance with other relevant laws and regulations.
3. The Fund Manager shall not engage in any of the following activities that violate the *Funds Law* and shall establish a sound internal control system and adopt effective measures to prevent the occurrence of activities prohibited under the laws and regulations:
 - (1) To invest in other funds, except as otherwise stipulated by the State Council;
 - (2) To prejudice the interests of Unitholders, and to provide fund assets to a third party as security, guarantee, capital lending or loan, except as otherwise used for financing guarantee stipulated by relevant regulations of the state;
 - (3) To engage in any investments which may result in the Fund being subject to unlimited liabilities;
 - (4) To engage in securities underwriting;
 - (5) To invest fund assets in the securities issued or underwritten during the underwriting period by companies in which the Fund Custodian or the Fund Manager has material interests;
 - (6) To violate the securities trading rules and manipulate and interfere with market prices;
 - (7) To prejudice the interests of Unitholders by violating laws and regulations;
 - (8) Any other activities prohibited by laws and regulations as well as the requirements of regulatory authorities.
4. The Fund Manager shall enhance personnel management, strengthen professional code of conduct, urge the staff to comply with the relevant laws, regulations and industry standards, and to conform to the principles of honesty, good faith and due diligence, and shall not engage in the following activities:
 - (1) To operate beyond its authority or in violation of the rules;
 - (2) To violate the Fund Contract or Fund Custody Agreement;
 - (3) To prejudice the legitimate interests of Unitholders or other Fund related institutions deliberately;
 - (4) To falsify materials submitted to CSRC;
 - (5) To refuse, interfere, obstruct or severely influence the lawful supervision of CSRC;
 - (6) To ignore duty and abuse power;

- (7) To disclose any confidential information regarding the securities or funds known during its term of office, or any information, such as the investment contents of the Fund or the investment details of the Fund, which has not been published according to law;
- (8) To violate the rules of securities exchanges, interfere with market order;
- (9) To disclose false, misleading and fraudulent contents in the public information disclosure intentionally;
- (10) Any other activities prohibited by laws and regulations and CSRC.

5. Undertakings of the portfolio manager

- (1) Seek to maximise the benefits for the Unitholders on the basis of prudence, pursuant to the provisions of relevant laws and regulations and the Fund Contract;
- (2) Not to make improper gains for himself, his agents, representatives, employees or any other third parties by taking advantage of his position;
- (3) Not to disclose any confidential information regarding the securities or funds known during his term of office, or any information, such as the investment details of the Fund or the investment plans of the Fund, which has not been published according to law;
- (4) Not to conduct any securities transaction in any way for other organizations or individuals.

(V) Internal Control System:

1. Principles of internal control:

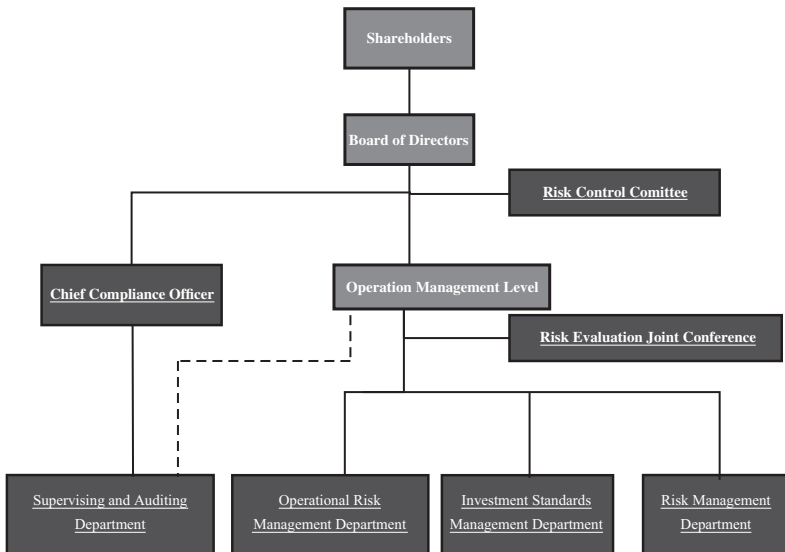
The internal control of the Fund Manager adheres to the following principles:

- (1) Principles of robustness. Internal control should cover various business, departments or organizations and various levels of staff of the Fund Manager as well as all operational aspects, including decision – making, implementation, supervision and feedback.
- (2) Principles of effectiveness. Effective internal control procedures are established by means of scientific internal control procedures and methods so as to ensure the effective implementation of internal control system.
- (3) Principles of independence. The responsibility of each organization, department and job position of the Fund Manager should remain independent from one other. The operation of fund assets, own assets and other assets of Fund Manager should be separated.
- (4) Principles of check and balance. The setup of the Fund Manager’s internal departments and posts shall be clear with their rights and obligations delineated and checks and balances reinforced.

- (5) Principles of cost – effectiveness. Fund Manager reduces the cost of the business operations, enhances economic benefits by utilizing scientific management method, and achieves the best effects of internal control by controlling the cost reasonably.
2. The following principles should be adhered to in establishing internal control system:
 - (1) Principle of legality and compliance. The internal control system of Fund Manager shall comply with applicable laws, regulations, provisions and rules of the State.
 - (2) Principle of entirety. Internal control system should cover all aspects of the Fund Manager, no systematic gaps or loopholes should be left.
 - (3) Principle of prudence. Prudent operation, risk prevention and mitigation should be considered in the establishment of internal control system.
 - (4) Principle of timeliness. The internal control system should be modified or improved timely in line with any changes of related laws and regulations, and adjustments of internal and external environment such as adjustments of the Fund Manager’s operation strategy, policy and philosophy.
3. The Fund Manager’s representations on internal compliance control:
 - (1) The Fund Manager assures the authenticity and accuracy of the information disclosed above on internal control;
 - (2) The Fund Manager undertakes to improve its internal compliance control from time to time in light of the changes of the market and the developments of the Fund Manager.
4. Risk management system:
 - (1) The board of directors has established the Risk Control Committee, which is mainly responsible for affairs including risk management strategy and control policy of the Fund Manager, and managing major unexpected risks.
 - (2) The Chief Compliance Officer appointed by the Board of Directors is directly accountable to the board and responsible for reviewing, supervising and investigating the management and practices of the company and its staff, ensuring compliance.
 - (3) The Risk Evaluation Joint Conference is set up under the operation management level to assist management in strengthening the construction of the Company’s risk management system, promote risk management culture, regularly review major issues in the risk management of the Company, participate in cross-departmental discussions, evaluations and decision-making for major risk issues, and research and adopt appropriate measures for the prevention of major risks within the scope of authorisation of the management level.
 - (4) The Supervising and Auditing Department is independent from the Company’s other business departments, accountable to the Chief Compliance Officer, and responsible for independently reviewing, monitoring, inspecting and reporting on the Company’s operational compliance. The Supervising and Auditing Department shall make timely proposals for improvements based on the issues identified during its supervision and inspection activities.

- (5) The Risk Management Department is responsible for the formulation and framework management of investment risks, liquidity risks and counterparty risk policies, as well as the construction and improvement of such, and the clarification of working requirements for risk identification, monitoring, evaluation and reporting.
- (6) The Operational Risk Management Department is responsible for assisting business departments to implement internal control requirements, ensuring operational security, clarifying the risk points of each LOB in accordance with laws and regulations, systems and processes and related business characteristics of the company, assessing potential impacts, identifying weaknesses and problems in light of the effectiveness and integrity of the company’s internal control system, and making improvement plans with business departments for ongoing monitoring.
- (7) The Investment Standards Management Department is responsible for the implementation and control of investment standards, to ensure that the investment operations of the Fund comply with laws and regulations, contracts and company internal requirements through the establishment of investment standards, pre-control and post-control.

Risk management processes at China International Fund Management Co., Ltd.



IV. FUND CUSTODIAN

I. Information of the Fund Custodian

- (I) Basic information
- | | |
|--|---|
| Name: | China Construction Bank Corporation (hereinafter referred to as “China Construction Bank” or “CCB”) |
| Domicile: | No. 25 Finance Street, Xicheng District, Beijing |
| Office address: | Building 1, Yard 1, Naoshikou Street, Xicheng District, Beijing |
| Legal representative: | Tian Guoli |
| Date of incorporation: | September 17, 2004 |
| Organizational form: | Company Limited by Shares |
| Registered capital: | Two hundred and fifty billion ten million nine hundred and seventy seven thousand four hundred and eighty six Yuan Only |
| Duration of existence: | going concern |
| Fund custody qualifications approval and document No.: | CSRC ZhengJianJiZi [1998] No. 12 |
| Contact person: | Li Shen |
| Telephone number: | (021) 6063 7102 |

(II) Introduction of Key Personnel

The Head Office of CCB has established the Asset Custody Business Department (the “Custody Department”), consisting of 12 functional divisions including General Affairs Division, Fund Market Division, Securities and Insurance Assets Market Division, Wealth Management, Trust and Equity Market Division, Global Custody Division, Pension Custody Division, Emerging Business Division, Operations Management Division, Cross-border Custody Operation Division, Social Security and VIP Customer Service Division, Custody Application System Support Division, and Compliance Supervision Division, and a custodial business centre in Hefei, Anhui Province and a sub-centre in Shanghai for the Shanghai Custody Operation Centre, with over 300 employees in total.

(III) Operations of Funds Custody Business

As one of China’s first commercial banks that launch the custody business for securities investment fund, CCB consistently adheres to the “customer-oriented” business philosophy by continuously strengthening the risk management and internal control as well as strictly performing the duties of the custodian, so as to faithfully safeguard the interests of the asset holders and provide high-quality custody services to the clients. After years’ of steady development, CCB has continuously expanded the size of assets under its custody and enriched the category of its custody business, and formed a system of custody business incorporating such products as securities investment fund, social

insurance fund, insurance capital, basic pension individual accounts, (R)QFII, (R)QDII, corporate annuities, occupational annuities and depository products. Currently, it is one of the commercial banks with the most complete category of custody business domestically. By the end of the third quarter of 2021, CCB had 1120 securities investment funds under its custody. The professionalism and efficiency of the custody service and business provided by CCB and its qualification have been highly recognised in the industry. Up to now, CCB has been granted important awards such as “the Best Custodian Bank” for several years by Global Custodian, by The Asset, *Global Finance magazine* and China Fund News, and “the Excellent Asset Custodian Organization” by China Central Depository & Clearing Co., Ltd. (CCDC) for several consecutive years and “the Excellent Custodian Bank” by Inter-bank Market Clearing House Co., Ltd. (Shanghai Clearing House). In 2017, 2019, 2020 and 2021, it was awarded with “the Best Custodian System Implementation”, “the China Annual Custodian Business Technology Implementation”, “China Custodian Bank (Large Bank) of the Year” and “the Best Digital Asset Custodian Bank in China” by The Asian Banker respectively.

II. Internal Control System of Fund Custodian

(I) Objectives of Internal Control

CCB ensures that its custody business follows relevant laws, regulations and the regulatory rules, diligently fulfills its responsibilities, guarantees the safety and integrity of the assets under custody, the stable operation of the Fund under custody, and protects the interests of the Fund’s Unitholders; standardises business operations, performs business processing and operations exactly according to the rules, effectively manages and controls risks of custody business; and assures completeness and timeliness of information disclosure without any leakage of customer information.

(II) Organizational Structure of Internal Control

CCB has established the Risk Management and Internal Control Management Committee, which is responsible for the study, discussion and coordination of risk management and internal control activities across the bank. The Internal Control Management Department is the functional department that plays a leading role in the internal control management, the overall planning, organization and implementation, and inspection and evaluation of the internal control system. The Asset Custody Business Department has set up an office dedicated to internal control tasks, to which full-time internal control compliance personnel has been assigned to ensure compliance of internal control of the custody business.

(III) Principles of Internal Control

The internal control activities of the CCB custody business should adhere to the principles of entirety, importance, check and balance, adaptability and independence.

1. Principle of entirety. The internal control system should be applied to various processes and links of the custody business, covering all units, posts and personnel of the custody business.
2. Principle of importance. Internal control activities offer controls over every part of the business, but there is a particular focus on key custodian services and high-risk fields.
3. Principle of check and balance. The concept of risk-based prudent operations should be adhered to for internal control practices. During the establishment and operation of the Custody Business Department, internal control has always been prioritised, forming a mechanism of check and balance in terms of organizational structure, allocation of powers and responsibilities and business processes.
4. Principles of adaptability. Internal control activities should match with management pattern, business scale, product complexity rate and risk condition of the custody business and be adjusted in a timely manner based on changes in circumstances.
5. Principle of independence. In order to ensure that a client's assets are independent from the assets owned by CCB and other assets under custody of CCB, accounts should be set up, kept and managed separately for assets of different clients.

(IV) Measures of Internal Control

1. Control on safekeeping of assets under custody. The custodian should strictly perform its duty to safely keep the assets under custody in controlled accounts in accordance with the relevant laws, regulations and contracts, and the assets under custody shall be strictly separated from the custodian's own assets and other assets under custody to ensure the security, independence and integrity of the assets under custody.
2. Control on authorisations. After being included into the consolidated authorisation management system across the bank, authorisations for the custody business should be strictly implemented within the scope of authorisation, and operations beyond the scope of authorisation should be strictly prohibited. Authority for individual processing staff should be explicitly defined and personnel at all levels should exercise their authority and assume their responsibilities within the scope of authorisation. Posts which should not be held by one person concurrently should be explicitly defined and corresponding measures of appointing different individuals to such posts should be implemented, forming a mechanism through which each individual checks other's work while performing their own duties and responsibilities.

3. Control on regulations and systems. In order to manage the custody business, a systematic and standardised system should be developed and be regularly re-examined and revised. The adaptability and effectiveness of the regulations and systems for the custody business should be maintained on an ongoing basis to guarantee standardised operations of the custody business.
4. Control on processes. Management of processes such as instruction receipt, clearing, accounting, and supervision should be strictly implemented to control key risk points.
5. Control on IT system. Continue to strengthen the application of new technologies in internal control activities to improve the automation level and effectiveness of internal control.
6. Control on business continuity. Establish an emergency response and recovery mechanism to enable quick response and timely handling of operational disruption incidents. Organize and conduct emergency drills to ensure continuous operations of the custody business.
7. Control on operational environment. The work environment of the custody business should meet the regulatory and control requirements. The operational environment of the custody business should be separated from that of other LOBs. Audio and video recordings and the access control system should be enabled on an ongoing basis. The system should be standalone and isolated, and a secure data transmission channel and data backup mechanism should be built to guarantee security of data transmission and storage.
8. Management and control on employee conduct. An employee code of conduct should be developed to standardise the daily behaviour of employees, strengthen the education on professional ethics and employee ethics, and foster a compliance culture with integrity and diligence at its core.

The Custody Business Department has successively engaged external accounting firms to conduct the internal control auditing of the custody business and received unqualified opinions since 2007, which has become a regular measure of internal control.

III. Methods and Procedures for Supervising the Fund Manager’s Operation of the Fund by the Fund Custodian

(I) Supervision methods

The Fund Custodian supervises the investment operation of the Fund under its custody in accordance with the *Securities Investment Fund Law of the People’s Republic of China*, *the Administrative Measures on the Operation of Publicly Offered Securities Investment Funds*, *the Measures for the Administration of the Securities Investment Fund Custody Business* and its complementary laws and regulations, the Fund Contract and the Custody Agreement. The Fund Custodian supervises the investment ratio, investment scope, investment portfolio and other matters of the funds operated by the Fund Manager. In the daily liquidation and auditing service provided to the Fund’s investment operation, the Fund Custodian inspects and supervises the investment instructions given by the Fund Manager and the withdrawal of fund fees and expenditure of the Fund Manager.

(II) Supervision process

If the Fund Custodian finds out that any of the Fund Manager’s investment instructions violate the relevant laws and regulations or the Fund’s Custody Agreement, it should refuse to execute them, notify the Fund Manager of such violations, and report to the CSRC in a timely manner in accordance with the relevant laws and regulations. If the Fund Custodian finds out that an instruction given by the Fund Manager which has already taken effect according to the trading procedure violates the relevant laws and regulations or the Fund Custody Agreement, it shall promptly notify the Fund Manager to make corrections within the specified period and report to the CSRC in accordance with the relevant laws and regulations.

At each Business Day, the Fund Custodian monitors the Fund’s investment operation ratios. If any investment abnormalities are identified, the Fund Custodian will send risk warning to the Fund Manager to verify the situation and urge it to make corrections and report to the CSRC timely in accordance with the provisions of relevant laws and regulations.

The Fund Manager is obliged to cooperate with and assist the Fund Custodian in the monitoring and verification, and should reply to and correct the warnings sent by the Fund Custodian within the specified time; for reasonable doubts of the Fund Custodian, the Fund Manager should promptly provide explanation or evidence; for matters that the Fund Custodian is required to report to the CSRC in accordance with the relevant laws and regulations and the Custody Agreement, the Fund Manager should actively cooperate and provide relevant data, materials and systems.

V. RELEVANT SERVICE INSTITUTIONS

(I) Sales Institutions of Fund:

1. Direct sales institution: China International Fund Management Co., Ltd. (As above)
2. Sales Agencies of Class A Units:
 - (1) China Construction Bank Corporation
Registered Address: No. 25 Finance Street, Xicheng District, Beijing
Office Address: Building 1, Yard 1, Naoshikou Street, Xicheng District, Beijing
Legal Representative: Tian Guoli
Customer Service Telephone Number: 95533
Website: www.ccb.com
 - (2) Industrial and Commercial Bank of China Limited
Registered Address: No.55 Fuxingmennei Street, Xicheng District, Beijing
Legal Representative: Chen Siqing
Customer Service Telephone Number: 95588
Website: www.icbc.com.cn
 - (3) Agricultural Bank of China Limited
Domicile: No.69, Jianguomennei Avenue, Dongcheng District, Beijing
Office Address: No.69, Jianguomennei Avenue, Dongcheng District, Beijing
Legal Representative: Zhou Mubing
Customer Service Telephone Number: 95599
Website: www.abchina.com
 - (4) Bank of China Limited
Registered Address: No.1 Fuxingmennei Street, Xicheng District, Beijing
Office Address: No.1 Fuxingmennei Street, Xicheng District, Beijing
Legal Representative: Liu Liange
Customer Service Telephone Number: 95566
Website: www.boc.cn
 - (5) China Merchants Bank Co., Ltd.
Registered Address: No. 7088, Shennan Street, China Merchants Bank Tower, Futian District, Shenzhen
Office Address: No. 7088, Shennan Street, China Merchants Bank Tower, Futian District, Shenzhen
Legal Representative: Miao Jianmin
Customer Service Center Telephone Number: 95555
Website: www.cmbchina.com
 - (6) Bank of Communications Co., Ltd.
Registered Address: No. 188, Middle Yincheng Road, Pudong New Area, Shanghai
Office Address: No. 188, Middle Yincheng Road, Pudong New Area, Shanghai
Legal Representative: Ren DeQi
Customer Service Telephone Number: 95559
Website: www.bankcomm.com

- (7) Shanghai Pudong Development Bank Co., Ltd.
Registered Address: No. 500 South Pudong Road, Pudong New Area, Shanghai
Office Address: No. 12, Zhongshandongyi Road, Shanghai
Legal Representative: Zheng Yang
Customer Service Telephone Number: 95528
Website: www.spdb.com.cn
- (8) Industrial Bank Co., Ltd.
Registered Address: No. 154, Hudong Road, Fuzhou
Office Address: No. 167, Yincheng Road, Pudong New Area, Shanghai
Legal Representative: Lv Jiajin
Customer Service Telephone Number: 95561
Website: www.cib.com.cn
- (9) Bank of Shanghai Co., Ltd.
Registered Address: No. 168 Middle Yincheng Road, China (Shanghai) Pilot Free Trade Zone
Office Address: No. 168 Middle Yincheng Road, Pudong New Area, Shanghai
Legal Representative: Jin Yu
Customer Service Telephone Number: 95594
Website: www.bosc.cn
- (10) China Everbright Bank Company Limited
Registered Address: Everbright Center, No. 25, Taipingqiao Street, Xicheng District, Beijing
Legal Representative: Li Xiaopeng
Customer Service Telephone Number: 95595
Website: www.cebbank.com
- (11) China CITIC Bank Co., Ltd.
Office Address: CITIC Tower, No. 1 Building, No. 10 Compound, Guanghua Road, Chaoyang District, Beijing
Legal Representative: Zhu Hexin
Customer Service Telephone Number: 95558
Website: www.citicbank.com
- (12) China Minsheng Banking Corp., Ltd
Registered Address: No.2 Fuxingmennei Street, Xicheng District, Beijing
Legal Representative: Dong Wenbiao
Customer Service Telephone Number: 95568
Website: www.cmbc.com.cn
- (13) Hua Xia Bank Co., Limited
Registered Address: No.22, Jianguomennei Avenue, Dongcheng District, Beijing
Office Address: No.22, Jianguomennei Avenue, Dongcheng District, Beijing
Legal Representative: Li Minji
Customer Service Telephone Number: 95577
Website: www.hxb.com.cn

- (14) Bank of Beijing Co., Ltd.
Registered Address: 1/F, A17, Finance Street, Xicheng District, Beijing
Office Address: C17, Finance Street, Xicheng District, Beijing
Legal Representative: Zhang Dongning
Customer Service Telephone Number: 95526
Website: www.bankofbeijing.com.cn
- (15) Bank of Ningbo Co., Ltd.
Registered Address: No. 345 Ningdong Road, Yinzhou District, Ningbo
Legal Representative: Lu Huayu
Customer Service Telephone Number: 95574
Website: www.nbc.com.cn
- (16) Ping An Bank Co., Ltd.
Registered Address: No. 5047 East Shennan Road, Luohu District, Shenzhen
Office Address: No. 5047 East Shennan Road, Luohu District, Shenzhen
Legal Representative: Xie Yonglin
Customer Service Telephone Number: 95511 (ext. 3)
Website: www.bank.pingan.com
- (17) Dongguan Rural Commercial Bank Co., Ltd.
Address: No. 2 East Hongfu Road, Dongcheng District, Dongguan, Guangdong Province
Legal Representative: Wang Yaoqiu
Customer Service Telephone Number: (0769) 961122
Website: www.drcbank.com
- (18) Shanghai Rural Commercial Bank Co., Ltd.
Address: Shanghai Rural Commercial Bank Tower, No. 70 Zhongshan East Er Road
Legal Representative: Ji Guangheng
Portal Website: www.srcb.com
Customer Service Telephone Number: 021-962999
- (19) Shenwan Hongyuan Securities Co., Ltd.
Registered Address: 45/F, No.989 Changle Road, Xuhui District, Shanghai
Office Address: 45/F, No.989 Changle Road, Xuhui District, Shanghai
Legal Representative: Yang Yucheng
Customer Service Telephone Number: 95523 or 400-889-5523
Website: www.swhysc.com
- (20) Shenwan Hongyuan Western Securities Co., Ltd.
Registered Address: Room 2005, 20/F, Dacheng International Building, No. 358 Beijing South Road, High-tech Zone (New Urban Area), Urumqi, Xinjiang
Office Address: Room 2005, 20/F, Dacheng International Building, No. 358 Beijing South Road, High-tech Zone (New Urban Area), Urumqi, Xinjiang
Legal Representative: Wang Xianjun
Customer Service Telephone Number: 400-800-0562
Website: www.hysec.com

- (21) Shanghai Securities Co., Ltd.
Registered Address: 7/F. Jiushi Business Building, No. 213 Sichuan Road Middle, Huangpu District, Shanghai
Office Address: 7/F. Jiushi Business Building, No. 213 Sichuan Road Middle, Huangpu District, Shanghai
Legal Representative: He Wei
Customer Service Telephone Number: 021-962518
Website: www.shzq.com
- (22) Guotai Junan Securities Co., Ltd.
Registered Address: No. 618 Shangcheng Road, China (Shanghai) Pilot Free Trade Zone
Office Address: Guotai Jun'an Building, No. 768 Nanjing Road West, Jing'an District, Shanghai
Legal Representative: He Qing
Customer Service Telephone Number: 95521 or 400-8888-666
Website: www.gtja.com
- (23) Guangfa Securities Co., Ltd.
Registered Address: Room 618, No. 2 Tengfei Yi Street, Sino-Singapore Guangzhou Knowledge City, Huangpu District, Guangzhou, Guangdong Province
Office Address: GF Securities Tower, No. 26 Machang Road, Tianhe District, Guangzhou
Office Address: Floors 5, 18, 19, 36, 38, 39, 41, 42, 43, 44, Metropolitan Plaza, Tianhe North Road, Guangzhou, Guangdong Province
Legal Representative: Lin Chuanhui
Customer Service Telephone Number: 95575
Website: www.gf.com.cn
- (24) China Merchants Securities Co., Ltd.
Registered Address: No. 111 Fuhua Yi Road, Futian Neighbourhood, Futian District, Shenzhen
Legal Representative: Huo Da
Customer Service Telephone Number: 95565
Website: www.newone.com.cn
- (25) Everbright Securities Co., Ltd.
Registered Address: No. 1508 Xin Zha Road, Jing'an District, Shanghai
Office Address: No. 1508 XinZha Road, Jing'an District, Shanghai
Legal Representative: Liu Qiuming
Website: www.ebscn.com
Customer Service Telephone Number: 95525
- (26) China Galaxy Securities Co., Ltd.
Registered Address: 2/F-6/F No. 35 Finance Street, Xicheng District, Beijing
Office Address: Qinghai Financial Building (No. 1 Building), No. 8 Compound, Xiyi Street, Fengtai District, Beijing
Legal Representative: Chen Gongyan
Customer Service Telephone Number: 4008-888-888 or 95551
Website: www.chinastock.com.cn

- (27) China Securities Co., Ltd.
Registered Address: Building 4, No. 66 Anli Road, Chaoyang District, Beijing
Office Address: 10/F, Tower B, Metro World Center, No. 2, Chaonei Street,
Dongcheng District, Beijing
Legal Representative: Wang Changqing
Customer Service Telephone Number: 400-8888-108
Website: www.csc108.com
- (28) Industrial Securities Co., Ltd.
Registered Address: No. 268, Hudong Road, Fuzhou
Legal Representative: Yang Huahui
Customer Service Telephone Number: 95562
Website: www.xyzq.com.cn
- (29) Haitong Securities Co., Ltd.
Registered Address: Haitong Securities Building, No. 689 Guangdong Road,
Shanghai
Legal Representative: Zhou Jie
Customer Service Phone Number: 95553 or 4008888001
Website: www.htsec.com
- (30) Guodu Securities Co., Ltd.
Registered Address: 9-10/F, Guohua Investment Plaza, No. 3 South Dongzhimen
Avenue, Dongcheng District, Beijing
Office Address: 9-10/F, Guohua Investment Plaza, No. 3 South Dongzhimen
Avenue, Dongcheng District, Beijing
Legal Representative: Weng Zhenjie
Customer Service Telephone Number: 4008188118
Website: www.guodu.com
- (31) Guosen Securities Co., Ltd.
Registered Address: 16-26/F, Guosen Securities Tower, No. 1012, Middle
Hongling Road, Luohu District, Shenzhen
Legal Representative: Zhang Nasha
Customer Service Telephone Number: 95536
Website: www.guosen.com.cn
- (32) Huatai Securities Co., Ltd.
Registered Address: Huatai Securities Square, No.228, Jiangdong Road Middle,
Jianye District, Nanjing, Jiangsu Province
Legal Representative: Zhang Wei
Customer Service Telephone Number: 95597
Website: www.htsc.com.cn

- (33) CITIC Securities Co., Ltd.
Registered Address: North Tower, Times Square Excellence Phase II, No. 8 ZhongXin San Road, Futian District, Shenzhen, Guangdong Province
Office Address: CITIC Securities Tower, No. 48 Liangmaqiao Road, Chaoyang District, Beijing
Legal Representative: Zhang Youjun
Customer Service Telephone Number: 95548
Website: www.citics.com
- (34) Orient Securities Co., Ltd.
Registered Address: 22/F-29/F, Building 2, No. 318 South Zhongshan Road, Shanghai
Legal Representative: Jin Wenzhong
Customer Service Telephone Number: 95503
Website of Orient Securities: www.dfzq.com.cn
- (35) Chasing Securities Co., Ltd.
Registered Address: T3, T4 and 718 Annex, Binjiang Financial Centre, No. 112 East Chazishan Road, Yuelu District, Changsha, Hunan Province
Office Address: 36/F, Shuntian International Fortune Center, No. 80, Section 2 of Middle Furong Road, Changsha, Hunan Province
Legal Representative: Liu Wanchen
Customer Service Telephone Number: 95317
Website: www.cfzq.com
- (36) Xiangcai Securities Co., Ltd.
Address: 11/F, Tower A, New Nancheng Business Centre, No. 198 Middle Xiangfu Road, Tianxin District, Changsha
Legal Representative: Gao Zhenying
Customer Service Telephone Number: 95351
Website: www.xcsc.com
- (37) CITIC Securities (Shandong) Co., Ltd.
Registered Address: Room 2001, Building 1, No. 222 Shenzhen Road, Laoshan District, Qingdao, Shandong
Office Address: East Tower, Longxiang Plaza, No. 28 West Donghai Road, Shinan District, Qingdao
Legal Representative: Feng Enxin
Customer Service Telephone Number: 95548
Website: www.sd.citics.com
- (38) BOC International (China) Ltd.
Registered Address: 39/F, BOCI Building, No. 200 Middle Yincheng Road, Pudong New Area, Shanghai
Legal Representative: Ning Min
Customer Service Telephone Number: 4006208888, or the inquiry Telephone Number of local business outlets
Website: www.bocichina.com

- (39) China Greatwall Securities Co., Ltd.
Address: 10-19/F, South Tower, Shenzhen Energy Headquarters, No. 2026 Jintian Road, Futian Street, Futian District, Shenzhen
Registered Address: 10-19/F, South Tower, Shenzhen Energy Headquarters, No. 2026 Jintian Road, Futian Street, Futian District, Shenzhen
Legal Representative: Cao Hong
Customer Service Telephone Number: 95514
Website: www.cgws.com
- (40) Tebon Securities Co., Ltd.
Registered Address: 9/F, Nanbanzhuang, No. 510 Caoyang Road, Putuo District, Shanghai
Office address: 29/F, Urban Construction Tower, No. 500 Fushan Road, Pudong New Area, Shanghai
Legal Representative: Wu Xiaochun
Telephone Number: 021-68761616
Customer Service Telephone Number: 4008888128
Website: www.tebon.com.cn
- (41) CICC Wealth Management Securities Co., Ltd.
Domicile: 18-21/F and Units 01, 02, 03, 05, 11, 12, 13, 15, 16, 18, 19, 20, 21, 22, 23 on 4/F, Building A, Rongchao Commercial Center, crossing of Yitian Road and Fuzhong Road, Futian District, Shenzhen
Office Address: 18-21/F and Units 01, 02, 03, 05, 11, 12, 13, 15, 16, 18, 19, 20, 21, 22, 23 on 4/F, Building A, Rongchao Commercial Center, crossing of Yitian Road and Fuzhong Road, Futian District, Shenzhen
Legal Representative: Gao Tao
Customer Service Telephone Number: 95532
Website: www.ciccwm.com
- (42) Huafu Securities Co., Ltd.
Registered Address: 3/F, 4/F and 5/F, Building 1, No. 27 Guping Road, Gulou District, Fuzhou, Fujian Province
Legal Representative: Huang Jinlin
Customer Service Telephone Number: 95547
Website: www.hfzq.com.cn
- (43) China International Capital Corporation Limited
Registered Address: 27-28/F, Block 2, China World Trade Center, No. 1 Jianguomenwai Street, Beijing
Office Address: 38/F, SK Tower, Jia No. 6 Jianwai Street, Chaoyang District, Beijing
Legal Representative: Ding Xuedong
Customer Service Telephone Number: 400-910-1166
Website: www.cicc.com.cn

- (44) Essence Securities Co., Ltd.
Registered Address: Unit A02, 28/F&35/F, Anlian Mansion, No. 4018 Jintian Road, Futian District, Shenzhen
Office Address: Unit A02, 28/F&35/F, Anlian Mansion, No. 4018 Jintian Road, Futian District, Shenzhen
Legal Representative: Huang Yanxun
Customer Service Inquiry Telephone Number: 95517
Website: www.essence.com.cn
- (45) Yongxing Securities Co., Ltd.
Registered Address: 8-11/F, No. 565, 577 North Haiyan Road, Yinzhou District, Ningbo, Zhejiang
Legal Representative: Li Bao
Customer Service Telephone Number: 400-916-0666
Website: www.yongxingsec.com
- (46) Changjiang Securities Co., Ltd.
Registered Address: Changjiang Security Building, No. T8 Xinhua Road, Wuhan
Office address: Changjiang Security Building, No. T8 Xinhua Road, Wuhan
Legal Representative: Li Xinhua
Customer Service Telephone Number: 95579 or 4008-888-999
Website: www.95579.com
- (47) Founder Securities Co., Ltd.
Registered Address: Room 3701-3717, No. 4 & 5 Buildings, Huayuanhua Center, No. 36 Middle Xiangjiang Road Section II, Tianxin District, Changsha, Hunan
Office address: 8/F, Founder Securities Building, Jia No. 34, Fuchengmenwai Street, Xicheng District, Beijing
Legal Representative: Shi Hua
Customer Service Telephone Number: 95571
Website: www.foundersc.com
- (48) Ping An Securities Co., Ltd.
Registered Address: 22/F-25/F Ping An Financial Centre, No. 5023 Yitian Road, Futian Street, Futian District, Shenzhen
Office Address: 22/F-25/F Ping An Financial Centre, No. 5023 Yitian Road, Futian Street, Futian District, Shenzhen
Legal Representative: He Zhijiang
Customer Service Telephone Number: 95511-8
Website: www.stock.pingan.com

- (49) Donghai Securities Co., Ltd.
Registered Address: 18/F, Investment Plaza, No. 23 Yanling Road West, Changzhou City, Jiangsu Province
Office Address: DongHai Securities Building, No. 1928, DongFang Road, Pudong District, Shanghai
Legal Representative: Qian JunWen
Telephone: 021-20333333
Fax: 021-50498825
Contact: Wang YiYan
Customer Service Telephone Number: 95531, 400-8888-588
Website: www.longone.com.cn
- (50) NOAHUPRIGHT Fund Sales Co., Ltd.
Registered Address: Room 3724, No. 9, Lane 360 Feihong Road, Hongkou District, Shanghai
Office Address: Building No. 2, No. 1687 Changyang Road, Yangpu District, Shanghai
Legal Representative: Wang Jingbo
Customer Service Telephone Number: 400-821-5399
Website: www.noah-fund.com
- (51) Shanghai Changliang Fund Sales Co., Ltd.
Registered Address: Room 220, Block 2, No. 526 Gaoxiang Road, Pudong New Area, Shanghai
Office Address: 11/F Lujiazui Financial Service Plaza (Phase II), No. 1267 Dongfang Road, Pudong New Area, Shanghai
Legal Representative: Zhang Yuewei
Customer Service Telephone Number: 400-820-2899
Website: www.erichfund.com
- (52) Zhanheng Fund Investment Consulting Co., Ltd.
Registered Address: Room 604 & 607, 6/F, West Tower, No. 11 Anyuan Road, Chaoyang District, Beijing
Office Address: Room 3205, Pangu Plaza, No. 27 North Fourth Ring Circle Middle Road, Chaoyang District, Beijing
Legal Representative: Yan Zhenjie
Customer Service Telephone Number: 400-818-8000
Website: www.myfund.com
- (53) Shanghai Huaxia Wealth Investment Management Co., Ltd.
Domicile: Room 268, 2/F, Block 1, No. 687 Dongdaming Road, Hongkou District, Shanghai
Office Address: 8/F, Block B, Tongtai Tower, No. 33 Financial Street, Xicheng District, Beijing
Legal Representative: Mao Huaiping
Customer Service Telephone Number: 400-817-5666

- (54) Shanghai Wind Investment Advisory Co., Ltd.
Domicile: Unit B, 11/F, No. 33 Fushan Road, China (Shanghai) Pilot Free Trade Zone
Office Address: 11/F, Wande Building, No. 1500 Puming Road, Pudong New Area, Shanghai
Legal Representative: Huang Yi
Customer Service Telephone Number: 400-799-1888
Website: www.520fund.com.cn
- (55) Shanghai Jiyu Fund Sales Co., Ltd.
Office Address: Suite 1503 Taiping Finance Tower, No. 488 Middle Yicheng Road, Pudong New Area, Shanghai
Legal Representative: Wang Xiang
Telephone: 400-820-5369
Website: www.jiyufund.com.cn
- (56) Harvest Wealth Management Co., Ltd.
Registered Address: Unit 2716, 27/F, Phase 2 Office Building, Shanghai International Finance Centre, No.8 Century Avenue, China (Shanghai) Pilot Free Trade Zone
Office Address: 11/F, Tower C Office Building, Beijing International Club, No. 21 Jianguomenwai Street, Chaoyang District, Beijing
Legal Representative: Zhang Feng
Telephone: 010-65215588
Fax: 010-85097308
Contact: Li Wen
Customer Service Hotline: 400-021-8850
Website: www.harvestwm.cn
- (57) DBS Bank (China) Limited
Registered Address: Unit 1301, 1701 and 1801, No. 1318 Lu Jiazui Ring Road, China (Shanghai) Pilot Free Trade Zone
Office Address: Unit 1301, 1701 and 1801, No. 1318 Lu Jiazui Ring Road, China (Shanghai) Pilot Free Trade Zone
Legal Representative: Ge Ganniu
Customer Service Telephone Number: 400-820-8988
Website: www.dbs.com.cn
- (58) The Bank of East Asia (China) Limited
Office Address: 29/F, Bank of East Asia Financial Building, 66 Huayuanshiqiao Road, Pudong New Area, Shanghai, China
Legal Representative: Li Guobao
Customer Service Telephone Number: 95382
Website: www.hkbea.com.cn

- (59) Standard Chartered Bank (China) Limited
Registered Address: Standard Chartered Bank Building, No. 201, Century Avenue, Pudong New Area, Shanghai
Office Address: 23/F, Shanghai Urban Construction International Center, No. 500 Fushan Road, Pudong New Area, Shanghai
Legal Representative: Zhang Xiaolei
Customer Service Telephone Number: 800-820-8088
Website: <https://www.sc.com/cn>
- (60) HSBC (China) Co., Ltd.
Registered Address: 22/F, HSBC Building, Shanghai IFC, No. 8 Century Avenue, China (Shanghai) Pilot Free Trade Zone
Office Address: 22/F, HSBC Building, Shanghai IFC, No. 8 Century Avenue, Shanghai
Legal Representative: Wang Yunfeng
Customer Service Telephone Number: 95366
Website: www.hsbc.com.cn
- (61) Hang Seng Bank (China) Limited
Registered Address: 34/F and 36/F Hang Seng Bank Tower, No. 1000 Lujiazui Ring Road, China (Shanghai) Pilot Free Trade Zone
Office Address: 34/F and 36/F Hang Seng Bank Tower, No. 1000 Lujiazui Ring Road, China (Shanghai) Pilot Free Trade Zone
Legal Representative: Zheng Huimin
Customer Service Telephone Number: 800-830-4888
Website: www.hangseng.com
- (62) Sinolink Securities Co., Ltd.
Registered Address: No. 95 Dongchenggen Upper Street, Qingyang District, Chengdu
Office Address: No. 95 Dongchenggen Upper Street, Qingyang District, Chengdu
Legal Representative: Ran Yun
Telephone: 95310
Website: www.gjq.com.cn
- (63) CITIC Futures Co., Ltd.
Registered Address: Rooms 1301-1305 13/F and 14/F, North Tower, Times Square Excellence (Phase II), No. 8 Zhong Xin San Road, Futian District, Shenzhen
Office Address: Rooms 1301-1305 13/F and 14/F, North Tower, Times Square Excellence (Phase II), No. 8 Zhong Xin San Road, Futian District, Shenzhen
Legal Representative: Zhang Hao
Telephone: 400-990-8826
Website: www.citicsf.com
- (64) China Life Insurance Company Ltd.
Office Address: No. 16 Finance Street, Xicheng District, Beijing, China
Legal representative: Wang Bing
Customer Service Telephone Number: 95519
Website: www.e-chinalife.com

- (65) CITIC Securities South China Co., Ltd.
Registered Address: Room 501, No. 5 Zhujiang West Road, Tianhe District, Guangzhou
Office Address: 5/F, Main Tower, Guangzhou International Finance Center, No. 5 Zhujiang West Road, Tianhe District, Guangzhou
Legal Representative: Hu Fuyun
Customer Service Telephone Number: 95396
Website: www.gzs.com.cn
- (66) Shanghai Howbuy Fund Sales Co., Ltd.
Registered Address: Room 449, Building No. 4, No. 37, Lane 685, Changzhong Road, Hongkou District, Shanghai
Office Address: 10/F China Resources Times Square, No. 500 Zhangyang Road, Pudong New Area, Shanghai
Legal Representative: Yang Wenbin
Customer Service Telephone Number: 400-700-9665
Website: www.howbuy.com.cn
- (67) Shenzhen Zhonglu Fund Sales Co., Ltd.
Registered Address: Unit I, J, 25/F, Development Bank Building, No. 5047 East Shennan Road, Luohu District, Shenzhen
Office Address: Units I, J, 25/F Development Bank Building, No. 5047 East Shennan Road, Luohu District, Shenzhen
Legal Representative: Xue Feng
Customer Service Telephone Number: 4006-788-887
Website: www.zlfund.cn/www.jjmmw.com
- (68) Ant (Hangzhou) Fund Sales Co., Ltd.
Registered Address: Room 599, 5/F, Building 3, No. 969 Wenyi Road West, Wuchang Sub-District, Yuhang District, Hangzhou, Zhejiang
Office Address: 6/F, Block B, Huanglong Time Square, No. 18 Wantang Road, Xihu District, Hangzhou
Legal Representative: Zu Guoming
Customer Service Telephone Number: 95188-8
Website: www.fund123.cn
- (69) Shanghai Tiantian Fund Sales Co., Ltd.
Registered Address: 2/F, Building 2, No. 190 Longtian Road, Xuhui District, Shanghai
Office Address: East Money Information Tower, No. 88 South Wanping Road, Xuhui District, Shanghai
Legal Representative: Qi Shi
Customer Service Telephone Number: 400-1818-188
Website: www.1234567.com.cn

- (70) Zhejiang Tonghuashun Fund Sales Co., Ltd.
Registered Address: Room 903, Yuanmao Building, No. 1 Wener West Road, Hangzhou, Zhejiang Province
Office Address: 2/F, Hangzhou E-commerce Industrial Park, No. 7 Cuibai Road, Hangzhou, Zhejiang Province
Legal Representative: Wu Qiang
Customer Service Telephone Number: 952555
Website: www.5ifund.com
- (71) Shanghai Lujinsuo Fund Sales Co., Ltd.
Registered Address: Unit 09, 14/F, No. 1333 Lujiazui Ring Road, Pudong New Area, Shanghai
Office Address: 14/F, No. 1333 Lujiazui Ring Road, Pudong New Area, Shanghai
Legal Representative: Hu Xueqin
Customer Service Hotline: 400-821-9031
Website: www.lufunds.com
- (72) Beijing Hongdian Fund Sales Co., Ltd.
Registered Address: Room 1015, 10/F, No. 17 East Third Ring Circle North Road, Chaoyang District, Beijing
Office Address: Room 1015, 10/F, No. 17 East Third Ring Circle North Road, Chaoyang District, Beijing
Legal Representative: He Jing
Customer Service Telephone Number: 400-618-0707
Website: www.hongdianfund.com
- (73) Zhuhai Yingmi Wealth Management Limited
Registered Address: Room 105-3491, No. 6 Baohua Road, Hengqin New Area, Zhuhai
Office Address: 12/F, South Tower, Poly International Plaza, No. 1 Pazhou Road East, Haizhu District, Guangzhou
Legal Representative: Xiao Wen
Customer Service Telephone Number: 020-89629066
Website: www.yingmi.cn
- (74) Sina Cangshi Fund Sales Co., Ltd.
Registered Address: Room 518, 5/F, Scientific Research Building, Sina Headquarters, Lots N-1 & N-2, Zhongguancun Software Park Phase 2 (Western Expansion), Dongbeiwang West Road, Haidian District, Beijing
Office Address: Room 518, 5/F, Scientific Research Building, Sina Headquarters, Lots N-1 & N-2, Zhongguancun Software Park Phase 2 (Western Expansion), Dongbeiwang West Road, Haidian District, Beijing
Legal Representative: Mu Feihu
Customer Service Telephone Number: 010-62675369
Website: fund.sina.com.cn/fund/web/index

- (75) Beijing Kenterui Fund Sales Co., Ltd.
Registered Address: Bungalow 157, (No. 17), No. 12 Middle Xisanqi Building
Materials Market Road, Haidian District, Beijing
Office Address: 15/F, Tower A, JD Group Headquarters, Courtyard No. 18
Kechuang 11th Street, Tongzhou Yizhuang Economic Development Zone, Beijing
Legal Representative: Wang Suning
Customer Service Telephone Number: 95118
Website: kenterui.jd.com
- (76) Zhongzheng Jinniu (Beijing) Fund Sales Co., Ltd.
Registered Address: Rooms 2-45, Building No. 2, No. 1 Dongguantou, Fengtai
District, Beijing
Office Address: 5/F, Building A, Global Finance & News Center, No. A1
Xuanwumen Wai Street, Xicheng District, Beijing
Legal Representative: Qian Haomin
Customer Service Telephone Number: 4008 -909-998
Website: www.jnlc.com
- (77) iFAST Financial China Ltd
Registered Address: Room 201, Block A, No. 1 QianWanYi Road, Qianhai
Shenzhen-Hong Kong Modern Service Industry Cooperation Zone, Shenzhen (A
tenant at Shenzhen Qianhai Business Secretary Co., Ltd.)
Business Address: Room 1704, 17/F, Block A, Aerospace Science and Technology
Plaza, Haide No. 3 Avenue, Nanshan District, Shenzhen
Legal Representative: Teo Wee Howe
Customer Service Telephone Number: 400-684-0500
Website: www.ifastps.com.cn
- (78) Teng'an Fund Sales (Shenzhen) Co., Ltd.
Registered Address: Room 201, Block A, No. 1 Qianwan 1st Road, Qianhai
Shenzhen-Hong Kong Modern Service Industry Cooperation Zone, Shenzhen
(tenant of Shenzhen Qianhai Business Secretary Co., Ltd.)
Office Address: 15/F, Tencent Seafront Towers, No. 33 Haitian 2nd Road, Nanshan
District, Shenzhen
Legal Representative: Liu Mingjun
Customer Service Telephone Number: 4000-890-555
Website: www.tenganxixi.com/www.txfund.com
- (79) Beijing Xueqiu Fund Sales Co., Ltd.
Registered Address: Room 1501, 15/F, Building No.6, Coutyard 34, Chuangyuan
Road, Chaoyang District, Beijing
Office Address: 17/F(life floor),Building No.6, Coutyard 34, Chuangyuan Road,
Chaoyang District, Beijing
Legal Representative: Li Nan
Customer Service Telephone Number: 400-1599-288
Website: danjuanfunds.com

- (80) Beijing Duxiaoman Fund Sales Co., Ltd.
Registered Address: Room 103, 1/F, Building 4, West Zone, Courtyard 10, Xibeiwang East Road, Haidian District, Beijing
Office Address: Building 4, West Zone, Courtyard 10, Xibeiwang East Road, Haidian District, Beijing
Legal Representative: Ge Xin
Customer Service Telephone Number: 95055-4
Website: www.duxiaomanfund.com
- (81) Shanghai Liantai Fund Sales Co., Ltd.
Registered Address: Room 310, 3/F, No. 277, Fute North Road, China (Shanghai) Pilot Free Trade Zone
Office Address: 3/F, Block 8, No. 518 Fuquan North Road, Changning District, Shanghai
Legal Representative: Yin Binbin
Customer Service Telephone Number: 400-118-1188
Website: <http://www.66liantai.com/>
- (82) Shanghai Lead Fund Sales Co., Ltd.
Registered Address: Room 221, Building 6, No. 57 Tangnan Street, Yuepu Town, Baoshan District, Shanghai
Office Address: 53/F, Pujiang International Financial Plaza, No. 1098 East Daming Road, Hongkou District, Shanghai
Legal Representative: Li Xingchun
Customer Service Telephone Number: 400-032-5885
Website: www.leadfund.com.cn
- (83) Yixin Puze (Beijing) Fund Sales Co., Ltd.
Registered Address: Units 20A1 and 20A2, 20/F, No. 7 Guanghua Road, Chaoyang District, Beijing
Office Address: Units 20A1 and 20A2, 20/F, No. 7 Guanghua Road, Chaoyang District, Beijing
Legal Representative: Cai Danyang
Customer Service Telephone Number: 400-6099-200
Website: www.yixinfund.com
- (84) Eastmoney Securities Co., Ltd.
Registered Address: Building 10, International Headquarters City, Liuwu New District, Lhasa, Tibet Autonomous Region
Office Address: Golden Block, East Money Information Tower, No. 88 Wanping South Road, Xuhui District, Shanghai
Legal Representative: Dai Yan
Customer Service Telephone Number: 95357
Website: www.18.cn

- (85) Beijing Zhongzhi Fund Sales Co., Ltd.
Registered Address: Room 5122, 5/F, No. 10 Hongda North Road, Beijing
Economic-Technological Development Area, Beijing
Office Address: 30/F, SOHO Nexus Center, No. A19, East 3rd Ring North Road,
Chaoyang District, Beijing
Legal Representative: Wu Jianhua
Customer Service Telephone Number: 400-8980-618
Website: www.chtfund.com
- (86) Dalian Wangjin Fund Sales Co., Ltd.
Registered Address: Room 202, 2/F, Nuode Building, No. 22 Titan Road,
Shahekou District, Dalian, Liaoning
Office Address: Room 202, 2/F, Nuode Building, No. 22 Titan Road, Shahekou
District, Dalian, Liaoning
Customer Service Telephone Number: 4000-899-100
Website: www.yibaijin.com
- (87) Beijing Chuangjin Qifu Fund Sales Co., Ltd.
Registered Address: Room 712, Building 6, No. 2 Baizhifang East Street, Xicheng
District, Beijing
Office Address: Room 712, Building 6, No. 2 Baizhifang East Street, Xicheng
District, Beijing
Customer Service Telephone Number: 010-66154828
Website: www.Sirich.com
- (88) Huarui Insurance Sales Co., Ltd.
Registered Address: 13-14/F, Block B, Building 1, Wintop Star Fortune Plaza,
No. 399 Zhongren Road, Nanxiang Town, Jiading District, Shanghai
Office Address: Building 8, No. 288 Xiangcheng Road, Pudong New Area,
Shanghai
Customer Service Telephone Number: 952303
Website: www.huaruisales.com
- (89) Beijing Huicheng Fund Sales Co., Ltd.
Registered Address: 19C13, 17/F, Building 2, Courtyard 1, Xizhimenwai Street,
Xicheng District, Beijing
Office Address: No. 1108, 11/F, No. 11 Zhongguancun Avenue, Haidian District,
Beijing
Legal Representative: Wang Weigang
Customer Service Telephone Number: 400-619-9059
Company Website: www.hcjijin.com

The Fund Manager may choose other qualified institutions to sell the Fund as an agent in accordance with the requirements of applicable laws and regulations, and disclose the relevant information on its website.

3. Hong Kong Representative of Class H Units

Name: JPMorgan Funds (Asia) Limited

Registered Address: 21/F Chater House, 8 Connaught Road Central, Hong Kong

Office Address: 21/F Chater House, 8 Connaught Road Central, Hong Kong

Telephone Number: (852) 2978 7788

Website: <https://www.jpmorgan.com/hk/am/>

4. Sales agencies of Class H Units

As of February 16, 2022, JP Morgan Funds (Asia) Limited, Bank of Communications (Hong Kong) Limited, CMB Wing Lung Bank Limited, China CITIC Bank International Limited, Dah Sing Bank limited, Sun Hung Kai Investment Services Limited, Industrial and Commercial Bank of China (Asia) Limited, iFAST Financial (HK) Limited, Shanghai Commercial Bank Limited, China Construction Bank (Asia) Corporation Limited, Lion Global Financial Limited, OnePlatform Asset Management Limited, OCBC Wing Hang Bank Limited and CITIC Securities Brokerage (HK) Limited are the sales agencies of Class H Units of CIFM China Multi-Assets Fund in Hong Kong.

(II) Fund Registrar:

China International Fund Management Co., Ltd. (as above)

(III) Law Firm and Handling Lawyer:

Name: Llinks Law Offices

Registered Address: 21/F, South Tower, Shanghai Stock Exchange Building, No. 528 Pudong South Road, Pudong New Area, Shanghai

Person in Charge: Han Jiong

Contact Telephone Number: 021-6881 8100

Fax Number: 021-6881 6880

Handling Lawyer: Qin Yuemin

(IV) Accounting Firm Auditing the Assets of the Fund

Name: PricewaterhouseCoopers Zhong Tian LLP (Special General Partnership)

Registered Address: Room 01, Unit 507, DBS Bank Tower, No. 1318 Lujiazui Ring Road, China (Shanghai) Pilot Free Trade Zone

Office Address: 42/F, Qiantan Centre, No. 588 Dongyu Road, Pudong New Area Shanghai, China

Managing Partner: Li Dan

Telephone Number: (021) 23238888

Fax Number: (021) 23238800

Contact Person: Jin Shitao

Handling CPA: Chen Xi, Jin Shitao

VI. OFFERING OF THE FUND AND THE FUND CONTRACT TAKES EFFECT

The Fund has been approved by CSRC ZhengJianJi JinZi [2006] No. 50, and the Initial Offer Period of the Fund was from April 10, 2006 to April 21, 2006. The net sales amount in the fund-raising is RMB 6,434,951,616.90. The bank interest generated from the application proceeds prior to the verification and confirmation day of the fund has reached RMB 787,360.60 in total.

There are a total number of 114,825 valid applications in the fund-raising. Calculated as RMB 1.00 per fund unit, 6,434,951,616.90 valid fund units have been raised during the offering period and 787,360.60 fund units have been converted from interest carried forward, thereby reaching an aggregate of 6,435,738,977.50 fund units. All of the fund units have been credited to Investors' Fund accounts and owned by the Investors.

Upon obtaining the approval from the China Securities Regulatory Commission, the Fund Contract of the Fund has come into effect from April 26, 2006. The Fund is a contractual type open-end mixed fund with an indefinite duration.

VII. SUBSCRIPTION, REDEMPTION AND SWITCHING OF FUND UNITS

(I) Places for Subscription and Redemption

The Subscription and Redemption of the Fund will be conducted in the Direct Sales Center of the Fund Manager and the sales outlets of the Sales Agencies. The specific sales outlets will be listed in the Prospectus, the Fund Units Offering Announcement or other announcements by the Fund Manager. The Fund Manager may change, add or reduce the number of Sales Agencies under different circumstances, and disclose the relevant information on its website. Once all conditions are satisfied, the Investors may make Subscription and Redemption through the Fund Manager or its designated Sales Agencies via various manners, such as telephone, fax or Internet, and the specific methods shall be announced separately.

(II) Dealing Day and Time for Subscription and Redemption

1. Dealing Day and Business Hours

Investors may apply for processing the Subscription and Redemption of fund units on a Dealing Day. The particular processing time is the trading hours on a normal trading day of Shanghai Stock Exchange and Shenzhen Stock Exchange.

After the Fund Contract has taken effect, if there are new securities trading markets or any changes in the Trading Hours of securities exchanges or other extraordinary situations, the Fund Manager shall adjust the aforesaid Dealing Day and Business Hours according to the situations and make an announcement.

2. Commencement Day and Business Hours of Subscription and Redemption

The Fund Manager shall commence to deal with Subscription within 90 days from the Effective Date of Fund Contract. The specific business hours shall be stated in the announcement on the commencement of Subscription.

The Fund Manager shall commence to deal with Redemption within 90 days from the Effective Date of Fund Contract. The specific business hours shall be stated in the announcement on the commencement of Redemption.

After the commencement day for Subscription and the commencement day for Redemption have been determined, the Fund Manager shall make an announcement on at least one Designated Media at the latest 1 Business Day prior to the commencement day.

Any applications for Subscription, Redemption or switching on a particular day shall be submitted before 3 p.m. on the same day or other time specified by the Fund Manager.

The Fund Manager shall not process the Subscription, Redemption or switching of the fund units on the date or at the time other than that stipulated in the Fund Contract. When Investors apply for Subscription, Redemption or switching on the date and or at the time other than that agreed in the Fund Contract, the prices for Subscription and Redemption of the fund units are those prices on the Dealing Day of which the next subscription and redemption of the fund units are processed.

(III) Procedure of Subscription and Redemption

1. Application of Subscription and Redemption

The Investors shall, according to the procedure specified by the Sales Institutions, apply for Subscription or Redemption during the trading hours of the Dealing Day.

The Investors shall have sufficient funds for Subscription according to the method specified by the Sales Institutions when they submit the application of Subscription. The Investors shall hold sufficient balance of the fund units when they submit the application of Redemption. Otherwise, the applications for Subscription and Redemption submitted will be invalid and shall not be processed.

2. Confirmation of Application for Subscription and Redemption

The Fund Manager shall treat the day on which the applications for Subscription and Redemption are received before the end of trading hours as the application day of Subscription and Redemption (T Day), and confirm the validity of that transaction within T +1 Day. For the valid application submitted on T Day, the Investors may, on T +2 Day, enquire about the status of confirmation of application at the counters of Sales Outlets or through other methods specified by the Sales Institutions.

3. Payment for Subscription and Redemption

The payment for Subscription monies shall be made in full. If the Subscription monies are not paid in full within the specified time, the Subscription is deemed to be unsuccessful. If the Subscription is unsuccessful or invalid, the principal amount paid for the Subscription by an Investor shall be refunded by the Fund Manager or the Sales Agency designated by the Fund Manager to the Investor.

When the Investor's application for Redemption is successful, the Fund Manager will pay the amount for Redemption within T +7 Day (inclusive). In case of Substantial Redemption, the payment shall be made according to the relevant provisions of the Fund Contract.

(IV) Amount of Subscription and Redemption

1. For the fund investors, the minimum Subscription amount for a single transaction is RMB 1 (including the Subscription fee) for Class A Units, and RMB 100 (including the Subscription fee) for Class H Units. The Fund Investors shall not be subject to the minimum Subscription amount when purchasing fund units by using the fund income currently distributed.

The Fund Investors may apply for multiple Subscriptions, unless otherwise provided by Laws and Regulations or the CSRC.

2. Fund investors may redeem their fund units in whole or in part. The Fund shall be redeemed in denomination of units, and the application of Redemption of redeemed units is calculated with an accuracy of two decimal places.

The number of units for each Redemption shall be no less than 1 unit for Class A Units, and the balance of the Fund Account shall be no less than 1 unit. If the balance of fund units in the Fund Account will be lower than 1 unit after a Redemption, the Redemption shall be made in one time. If the balance of the fund units in the account is less than 1 unit due to dividend reinvestment, non-trading transfer, agency transfer, Substantial Redemption, Fund Switching etc., the above provision is not applicable. However, the Redemption of all units shall be made in one time in the next Redemption.

The number of units for each Redemption shall be no less than 100 units for Class H Units, and the balance of the Fund Account shall be no less than 100 units. If the balance of fund units in the Fund Account will be lower than 100 after a Redemption, the Redemption shall be made in one time. If the balance of fund units in the account is lower than 100 units due to dividend reinvestment, non-trading transfer, agency transfer, Substantial Redemption, Fund Switching etc., the above provision is not applicable. However, the Redemption of all units shall be made in one time in the next Redemption.

3. The Fund Manager may determine the maximum number of fund units accumulated and held by an individual investor. For specific provisions, please refer to the updated Prospectus for details.
4. If accepting subscription applications may lead to a materially adverse effect on the interests of existing Unitholders, the Fund Manager shall take effective measures to protect existing Unitholders' legitimate rights and interests by setting an upper limit on the value of subscription of a single investor or single-day net subscription ratio, by rejecting large-sum subscriptions, or by suspending subscription transactions. Please refer to relevant announcements for further details.
5. The Fund Manager may, according to the market situation and to the extent permitted by Laws and Regulations, adjust the limit on Subscription amount and the limit on the number of units for Redemption as stated above. The Fund Manager must, prior to the adjustment, make an announcement on the Designated Media in accordance with the regulations.

(V) Subscription and Redemption Prices, Fees and their Purposes

1. Classes of Fund Units

The fund units are classified into different classes based on the sales location of the Fund and the fee rates of Subscription and Redemption.

The fund units for which sales are made only in Mainland China and Subscription fee and Redemption fee shall be charged are referred to as Class A Units. The fund units for which sales are made only in Hong Kong, China and Subscription fee and Redemption fee shall be charged are referred to as Class H Units. Different fund codes are assigned to Class A and Class H Units of the Fund, and their NAV per Fund Unit shall be announced separately.

Under the circumstances that there is no violation on the Laws and Regulations and provisions in the Fund Contract and no substantial and adverse impact on the interests of Unitholders, the Fund Manager may, based on actual operation of the Fund and after the appropriate procedures are carried out, suspend sales of a certain class of fund unit, or adjust the fee rate of a certain class of fund unit, or add a new class of fund unit. The Fund Manager shall make a public announcement on a timely basis and submit the case to CSRC for record prior to such adjustment, without the requirement of convening a Unitholders' meeting.

2. Calculation of Fund Subscription Units

Subscription Fee = (Subscription Amount × Subscription Fee Rate) / (1 + Subscription Fee Rate)

Net Subscription Amount = Subscription Amount – Subscription Fee

Subscription Units = Net Subscription Amount/ NAV per Fund Unit on T Day

The Subscription Fee rates of all classes of fund units are shown as follows:

The Subscription Fee rates of Class A Units are shown as follows:

Range of Subscription Amount	Rate
Less than RMB 1 million	1.5%
Above RMB 1 million (inclusive), less than RMB 5 million	1.0%
Above RMB 5 million (inclusive)	RMB 1,000 per transaction

The Subscription Fee Rate of Class H Units shall not exceed 5% of the Subscription Amount.

3. Calculation of Fund Redemption Amount

The Redemption amount of the Fund is the amount resulting from deducting the Redemption fee from the Total Redemption Amount. Where:

Total Redemption Amount = Redeemed Units × NAV per Fund Unit on T Day

Redemption Fee = Total Redemption Amount × Redemption Fee Rate

Redemption Amount = Total Redemption Amount – Redemption Fee

The Redemption Fee Rates of Class A Units are shown as follows:

Duration of Holding Fund Units	Rate
< 7 days	1.5%
≥ 7 days, <1 year	0.5%
≥ 1 year, <2 years	0.35%
≥ 2 years, <3 years	0.2%
≥ 3 years	0%

The Redemption Fee Rate of Class H Units shall not exceed 0.5% of the Redemption Amount of fund units.

4. Fund codes are assigned to Class A and Class H Units of the Fund respectively, and their NAV per Fund Unit is calculated separately. The NAV per Fund Unit on T Day shall be calculated after the closing of business hours on that day, and published within T Day+1. Under special circumstances, the calculation or announcement may be postponed as appropriate upon the consent of the CSRC is obtained.
5. Method of handling the balance of Subscription units: The number of valid Subscription units is resulted from dividing the net Subscription amount by the NAV per Fund Unit on the same day and the valid units are expressed in unit. The above calculation result shall be rounded to the second decimal place. Any income or loss arising from such rounding shall be borne by the assets of the Fund.
6. Method of handling the Redemption amount: The Redemption amount is calculated by multiplying the number of valid units redeemed which are actually confirmed, with the NAV per Fund Unit on the same day and deducting corresponding fees. The Redemption amount is denominated in Yuan. The above calculation result shall be rounded to the second decimal place. Any income or loss arising from such rounding shall be charged to the assets of the Fund.
7. When calculating the NAV of the two classes of fund units, the result shall be rounded from the fifth decimal place to the fourth decimal place. Any errors arising therefrom shall be charged to the assets of the Fund.
8. The Subscription fees of the Fund shall be charged when the Subscriptions of fund units are made by the Investors. Such Subscription fees shall not be credited to the assets of the Fund, and are primarily used to cover various fees incurred by the marketing, sales, registration, etc. of the Fund.
9. The Redemption fees shall be borne by the Unitholders who redeem the fund units. The Fund will charge a redemption fee of no less than 1.5% on class – A investors who hold fund units for less than seven consecutive days. The full amount charged should be credited to assets under management. Moreover, 25% of the total redemption fees paid by class – A investors who hold fund units for seven consecutive days or more shall be credited to the assets of the Fund, and the remaining 75% shall be used to pay the registration fee and other necessary handling fees. All redemption fees paid by class – H investors shall be credited to the assets of the Fund.
10. The Fund Manager may adjust the rate or method of fee within the scope specified in the Fund Contract, and shall make an announcement on the Designated Media before the implementation date of new rate or method of fee charging.
11. For specific transaction channels (such as online transactions, telephone transactions etc.), the Fund Manager may reduce the Subscription fee rate of the Fund and the Redemption fee rate of the Fund.

12. The Fund Manager may establish fund promotion plan according to market condition without violation of the provisions of Laws and Regulations as well as the agreements in the Fund Contract, and conduct fund promotion activities which target to the Investor on a regular or irregular basis. During the period of fund promotion activities, the Fund Manager may, after performing the necessary formalities in accordance with the requirements of relevant regulatory authorities, reduce the Subscription fee rate of the Fund and the Redemption fee rate of the Fund.
13. In order to promote the alignment of staff and investor interests, the Fund Manager encourages its staff to subscribe to this Fund, and where appropriate, offers a certain discount on the subscription fee.

(VI) Rejection or Suspension of Subscription

The Fund Manager may reject or suspend the acceptance and processing of the Investor's application of Subscription in any of the following circumstances and as such, the application for switching – in of other funds managed by the Fund Manager will be processed in the same way:

1. The Fund Manager fails to accept the Subscription application of the Investor due to Force Majeure.
2. The Fund Manager fails to calculate the NAV of the Fund for that day due to the abnormal closure of stock exchanges during the trading hours;
3. The Fund Manager believes that the acceptance of one or some Subscription applications may affect or impair the interests of other Unitholders.
4. The sales system of the Fund or the registration system of the Fund or the accounting system of the Fund fails to operate normally due to technical breakdown and personnel casualties of the Fund Manager, the Fund Custodian, the Fund Sales Institutions or the Registrar.
5. The size of fund assets is too large that results in the Fund Manager may fail to find any appropriate types of investment, or other circumstances that may have negative effects on the performance of the Fund and thus may impair the interests of the existing Unitholders.
6. A Fund Manager's acceptance of a certain subscription application may, intentionally or unintentionally, result in a given investor's proportion of units reaching or exceeding the 50% limit, or avoiding the 50% limit rule.
7. The Fund Manager, after consulting with the Fund Custodian, shall suspend accepting subscription applications if the specific assets account for more than 50% of the Fund's NAV on the previous valuation day;
8. The occurrence of any situation relating to the suspension of valuation of fund assets specified in the Fund Contract.

9. Circumstances where the Fund Manager accepts subscription applications from certain investors which may jeopardise the interests of the Fund or Fund Unitholders, as such investors violate the applicable laws, regulations or rules etc.
10. Other situations as stipulated by the provisions of Laws and Regulations or the CSRC.

In any of the circumstances mentioned in the above items 1, 2, 4, 5, 7, 8 and 10, the Fund Manager shall report to the CSRC for record and make an announcement. If the application for Subscription of an investor is rejected, the Subscription amount rejected will be returned to the Investor. When there is no such circumstances of suspension of Subscription, the Fund Manager shall resume the Subscription business on a timely basis, and announce the relevant information in accordance with the regulations.

(VII) Suspension of Redemption or Deferral Payment of Redemption Monies

The Fund Manager may suspend the acceptance of Redemption applications of the Investors or defer the payment of Redemption monies in any of the following circumstances and as such, the application for switching – out of the Fund will be processed in the same way:

1. The Fund Manager is unable to pay the Redemption monies due to Force Majeure.
2. The Fund Manager is unable to calculate the NAV of the Fund for that day due to the abnormal closure of stock exchanges during the trading hours.
3. The occurrence of Substantial Redemption and the situation that the acceptance of application of Redemption can be suspended pursuant to the stipulations in the Fund Contract.
4. The occurrence of any situation relating to the suspension of valuation of the fund assets specified in the Fund Contract.
5. The Fund Manager, after consulting with the Fund Custodian, shall postpone issuing payments for redemption or suspend accepting redemption applications if the specific assets account for more than 50% of the Fund's NAV on the previous valuation day.
6. Other situations as stipulated by the provisions of Laws and Regulations or the CSRC.

In the event of occurrence of the above circumstances, the Fund Manager shall, on the same day, report to the CSRC for record and make an announcement. For the Redemption applications that have already been accepted, the Fund Manager shall make full payment on schedule. If the full payment cannot be made for the time being, the Fund Manager may make payments to the applicants of Redemption proportionately according to the ratio of the amount of application made from a single account to the total amount of applications. A deferral payment can be made on the outstanding portion, provided that such payment may not be delayed for more than 20 Business Days after the normal payment time. When applying for Redemption, the Investors may choose in advance to withdraw the portion of Redemption that has not been accepted on that day. When there is no such circumstance of suspension of Redemption, the Fund Manager shall resume the Redemption business on a timely basis.

(VIII) Situation and Treatment of Substantial Redemption

1. Determination of Substantial Redemption

Within a single Dealing Day, if the net Redemption application of the fund units (i.e. the balance resulting from the total amount of units of Redemption application plus the total amount of units of switching – out in Fund switching, and minus the total amount of units of Subscription application and the total amount of units of switching – in in Fund switching) is more than 10% of the total fund units on the preceding day, it shall be deemed as a Substantial Redemption.

2. Treatment of Substantial Redemption

In case of Substantial Redemption, the Fund Manager may decide, based on the prevailing status of the asset portfolio of the Fund, to accept Redemption applications in full or to defer part of the Redemption applications.

- (1) Full Redemption: If the Fund Manager believes it is able to pay for the Redemption applications of the Investors, the Redemption shall be executed according to the normal Redemption procedure.
- (2) Partial Deferred Redemption: When the Fund Manager believes there are difficulties in the payment for Redemption applications of the Investors, or believes that the realization of assets as a result of the payment for the Redemption applications of Investors may cause a relatively great fluctuation to the NAV of the Fund, the Fund Manager may defer the payment for the remaining Redemption applications, provided that Redemptions accepted on that day shall not be less than 10% of the total fund units on the preceding day. For the Redemption applications on the day, the Fund Manager shall determine the units of Redemption to be accepted on that day based on the ratio of the amount of Redemption application made from a single account to the total amount of redemption applications. For the portion which is unable to be redeemed by the Investor, the Investor may choose to defer or cancel the Redemption when submitting the application for Redemption. Where the Investor chooses to defer the Redemption, the fund units will be automatically carried forward to the next Dealing Day with continuous Redemption process, until all the fund units have been redeemed; where the Investor chooses to cancel the Redemption, the portion of application which has not been redeemed on that day will be withdrawn. The deferred portion of any Redemption application will be processed together with the Redemption application on the next Dealing Day without any priority and the amount of Redemption shall be calculated based on the NAV per Fund Unit of that Dealing Day. If the Investor does not make any clear choice when submitting the application for Redemption, the portion that has not been redeemed by the Investor will be automatically treated as deferred Redemption.

- (3) If the substantial redemption occurs and the substantial redemption requested by a single investor exceeds 20% of the total number of fund units recorded on the previous fund trading day, the Fund Manager may postpone redemption of the portion in excess of 20% of the total number of fund units requested by such investor. Redemption of fund units held by the investor at or below the 20% cut – off point and redemptions requested by other investors on the same day will be processed according to the provisions in the preceding paragraphs. Refer to relevant announcements for further details.
- (4) **Suspended Redemption:** In case of Substantial Redemption for more than two (inclusive) consecutive Dealing Days, the Fund Manager may suspend the acceptance of Redemption applications if necessary. The payment for the Redemption applications that have been accepted may be deferred for not more than 20 Business Days after normal payment time, and the Fund Manager shall make an announcement on the Designated Media.

3. Announcement of Substantial Redemption

When there is Substantial Redemption and deferred Redemption, the Fund Manager shall publish an announcement via the Designated Media in accordance with the regulations.

(IX) Announcement on Suspension of Subscription or Redemption and Announcement on Re – opening of Subscription or Redemption

1. In the event of occurrence of the above circumstances of suspension of Subscription or Redemption, the Fund Manager shall announce the suspension on the Designated Media within the prescribed time limit.
2. If the suspension lasts for one day, the Fund Manager shall, on the next Business Day, make an announcement of the re – opening of Subscription or Redemption on the Designated Media, and shall publish the NAV per Fund Unit of the latest Dealing Day.
3. If the suspension lasts for more than one day but less than two weeks and when the suspension concludes and the Fund Subscription or Redemption of the Fund is re – opened, the Fund Manager shall announce the re – opening of Subscription or Redemption on the Designated Media in accordance with the regulations, and shall publish the NAV per Fund Unit of the latest Dealing Day.
4. If the suspension lasts for more than two weeks, the Fund Manager shall make an announcement of the suspension at least once every two weeks during the suspension period. When the suspension concludes and the Fund Subscription or Redemption of the Fund is re – opened, the Fund Manager shall make an announcement of the re – opening of Subscription or Redemption of the Fund on the Designated Media in accordance with the regulations, and shall publish the NAV per Fund Unit of the latest Dealing Day.

(X) Fund Switching

The Fund Manager may, according to the relevant Laws and Regulations and the provisions of the Fund Contract, decide to launch the Switching business between the Fund and other funds under the management of the Fund Manager. Certain Switching fees may be charged for Fund Switching. Relevant rules shall then be formulated and published by the Fund Manager according to the relevant Laws and Regulations and the provisions of the Fund Contract and shall be notified to the Fund Custodian and the relevant institutions in advance.

(XI) Non – trading Transfer of the Fund

It refers to the non – trading transfer accepted by the Registrars for inheritance, donation and judicial enforcement. Regardless of any of the above – mentioned circumstances, the subject transferee must be a qualified individual Investor or institutional Investor.

Inheritance refers to the situation where a Unitholder deceased and his/her fund units are inherited by the legal heir; donation refers to the situation where a Unitholder donates his/her legally held fund units to any charity funds or social groups; judicial enforcement refers to the situation where a judicial authority compulsorily transfers the fund units of a Unitholder to another natural person, legal person or other organizations according to a valid judicial document. To process the non – trading transfer, the relevant materials required by the Registrars must be provided, and those applications for non – trading transfer that satisfy the conditions will be dealt with within 2 months from the day of acceptance of such applications and will be charged a fee at a rate specified by the Registrars.

(XII) Agency Transfer of the Fund

Unitholders may carry out the agency transfer of fund units held between different Sales Institutions and the Sales Institutions of the Fund may charge an agency transfer fee at a rate according to the stipulated standards.

(XIII) Periodic Investment Plan

Subject to the satisfaction of all requirements, the Fund Manager can provide the service of periodic investment plan to the Fund Investors, and specific implementation measures shall be determined by the Prospectus and the Business Rules published by the Fund Manager at that time.

(XIV) Subscription and Redemption of the Fund during the Implementation of the Side Pocket Mechanism

If the Fund implements the side pocket mechanism, please refer to the “Side Pocket Mechanism” section of this Prospectus or relevant announcements to be released on the occasion for details of the Fund’s subscription and redemption arrangements.

VIII. INVESTMENTS OF THE FUND

(I) Investment Objectives

The Fund aims to create stable returns for investors by seeking stable income from dividends and coupon payments by focusing its investments in a variety of high dividend and/or high coupon rate securities as well as capturing capital growth opportunities with a view to attain complete earnings.

(II) Investment Scope

The investment scope of the Fund includes financial instruments with good liquidity, including stocks that are issued and listed in China, Chinese depository receipts, bonds, and other financial instruments which are permitted for fund investment by relevant laws and regulations or the CSRC.

Under normal market conditions, equity assets of the Fund's portfolios should account for 20%–75% of the Fund's assets under management; bonds should account for 20%–75%; warrants should account for 0–3% of the Fund's NAV; the value of cash (not including settlement provisions, guarantee deposits paid and subscription amount receivables) or government bonds maturing within one year as a percentage of the NAV should be kept above 5%. If new products become available for investment according to the law or by regulatory authorities, the fund manager may invest in such products after fulfilling prescribed procedures. The investment of the Fund focuses on varieties with high dividend interest and high debt interest. Over 80% of non – cash fund assets belong to this investment category. Given the current development conditions of stock market in China and the lack of effective hedging instruments, the Fund Manager will retain the discretion of allocating the proportion of bond investment of up to 95% and the minimum proportion of stock investment of as low as 0% in extreme market conditions. If any change to legal provisions concerning the above proportions occurs, the investment scope of the Fund will be adjusted accordingly and the proportions as adjusted shall prevail.

(III) Investment Concepts

Reinforce the profitability on the basis of interest income with significant profit upside through capital income: Investments will focus on stocks with high dividend – paying capacity and high quality bonds with higher yield to maturity in similar conditions. Seek for long – term and stable income over the changes and fluctuations in market cycles by creating a dynamic and balanced combination of stocks and bonds.

(IV) Investment Strategies

The Fund presents the characteristics of both dividend and balanced fund. Based on the investment philosophy of JP Morgan Asset Management Group that have been effective across the globe as well as the actual characteristics of domestic capital market, we select the right securities strictly, deeply explore income opportunities of stock interest and debt interest, and make active use of strategic asset allocation (SAA) and tactic asset allocation (TAA) strategies. We optimise portfolios dynamically to build an investment approach which is both aggressive and defensive at the same time. After the expected investment return is achieved, the Fund will lock up investment gains appropriately and adjust assets allocation proportions in time to ensure long – term and stable performance of the Fund.

1. Stock selection strategies

- (1) Pre – screening of bonus stocks. Evaluation on the dividend – paying capacity of listed companies shall not be based only on occasional dividend payout ratio. Instead, the sustained profit – making and dividend – paying capacity should be examined. The companies which “pay cash dividend beyond their capacity” shall be ruled out first. These include companies incurring losses, with a negative undistributed profit, or a negative operating cash flow, and listed companies with excessive dividend payout ratio.
- (2) Identification of bonus stocks. The dividend rate, EPS fluctuation, net assets yield, and cash adequacy ratio of the listed companies in the past three years should be evaluated in general, with special attention paid to stocks of listed companies that are capable of or have the potential of continuously providing a dividend higher than market average. The industrial attributes of selected stocks should be carefully analyzed as well to select high quality listed companies with high cash dividend rate, stable payout ratio and reasonable industrial layout plan so that a pool of stocks for the Fund can be formed.
- (3) Re – adjustment of bonus stocks. To build the core stock pool, the Fund will make a full evaluation of competitive strength, development strategies, governance structure, financial conditions, and operation team capabilities of the listed companies. Such evaluation will be combined with general industrial trend analysis, comparative advantage analysis and field investigation. The purpose is to evaluate value and growth characteristics of the listed companies and deeply identify investment performance of stocks to improve long – term and stable income of the investments.

2. Fixed income investment strategies

To effectively control the risks associated with investment in stocks, we optimise portfolio liquidity management and significantly improve portfolio’s debt interest income. The Fund will consider prudent assets allocation by investing in bond and monetary market instruments and performing investment management mainly through two levels: category placement and bond type selection.

On the level of category placement, combined with the comprehensive analysis of various factors including the macro economy, market interest rates, supply and demand of bonds, etc., as well as based on the characteristics of risks and returns of category assets in the stock exchange market and the interbank market, an optimised allocation and adjustment of category assets of the investment portfolio shall be carried out regularly, so as to determine the optimal weightings of category assets.

As for the selection of bond types, the Fund focuses on selecting bonds types with good liquidity, reasonable risk level, higher yield to maturity and credit quality, on the basis of analysis on the mid to long term interest rate trends, combined with factors such as changes in economic trends, monetary policies and levels of yields of various types of bonds, liquidity and credit risk. Specific Strategies are:

- (1) Interest rate anticipation strategy: The Fund will first make an analysis on the trend of changes in market and investment environment, based on the forecast of domestic and foreign economic conditions, with a focus on the change in the trend of interest rate. Secondly, when making judgment on interest rate trends, we will focus on the expected effects of money supply, inflation, Fisher Effect and changes in fund flow. Through comprehensive analysis on factors, such as macro economy, monetary policy and fiscal policy, trend of bond market policy, trend of changes in price levels, etc., reasonable expectations on interest rate movements could be achieved.
- (2) Valuation strategy: Establish various yield curve forecast models, and make use of these models to evaluate and ascertain the trend of movements in price centers. Based on yields, liquidity, risk matching principles as well as valuation principles of bonds, an investment portfolio shall be constructed with reasonable choices of bond types with investment value in different markets. Proper adjustments will be made in the dynamic investment environment.
- (3) Duration management: The Fund shall endeavor to grasp the quantitative relationship between the duration and the price volatility of bonds, and based on the expectations of changes in interest rates in the future and focusing on the evaluation of duration and changes of yields, to achieve reasonable allocation of investment types through duration management. Extend the duration appropriately when the interest rate is expected to drop, and reduce the duration appropriately when the interest rate is expected to rise.
- (4) Liquidity management: The Fund, by paying close attention to cash flow of Subscription and Redemption, seasonal liquidity, calendar effect, etc., establishes warning indicators of portfolio liquidity and achieves structural management of the assets of the Fund, so as to ensure the overall liquidity of the assets of the Fund.

3. Asset allocation strategies

Asset allocation is an important part in assets management of the Fund. The asset allocation strategies attempt to balance the characteristics of risks and returns of possible fund investments (stocks, bonds and cash) based on investment objectives and risk tolerance of Investors to reduce the impact of market fluctuations on portfolios. Obviously, different asset allocation strategies reflect different fund investment styles. The Fund will use SAA asset allocation strategies as the benchmark with focus on the use of TAA asset allocation strategies for creation of prudent portfolios proactively.

- (1) Use SAA asset allocation strategies as the benchmark. SAA (Strategic Asset Allocation) is based on the characteristics of risks and returns of different types of assets and the optimal portfolio is structured upon a certain risk level. An optimised level is maintained in the long run. The Fund will, by conducting an in – depth analysis of historical data about yield and fluctuation of different types of financial assets, create a rational anticipation of financial assets based on long – term characteristics of risks and returns, and therefore achieve optimal SAA ratios. Such information will be used as the reference for adjustment of fund portfolio asset allocation strategies.

- (2) Focus on use of TAA asset allocation strategies. TAA (Tactical Asset Allocation) refers to an asset allocation strategy that tracks market variations actively and dynamically and selects proper time and stocks at any time. TAA asset allocation strategies attempt to continuously identify assets the price of which has been misjudged. According to the principle of returning to balance, such opportunities can be exploited to achieve active investment income through temporary market deviations. The Fund will use SAA asset allocation strategies as benchmark with focus on the use of TAA asset allocation strategies. SAA strategies control general risk level of Fund investments. On this basis, the Fund will allocate asset types by using TAA, depending on different stages and market performance in the prosperity cycle to achieve active dynamic re – balance.
- (3) Continuous optimization of TAA asset allocation strategies. The creation of TAA asset portfolios is a process of continuous adjustment and improvement. For the Fund, “optimal” refers to the portfolios with the highest Sharp Ratio. The initial investment philosophy for creating stock and debt balanced asset portfolios is to achieve higher rate of returns while being exposed to certain risks. The Fund will consider both investment portfolio risks and returns. With continuously improved TAA asset allocation ratios, it will try to improve the income level under the portfolio’s unit risks.

4. Investment strategies for Chinese depositary receipts

The Fund will invest in Chinese depositary receipts according to the Fund’s investment objectives and stock investment strategies, and base on in – depth research and judgment on the investment value of the underlying securities.

(V) Investment Risk Management

Protecting the interest of the Unitholders will be the highest principle for risk management of the Fund. The Fund will conclude and draw on the mature experiences of open – end fund risk management systems throughout the company and adopt the risk monitoring and performance appraisal system of China International Fund Management Co., Ltd. to build a risk management mode in light of the characteristics of the Fund.

Specifically, to understand the internal structure of portfolio risks more comprehensively, the portfolio assets will be adjusted based on calculation of returns and risks to control downside risks and optimise portfolio risk levels. The Fund will make full use of VaR technologies for risk measurements and decompose portfolio VaR so that it can describe the contributions of different assets to general portfolio risks, thus allowing dynamic and accurate portfolio risk management.

1. Marginal VaR (M – VaR). The marginal VaR reflects sensitivity of portfolio VaR to change of a certain asset position. The Fund, through monitoring of marginal VaR, gains an in – depth understanding of the extent of impact of adjustment of certain asset positions on the portfolio’s market risks.

2. Component VaR (C – VaR). The portfolio VaR can be expressed as the sum of different asset component VaR. The component VaR reflects contribution of different assets in the portfolio to the portfolio VaR. A component VaR higher than zero indicates that the asset increases the portfolio VaR. A component VaR lower than zero indicates that the asset decreases the portfolio VaR. Controlling component VaR will help the Fund Manager to hedge risks.
3. Incremental VaR (I – VaR). Incremental VaR represents the variation of the portfolio VaR when a certain asset is added to the portfolio. An incremental VaR higher than zero indicates that the new asset increases the portfolio risks; An incremental VaR lower than zero indicates that the new asset hedges the portfolio risks; The Fund uses the indicator of incremental VaR to show the impact of addition of a new asset on the portfolio VaR for more accurate management of risks resulting from addition to portfolio assets.

(VI) Performance Comparison Benchmark

China Securities Dividend Index Yield $\times 45\%$ + China Bond General Index Yield $\times 55\%$

China Securities Dividend Index selects 100 stocks with high cash dividend rate, stable dividend, and certain operating scale and liquidity from Shanghai Stock Exchange and Shenzhen Stock Exchange as samples to reflect the general conditions and trends of high – dividend stocks in A – share market. These stocks are highly representative and suitable as the reference for comparing stock investments by the Fund. China Bond General Index is a representative bond market index compiled by China Government Securities Depository Trust & Clearing Co., Ltd. Based on the investment scope and ratios of the Fund, the utilization of above performance comparison benchmarks can reflect characteristics of risks and returns of the Fund objectively and reasonably.

If the calculation or compilation of the above benchmark indexes stops or their names change, or relevant laws or regulations change in the future, or more representative performance comparison benchmarks or more scientific composite index weightings appear in the market, the Fund will adjust the performance comparison benchmarks accordingly depending on actual conditions upon consultation with the Fund Custodian. In case of changes in performance comparison benchmark, appropriate procedures shall be performed and the changes shall be submitted for filing at the CSRC and will make an announcement of the said changes.

(VII) Characteristics of Risks and Returns

The Fund is a mixed securities investment fund. It mainly invests in bonus stocks and high quality bonds with high yield to maturity in similar conditions. The risks are higher than bond funds and monetary market fund, and lower than stock fund. It is a medium to low risk securities investment fund product.

According to the Measures Governing the Suitability of Securities and Futures Investors implemented on July 1, 2017, the Fund Manager and relevant sales institutions have issued new risk ratings for the Fund. The issuing of risk ratings does not change the Fund's substantive risk – return characteristics, but due to changes in risk rating classification standards, the Fund's risk rating may change accordingly. The specific risk rating results are subject to the rating results provided by the Fund Manager and sales institutions.

(VIII) Investment Restrictions

1. Portfolio restrictions

Both the investment principles and intrinsic features of open – end fund are considered in the investment strategy of the Fund. Diversified investments are used to reduce the non – systematic risks of assets of the fund and maintain good liquidity of the fund portfolio. The investment portfolio of the Fund is subject to the following restrictions:

- (1) The market value of stocks of one listed company held by the Fund shall not be more than 10% of the NAV of the Fund;
- (2) The market value of the holdings of the Fund and any other fund managed by the Fund Manager in the securities issued by a company shall not be more than 10% of such securities;
- (3) The capital balance financed through the bond repurchase in the national interbank market shall not be more than 40% of the NAV of the Fund;
- (4) The stock investment proportion of the Fund shall be 20% – 75% of the total assets of the Fund, and the proportion of bonds shall be 20% – 75%. The proportion of warrants shall be 0 – 3% of NAV of the Fund;
- (5) Regarding the Fund’s investment in warrants, the total amount purchased on any trading day shall not be more than 5% of the NAV of the Fund on the previous trading day;
- (6) A warrant held by all funds under the management of the Fund Manager shall not be more than 10% of such warrant;
- (7) Where the assets of the Fund participate in the Subscription for share issuance, the amount declared by the Fund shall not exceed the total assets of the Fund and the number of shares declared by the Fund shall not exceed the total number of shares to be issued by the issuer in the issuance;
- (8) The value of cash (not including settlement provisions, guarantee deposits paid and subscription amount receivables) or government bonds maturing within one year as a percentage of the NAV should be kept above 5%;
- (9) The number of outstanding shares issued by a listed company held by all open – ended funds managed by the Fund Manager should not exceed 15% of the total number of outstanding shares issued by such listed company;
- (10) The number of outstanding shares issued by a listed company held by all portfolios managed by the Fund Manager should not exceed 30% of the total number of outstanding shares issued by such listed company;

- (11) The market value of Assets with Restricted Liquidity in which the Fund proactively invested should not exceed 15% of the Fund's NAV;

In the event that this investment limit is violated due to factors beyond the Fund Manager's control, e.g. securities market fluctuations, trading suspension for shares in the listed company and changes in fund size, the Fund Manager shall not proactively increase investment in such Assets with Restricted Liquidity;

- (12) Where the Fund carries out a reverse repurchase as the counterparty to a private equity product or another entity recognised by the CSRC, the qualification requirements of the collaterals offered should be consistent with the investment scope in the Fund Contract.
- (13) The percentage limit of the Fund's investment in Chinese depositary receipts shall conform with that of domestically listed and traded stocks, and shall be calculated in combination with domestically listed and traded stocks, unless otherwise provided by laws, regulations, or regulatory authorities.

If the laws and regulations or the regulatory authorities cancel the said limits, the Fund shall not be subject to the above limitations.

If the investment ratio of the Fund does not comply with the investment proportions specified in (1) – (6), (7), (9), (10) and (13) above due to the factors not attributable to the Fund Manager, such as the fluctuation in securities market, the merger of listed companies, the change in fund size, the Fund Manager shall make adjustment within 10 trading days.

The Fund Manager shall make the Fund's investment portfolio ratio comply with the Fund Contract within 6 months after the Effective Date of Fund Contract.

2. Prohibited Activities

In order to maintain the legitimate interests of the Unitholders, the Fund shall not engage in the following investments or activities:

- (1) Underwriting of securities;
- (2) Granting loans or providing guarantee to other parties;
- (3) Making investments which are subject to unlimited liabilities;
- (4) Purchasing or selling units of other funds, except as otherwise stipulated by the State Council;
- (5) Making contributions to the Fund Manager or Fund Custodian, or purchasing or selling the stocks or bonds issued by the Fund Manager or Fund Custodian;
- (6) Purchasing or selling securities issued by or underwritten within the underwriting period by the shareholders who have controlling relationship with the Fund Manager or Fund Custodian or by the companies which have material beneficial interests with the Fund Manager or Fund Custodian;

- (7) Engaging in insider dealing, manipulation of trading prices of securities and other improper securities dealing activities;
- (8) Other activities prohibited by the securities regulatory institution of the State Council pursuant to the relevant provisions of the Laws and Regulations.

(IX) Financing of the Fund

Financing may be conducted for the Fund according to pertinent provisions of the State.

(X) Principles and methods for the Fund Manager in the Exercise of Shareholders' Rights on behalf of the Fund

1. Not seeking to controlling listed companies and not participating in the management of listed companies in which it has invested;
2. Beneficial to the safety and appreciation of the assets of the Fund;
3. The Fund Manager shall, according to the relevant regulations of the State, exercise the shareholders' rights independently on behalf of the Fund to protect the interests of the Fund Investors.

(XI) Implementation and Investment Operation Arrangements of the Side Pocket Mechanism

When the Fund holds specific assets and there are, or there potentially will be substantive redemption applications, in accordance with the principle of protecting the interests of Unitholders to the greatest extent, the Fund Manager can activate the side pocket mechanism in accordance with laws and regulations and as agreed in the Fund Contract without convening a Unitholders' Meeting for deliberation after negotiation and agreement with the Fund Custodian and consultation with the Accounting Firm.

During the implementation of the side pocket mechanism, the investment portfolio ratios, investment strategies, portfolio restrictions, performance comparison benchmarks, and risk – return characteristics agreed in this Section are only applicable to the main pocket account.

The implementation conditions, implementation procedures, operation arrangements, investment arrangements, disposal, realisation and payment of specific assets and other matters of the side pocket account that have a significant impact on Investors' rights and interests are detailed in the "Side Pocket Mechanism" chapter of this Prospectus.

The Fund Custodian shall review and supervise the activation of the side pocket mechanism, disposal of specific assets, and information disclosure in accordance with the provisions of relevant laws and regulations and the agreement of the Fund Contract.

(XII) Investment Portfolio Report of the Fund

1. Portfolio of the Fund's assets at the end of the reporting period is as follows:

No.	Items	Amount (Yuan)	Proportion in the Total assets of the Fund (%)
1	Equity Investment	690,552,278.59	65.94
	Among which: Stocks	690,552,278.59	65.94
2	Fixed Income Investment	231,870,600.00	22.14
	Among which: Bonds	231,870,600.00	22.14
	Asset – backed Securities	–	–
3	Precious metals investment	–	–
4	Financial Derivatives Investment	–	–
5	Financial Assets Purchased under Agreement to Resell	–	–
	Among which: Buyout Repo of Financial Assets Purchased under Agreement to Resell	–	–
6	Aggregate of Bank Deposit and Settlement Provisions	119,774,460.34	11.44
7	Other assets	5,088,534.24	0.49
8	Total	1,047,285,873.17	100.00

2. Stock investment portfolio categorized by industries at the end of the reporting period

Code	Categories of Industry	Fair value (Yuan)	Percentage of NAV of the Fund (%)
A	Agriculture, Forestry, Livestock Husbandry and Fishery	14,995,707.44	1.47
B	Mining	66,577,228.22	6.54
C	Manufacturing	478,661,698.74	47.00
D	Electricity, Heating Power, Gas and Water Production and Supply	45,012,467.82	4.42
E	Construction	16,917,107.40	1.66
F	Wholesale and Retail Sales	68,305.62	0.01
G	Transportation, Storage and the Post Industry	25,722.00	0.00
H	Accommodation and Catering Services	4,608.00	0.00
I	Information Transmission, Software and Information Technology Services	11,055,223.71	1.09
J	Financial	52,436,428.40	5.15
K	Real Estate	4,108,896.00	0.40
L	Leasing and Commercial Services	–	–
M	Scientific Research and Technology Services	24,350.18	0.00
N	Water Conservancy, Environment and Administration of Public Utilities	626,602.75	0.06
O	Residential Services, Repair and Other Services	–	–
P	Education	–	–
Q	Hygiene and Social Affairs	–	–
R	Culture, Sport and Entertainment	37,932.31	0.00
S	Comprehensive	–	–
	Total	690,552,278.59	67.81

3. Breakdown of top 10 stocks (in descending order) ranked in terms of market value as a percentage of NAV of the Fund at the end of the reporting period

No.	Stock code	Stock name	Quantity (shares)	Fair value (Yuan)	Proportion in NAV of the Fund (%)
1	601899	Zijin Mining	4,119,700	39,961,090.00	3.92
2	600089	TBEA	1,593,710	33,738,840.70	3.31
3	600519	Kweichow Moutai	13,200	27,060,000.00	2.66
4	601877	Chint Electric	500,769	26,986,441.41	2.65
5	002756	Yongxing Special Materials	178,513	26,423,494.26	2.59
6	600690	Haier Smart Home	713,400	21,323,526.00	2.09
7	600338	Tibet Summit	561,817	21,158,028.22	2.08
8	601636	Kibing Group	1,205,200	20,608,920.00	2.02
9	601633	Great Wall Motor	409,640	19,883,925.60	1.95
10	002318	Jiuli Group	1,110,059	19,847,854.92	1.95

4. Bond investment portfolio categorized by bond types at the end of the reporting period

No.	Bond Types	Fair Value (Yuan)	Proportion in NAV of the Fund (%)
1	Treasury Bonds	39,940,000.00	3.92
2	Notes of Central Bank	–	–
3	Financial Bonds	100,274,000.00	9.85
	Among which: Policy Bank Bonds	70,301,000.00	6.90
4	Corporate Bonds	19,007,600.00	1.87
5	Corporate Short-term Commercial Paper	–	–
6	Medium-term Notes	70,523,000.00	6.92
7	Convertible Bonds (Exchangeable Bonds)	2,126,000.00	0.21
8	NCD	–	–
9	Others	–	–
10	Total	231,870,600.00	22.77

5. Breakdown of top 5 bonds (in descending order) ranked in terms of market value as a percentage of NAV of the Fund at the end of the reporting period

No.	Bond Code	Bond Name	Quantity (number of bonds)	Fair Value (Yuan)	Proportion in NAV of the Fund (%)
1	018006	CDB 1702	700,000	70,301,000.00	6.90
2	019658	21 Treasury Bond 10	400,000	39,940,000.00	3.92
3	101900023	19 HBIS MTN001	300,000	30,231,000.00	2.97
4	101900071	19 Poly Developments MTN001	300,000	30,219,000.00	2.97
5	2120065	21 Guilin Bank Three Agricultural Bond 02	300,000	29,973,000.00	2.94

6. Investment of the Fund in asset – backed securities and breakdown of top 10 asset – backed securities ranked by the proportion of market value in the NAV of Fund at the end of the reporting period

The Fund did not hold any asset – backed securities at the end of the reporting period.

7. Breakdown of top 5 precious metals investment (in descending order) ranked in terms of fair value as a percentage in the NAV of the Fund at the end of the reporting period

The Fund did not hold any precious metals at the end of the reporting period.

8. Breakdown of top 5 warrants investment (in descending order) ranked in terms of fair value as a percentage in the NAV of the Fund at the end of the reporting period.

The Fund did not hold any warrants at the end of the reporting period.

9. Descriptions of the trades of stock index futures invested by the Fund at the end of the reporting period

The Fund did not hold any stock index futures at the end of the reporting period.

10. Description of the trades of the treasury bond futures invested by the Fund at the end of the reporting period

The Fund did not hold any treasury bond futures at the end of the reporting period.

11. Notes to the Investment Portfolio Report

- 1) During the reporting period, none of the issuers of the top ten securities that the Fund invested in were put under investigation by regulatory authorities, or publicly condemned or punished within one year prior to the preparation date of the report.
- 2) During the reporting period, none of the top ten stocks invested by the Fund is excluded from the scope of alternative stock pool as stipulated in the Fund Contract.

3) Composition of other assets:

No.	Name	Amount (Yuan)
1	Guarantee Deposits Paid	193,180.54
2	Receivables of Securities Clearing	–
3	Dividends Receivable	–
4	Interest Receivable	4,847,246.67
5	Subscription Proceeds Receivable	48,107.03
6	Other Receivables	–
7	Deferred Charges	–
8	Others	–
9	Total	5,088,534.24

4) Breakdown of convertible bonds in conversion period held at the end of the reporting period

As of the end of the reporting period, the Fund did not hold any convertible bond which was during its conversion period.

5) Top 10 stocks in restricted circulation at the end of the reporting period

None of the top 10 stocks of the Fund was subject to circulation restriction at the end of the reporting period.

6) For other text description parts of the notes of the portfolio report, there may be some differences between the sum of sub – items and the total amount due to rounding.

IX. PERFORMANCE OF THE FUND

The Fund Manager shall manage and utilise the fund assets with due diligence, honesty, good faith and prudence, but does not guarantee any profits or minimum returns of the Fund. The Fund's past performance is not indicative of its future performance. Investment involves risk. Investors should read through the Prospectus before making investment decisions.

1. Class A of CIFM China Multi – Assets Fund:

Phase	Growth rate of NAV①	Standard deviation of growth rate of NAV②	Benchmark yield performance ③	Standard deviation of benchmark yield performance④	①–③	②–④
Fund inception date – 2006/12/31	38.57%	0.91%	25.37%	0.74%	13.20%	0.17%
2007/01/01 – 2007/12/31	115.81%	1.64%	94.03%	1.21%	21.78%	0.43%
2008/01/01 – 2008/12/31	40.45%	1.71%	– 24.83%	1.43%	15.62%	0.28%
2009/01/01 – 2009/12/31	38.75%	1.18%	49.65%	1.03%	10.90%	0.15%
2010/01/01 – 2010/12/31	– 2.53%	1.20%	– 2.23%	0.70%	0.30%	0.50%
2011/01/01 – 2011/12/31	24.27%	1.01%	– 8.97%	0.57%	15.30%	0.44%
2012/01/01 – 2012/12/31	11.04%	0.95%	– 0.68%	0.51%	11.72%	0.44%
2013/01/01 – 2013/12/31	32.41%	1.08%	– 3.18%	0.57%	35.59%	0.51%
2014/01/01 – 2014/12/31	13.34%	0.95%	27.37%	0.52%	14.03%	0.43%
2015/01/01 – 2015/12/31	49.03%	2.49%	14.57%	1.19%	34.46%	1.30%
2016/01/01 – 2016/12/31	19.26%	1.45%	– 4.43%	0.65%	14.83%	0.80%
2017/01/01 – 2017/12/31	14.02%	0.72%	5.56%	0.27%	8.46%	0.45%
2018/01/01 – 2018/12/31	30.16%	1.12%	– 5.26%	0.53%	24.90%	0.59%
2019/01/01 – 2019/12/31	18.46%	0.70%	7.68%	0.49%	10.78%	0.21%
2020/01/01 – 2020/12/31	19.38%	1.05%	1.48%	0.57%	17.90%	0.48%
2021/01/01 – 2021/12/31	6.15%	1.07%	7.27%	0.46%	-1.12%	0.61%

2. Class H of CIFM China Multi – Assets Fund:

Phase	Growth rate of NAV ^①	Standard deviation of growth rate of NAV ^②	Benchmark yield performance ^③	Standard deviation of benchmark yield performance ^④	①–③	②–④
Effective date of Class H Units – 2016/12/31	5.74%	1.00%	3.94%	0.42%	1.80%	0.58%
2017/01/01 – 2017/12/31	14.25%	0.72%	5.56%	0.27%	8.69%	0.45%
2018/01/01 – 2018/12/31	-30.08%	1.12%	-5.26%	0.53%	-24.82%	0.59%
2019/01/01 – 2019/12/31	18.65%	0.70%	7.68%	0.49%	10.97%	0.21%
2020/01/01 – 2020/12/31	19.33%	1.05%	1.48%	0.57%	17.85%	0.48%
2021/01/01 – 2021/12/31	6.00%	1.07%	7.27%	0.46%	-1.27%	0.61%

Note: Effective date of Class H Units is March 17, 2016.

X. ASSETS OF THE FUND

(I) Total Asset Value of the Fund

Total Asset Value of the Fund includes the total value of all marketable securities, the principal and interest of the bank deposits, the subscription proceeds receivable of the Fund and other assets possessed by the Fund.

(II) Net Asset Value (NAV) of the Fund

The NAV of the Fund is calculated by deducting the fund liabilities from the Total Asset Value of the Fund.

(III) Account of the assets of the Fund

In respect of the assets of the Fund, a bank deposit account shall be opened under the name of the Fund. A settlement reserve account for the settlement funds of securities trading shall be opened under the name of the Fund Custodian. A securities account shall be opened under the joint name of the Fund Custodian and the Fund. An interbank bond custody account shall be opened under the name of the Fund. The accounts opened specifically for the Fund shall be separated from the respective proprietary accounts of the Fund Manager, the Fund Custodian, the Fund distributor and the Registrar, as well as accounts of other fund assets.

(IV) Disposal of assets of the Fund

The assets of the Fund are segregated from the assets owned by the Fund Manager, the Fund Custodian and the Sales Agencies, and are under custody of the Fund Custodian. All the assets and revenue received from the Fund's management, operation or otherwise by the Fund Manager and the Fund Custodian shall belong to the assets of the Fund. The Fund Manager and the Fund Custodian may charge the management fee, custody fee and other fees as provided by the Fund Contract. The Fund Manager and the Fund Custodian are legally liable to the extent of their own assets; their creditors may not request the freezing or detaining the assets of the Fund or other rights against the assets of the Fund.

In the event that the Fund Manager or the Fund Custodian is under liquidation proceeding because of lawful dissolution, revocation or declared bankruptcy, the assets of the Fund shall not be included for assets for the liquidation purpose.

The assets of the Fund shall not be disposed of, unless otherwise provided in the *Funds Law*, the Fund Contract or relevant regulations. No disposal of the assets of the Fund shall be enforced except for debts arisen from assets of the Fund itself.

XI. VALUATION OF FUND ASSETS

(I) Valuation Day

The Valuation Day of the Fund refers to a normal Business Day of any securities exchange related to the Fund and a non-Business Day on which the net value of the Fund is required to be disclosed in accordance with the Laws and Regulations of the State.

(II) Valuation Methods

1. Valuation Methods for Stocks:

- (1) The listed and tradable stocks shall be valued at the closing prices at their securities exchanges on the Valuation Day. In case there is no trading on the Valuation Day, those stocks shall be valued at the closing prices on the latest trading day.
- (2) Valuation for Unlisted Stocks:
 - 1) In case of unlisted stocks that are initially issued, such stocks shall be valued at cost;
 - 2) The unlisted stocks that are issued through bonus issue, transfer of reserve to common stocks, rights issue and secondary public offering of new shares, shall be valued at the market price of the same stock listed on the stock exchanges on the Valuation Day;
 - 3) The stocks that are initially offered with a definite locked-in period shall be valued at the fair values determined in accordance with the relevant provisions of the regulatory authorities or industry associations;
 - 4) For the stocks that are not publicly offered and have a definite locked-in period upon their issuance and are with circulation restriction, they are valued at the fair values determined in accordance with the relevant provisions of the regulatory authorities or industry associations;
- (3) Under any circumstances, if the Fund Manager adopts any valuation methods stated in the above items (1) to (2) of this clause, it shall be considered that the appropriate valuation methods have been adopted. However, if the Fund Manager considers that the valuation methods stated in above items (1) to (2) of this clause which have been adopted to value the fund assets cannot objectively reflect their fair values, the Fund Manager may, pursuant to the specific circumstances and after consultation with the Fund Custodian, conduct a valuation at a price which better reflects the fair value;
- (4) If there is any latest requirement of the State, the valuation shall be conducted accordingly.

2. The valuation calculation of the Fund's Chinese depository receipt investment shall be carried out in accordance with that of the domestic listed stocks.
3. Valuation methods for fixed-income securities:
 - (1) Fixed-income products traded or listed on the stock exchanges are valued at the net valuation price of the corresponding products offered by a third-party valuation institution on the valuation date. The valuation institution will be determined through consultation between the Fund Manager and the Fund Custodian;
 - (2) Fixed-income products that are not traded at net price on the stock exchanges are valued at the net price calculated as their respective closing prices on the valuation day after deducting interest receivables (interest accrued between the date on which interest on the fixed-income products starts to be calculated or the latest interest-calculation date and the valuation date) included in the closing prices of the fixed-income products. If there are no transactions on the valuation day and there have been no significant changes in the economic environment since the latest transaction day, fixed-income products will be valued at the net price calculated as their respective closing prices on the latest transaction day after deducting interest receivables of the fixed-income products included in the closing prices of the fixed-income products;
 - (3) In case of issuing unlisted bonds, valuation techniques shall be adopted to determine the fair value. Under the circumstances that the fair value is hard to be calculated by valuation techniques in a reliable manner, such bonds shall be subsequently valued at cost;
 - (4) In case of fixed income products, such as bonds, asset-backed securities, etc. that are traded on the interbank bond market, valuation techniques shall be adopted to determine the fair value.
 - (5) Where a bond is traded on two or more markets at the same time, it shall be valued respectively at the market where it is traded.
 - (6) Under any circumstances, if the Fund Manager adopts any valuation methods stated in the above items (1) to (5) of this clause, it shall be considered that the appropriate valuation methods have been adopted. However, if the Fund Manager considers that the valuation methods stated in above items (1) to (5) of this clause which have been adopted to value the fund assets cannot objectively reflect their fair values, the Fund Manager may, on the basis of a comprehensive consideration on various factors such as market trading price, market quotation, liquidity and yield curve, etc., conduct a valuation for bonds. The Fund Manager may, pursuant to the specific circumstances and after consultation with the Fund Custodian, conduct a valuation at a price which better reflects the fair value.
 - (7) If there is any latest requirement of the State, the valuation shall be conducted accordingly.

4. Valuation Methods for Warrants:

- (1) During the time from the date of confirmation of holdings to the date of sale or the exercise date, the listed warrants that are held by the Fund shall be valued at the closing prices of such warrants quoted on the securities exchanges on the Valuation Day. In case there is no trading on the Valuation, such warrants shall be valued at the closing prices on the latest trading day.

In case of unlisted warrants, valuation techniques shall be adopted to determine the fair value. Under the circumstances that the fair value is hard to be calculated by valuation techniques in a reliable manner, such warrants shall be valued at cost.

- (2) Under any circumstances, if the Fund Manager adopts any valuation methods stated in the above item (1) of this clause, it shall be considered that the appropriate valuation methods have been adopted. However, if the Fund Manager considers that the valuation methods stated in above item (1) of this clause which have been adopted to value the fund assets cannot objectively reflect the fair values, the Fund Manager may, pursuant to the specific circumstances and after consultation with the Fund Custodian, conduct a valuation at a price which better reflects the fair value.
- (3) If there is any latest requirement of the State, the valuation shall be conducted accordingly.

5. If the Fund Manager or the Fund Custodian discovers that the valuation of the Fund is in breach of the valuation methods and procedures as set out in the Fund Contract and the provisions in relevant Laws and Regulations or fails to provide sufficient protection to the interests of the Unitholders, the other party shall be informed immediately and both parties shall jointly investigate the reasons and shall negotiate for settlement.

6. In accordance with the relevant Laws and Regulations, the Fund Manager shall be responsible for the calculation of the NAV of the Fund and the accounting and auditing of the Fund. The Fund Manager shall be responsible for the Fund's accounting. Therefore, with regard to the accounting issues related to the Fund, if the parties involved fail to reach a consensus after full discussions on the principle of equality, the calculation result of the net asset value of the Fund made by the Fund Manager shall be published.

(III) Valuation Targets

They include assets such as stocks, Chinese depositary receipts, warrants, bonds, principal and interest of bank deposits, receivables and other investments possessed by the Fund.

(IV) Valuation Procedures

1. The NAV per Fund Unit shall be calculated by dividing the NAV of the Fund after the closing on each Dealing Day by the balance of fund units on the same day. The NAV per Fund Unit shall be calculated with precision to RMB0.0001 and be rounded to the fourth decimal place. Whereas there are provisions otherwise provided by the State, such provisions shall be observed.

The NAV of the Fund and the NAV per Fund Unit shall be calculated on each Business Day and shall be published as stipulated.

2. The Fund Manager shall conduct valuation of the fund assets on each Business Day. The Fund Manager shall, after the valuation of fund Assets on each Dealing Day, send the results of NAV per Fund Unit to the Fund Custodian, and the results shall be published by the Fund Manager after the result is verified as containing no errors by the Fund Custodian. The review on the month-end, half-year-end and year-end valuations shall be conducted simultaneously with the checking of fund accounting records.

(V) Handling of Valuation Errors

The Fund Manager and the Fund Custodian shall take necessary, appropriate and reasonable measures to ensure the accuracy and timeliness of the valuation of the Fund's assets. Where there is an error within the fourth decimal place (including the fourth place) of the NAV per Fund Unit, such error shall be deemed as an error of the NAV per Fund Unit.

The Parties to the Fund Contract shall comply with the following agreed provisions:

1. Types of Errors

In the course of operation of the Fund, if the Fund Manager, Fund Custodian, registration and clearing institutions, Sales Agencies or Investor make an error due to their own fault and cause any loss to other parties, the responsible party for the error shall be liable for and indemnify the party involved ("Impaired Party") for its loss incurred by such error based on the following "Error Handling Principles".

The main types of the aforesaid errors include but are not limited to errors in declaration of information, errors in data transmission, errors in data calculation, errors from system failure and errors in placing instructions; errors arisen from technical reasons that cannot be foreseen, avoided or defied at the existing technical level of the industry shall be considered as Force Majeure and shall be treated pursuant to the following provisions.

Where any event of Force Majeure results in the loss or false treatment of the Investor's trading information or other errors, the party who makes errors due to Force Majeure shall not be liable to indemnify other parties, provided that the party who obtains improper gains due to such errors shall remain be liable to return the improper gains.

2. Error Handling Principles

- (1) When there is an error which has not caused any loss to the parties yet, the responsible party for the error shall timely coordinate other parties to make corrections in time, and the fees incurred in the process of correction shall be borne by the responsible party for the error. If any party suffers a loss due to the responsible party for the error fails to correct the errors incurred in time, the responsible party for the error shall be liable for such loss. If the responsible party for the error has made active coordination and the party with the obligation for assistance has enough time to make a correction but fails to do so, this party shall be liable for the corresponding compensation. The responsible party for the error shall confirm the corrections with the parties involved and shall ensure the errors have been corrected.
- (2) The responsible party for the error shall be liable for the possible direct losses rather than indirect losses of the parties involved, and shall be liable to the direct parties involved of the errors rather than the third parties.
- (3) The party who obtains improper gains due to errors shall be obliged to return the improper gains. However, the responsible party for the error shall remain liable for the errors. If the party which obtains the improper gains does not return the improper gains in whole or in part and therefore incurring any loss of interests to other parties (the "Impaired Party"), the responsible party for the error shall compensate the loss of the Impaired Party and shall be entitled to request the party who has obtained the improper gains to return the improper gains to the extent of the compensation amount paid by the responsible party for the error; If the party who obtains the unjust gains has returned this portion of improper gains to the Impaired Party, the Impaired Party shall return to the responsible party for the error the exceeding amount which results from deducting its actual losses from the sum of the compensation amount received and the improper gains.
- (4) The errors shall be adjusted to the correct situation as if the errors had not occurred.
- (5) Where the responsible party for the error refuses to make compensation, the Fund Custodian shall claim the Fund Manager for the interests of the Fund if the loss of assets of the Fund is attributable to the Fund Manager's fault, or the Fund Manager shall claim the Fund Custodian for the interests of the Fund if the loss of assets of the Fund is attributable to the Fund Custodian's fault. Where a third party other than the Fund Manager and the Fund Custodian causes the loss of assets of the Fund and refuses to make compensation, the Fund Manager shall be liable to claim the responsible party for the error. The expenses incurred during the compensation recovery process shall be included in the expenses of the Fund and paid out of the fund assets.

- (6) Where the party making errors does not compensate the Impaired Party in accordance with relevant provisions and, pursuant to Laws and Regulations, the Fund Contract or other provisions, the Fund Manager shall indemnify the Impaired Party on its own or in accordance with the judgment and arbitral award from the court, the Fund Manager is entitled to claim the responsible parties who have made mistakes and is entitled to require such party to indemnify or compensate the Fund Manager for the fees and losses incurred thereby.
- (7) The errors shall be handled based on other principles as provided by Laws and Regulations.

3. Error Handling Procedures

After the errors are identified, the concerned parties shall handle such errors in a timely manner according to the following procedures:

- (1) Identify the reasons for the errors, list all the parties and determine which party is responsible for the error according to such reasons;
- (2) Evaluate the losses incurred by the errors according to Error Handling Principles or in the manner as agreed by the concerned parties;
- (3) The responsible party for the error shall make corrections and compensate for losses according to Error Handling Principles or in the manner as agreed by the concerned parties;
- (4) Where the trading data of the Fund at the registration and clearing institutions of the Fund is required to be modified according to the methods for error handling, the registration and clearing institutions of the Fund shall make corrections and confirm the same with the concerned parties.

4. The Principles and Methods of Handling Errors of the NAV per Fund Unit are as follows:

- (1) When there are errors in the NAV per Fund Unit, the Fund Manager shall make correction immediately, notify the Fund Custodian and take reasonable measures to prevent further losses.
- (2) If the error deviation reaches 0.25% of the NAV per Fund Unit, the Fund Manager shall notify the Fund Custodian and report to the CSRC for record. If the error deviation reaches 0.5% of the NAV per Fund Unit, the Fund Manager shall make an announcement.
- (3) Where any loss of the Fund or the Unitholder is caused by any calculation error of the NAV per Fund Unit, the Fund Manager shall compensate first and have the right to claim other concerned parties according to the error situation.
- (4) Where any rounding difference in the net value is incurred by different settings of the respective technical systems of the Fund Manager and the Fund Custodian, the calculation results of the Fund Manager shall prevail.
- (5) If the above contexts are otherwise provided by Laws and Regulations or the regulators, such provisions shall be observed.

(VI) Circumstances of Suspension of Valuation

1. The stock exchange market relating to the Fund's investment is closed of business because of festive holidays or other reasons.
2. The Fund Manager or the Fund Custodian cannot accurately evaluate the value the fund assets due to Force Majeure or other circumstances.
3. The Fund Manager shall, after consulting with the Fund Custodian, suspend valuation if the specific assets account for more than 50% of the Fund's NAV on the previous valuation day;
4. There is a significant change in the valuation of a type of investment that accounts for a substantial proportion of the Fund, and the Fund Manager has decided to defer the valuation in order to protect the interests of investors;
5. Other circumstances specified in the Fund Contract;
6. Other circumstances as stipulated by laws and regulations or the CSRC.

(VII) Confirmation of Net Value of the Fund

The NAV of the Fund and the NAV per Fund Unit are calculated by the Fund Manager and reviewed by the Fund Custodian. The Fund Manager shall calculate the NAV per Fund Unit after the closure of trading on each Dealing Day and then send to the Fund Custodian. The Fund Custodian shall send the calculation result of the net asset which has been reviewed and confirmed to the Fund Manager, and the Fund Manager shall publish the net value of the Fund.

(VIII) Fund Asset Valuation during the Implementation of the Side Pocket Mechanism

If the Fund implements the side pocket mechanism, valuation of the assets of the main pocket account and disclosure of the fund NAV information of its main pocket account should be made in accordance with the provisions of this Section, and the disclosure of the NAV per Fund Unit of the side pocket account should be suspended.

(IX) Treatment of Extraordinary Circumstances

1. Where the Fund Manager or the Fund Custodian conducts the valuation in accordance with Item (3) under Valuation Methods for Stocks, Item (6) under Valuation Methods for Bonds or Item (2) under Valuation Methods for Warrants, the valuation errors shall not be regarded as valuation errors in respect of the Fund assets.
2. Due to events of Force Majeure or the errors in the data transmitted by the stock exchanges and the registration and clearing companies or changes in the accounting policies of the State or changes in regulations in the market, although the Fund Manager and the Fund Custodian have taken necessary, appropriate and reasonable measures to check, no calculation error has been found and the Fund Manager and the Fund Custodian shall be exempted from the liability for the compensation on the valuation errors of fund assets thereto. However, the Fund Manager should actively take the necessary measures to eliminate the impact of such errors.

XII. FUND INCOME AND DISTRIBUTION

(I) Composition of the Fund Income

1. Spreads of securities trading;
2. Bonus issue, stock dividend and interest income of bonds from the Fund's investments;
3. Interest income of bank deposits;
4. Other legal incomes realised;
5. Change of fair value during the holding period.

Savings of costs or expenses due to the use of Fund's assets shall be included as income.

(II) Net Fund Income

Net fund income refers to the balance reached by deducting the expenses which are allowed to be deducted from the Fund Income in accordance with relevant provisions of the State.

(III) Principles of Income Distribution

The following principles shall be followed in distribution of Fund Income:

1. Each fund unit of same class in the Fund shall have the same rights for distribution;
2. The Fund adopts different income distribution approaches for different fund unit classes. Two types of income distribution are available for Class A Units: cash dividend and dividend reinvestment. The investor can choose to receive cash dividend or automatically convert the cash dividend into fund units based on their ex-dividend net value on the ex-dividend date for reinvestment. If no choice is made, the default option would be cash dividend. For Class H Units, only cash dividend is available.
3. Upon distribution of the Fund Income, the NAV per Fund unit shall not be less than its par value;
4. The bank transfer fee or other service charges incurred in the income distribution shall be borne by the investors.
5. When the income realised by the Fund has exceeded 1.5 times of the 1-year resident savings deposit rate (before tax) of the People's Bank of China ("PBOC"), the Fund Manager shall propose the dividend distribution scheme within the next 15 trading days. If any major change occurs to the savings deposit rate of PBOC that would affect the normal income distribution of the Fund, the Fund Manager will accordingly revise the above reference standards for the dividend distribution and make an announcement within 10 trading days;

6. The dividend distributions for the Fund shall not be made for over 12 times each year, and the distributed amount shall not be less than 80% of the distributable income each time; If the 12 times upper limit has been reached within a year while the distribution conditions are satisfied again, the distributable income shall be carried over to the next year; Income distribution is not compulsory within the first three months from the effective date of the Fund Contract;
7. Upon the satisfaction of other principles for income distribution, dividend distributions can also be made according to the actual market conditions even if the income realised by the Fund has not reached 1.5 times of the 1-year resident savings deposit rate (before tax) of PBOC;
8. Relevant laws and regulations or rules of the regulatory authorities which stipulate otherwise shall prevail.

(IV) Distribution Plan of Fund Income

The distribution plan of fund income shall state clearly the details of the distribution targets, distribution principles, distribution time, distribution amount and proportion, distribution methods, and payment methods of Fund Income.

(V) Time and Procedures of Income Distribution

1. The distribution plan of fund income shall be proposed by the Fund Manager and reviewed and announced by the Fund Custodian in accordance with the regulations;
2. After the distribution plan is announced (subject to the provisions of specific plans), the Fund Manager shall send a payment order of cash dividends to the Fund Custodian, and the Fund Custodian shall then pay the dividends in a timely manner according to such order of the Fund Manager.

(VI) Income Distribution during the Implementation of the Side Pocket Mechanism

If the Fund implements the side pocket mechanism, the side pocket account does not make income distribution. Please refer to the provisions of the “Side Pocket Mechanism” chapter of this Prospectus for details.

XIII. EXPENSES AND TAXES OF THE FUND

(I) Operation Fees of the Fund

1. Types of expenses of the Fund

- 1) Management fees payable to the Fund Manager;
- 2) Custody fees payable to the Fund Custodian;
- 3) Bank charges for transfer and payment of the assets of the Fund;
- 4) Information disclosure expenses payable upon the Fund Contract takes effect, unless otherwise stipulated by the laws, regulations or the CSRC;
- 5) Expenses of the Unitholders' meetings;
- 6) Accountant fees and legal fees upon the Fund Contract takes effect;
- 7) Expenses arising from trading of securities;
- 8) Other fees payable out of the assets of the Fund according to the relevant provisions of the State.

2. The aforesaid expenses of the Fund shall be determined by the Fund Manager at the fair market price to the extent as stipulated by the Laws and Regulations. If the provisions are otherwise stipulated by the Laws and Regulations, such provisions shall be observed.

3. Accrual methods, accrual standards, and payment methods of the expenses of the Fund

1) Management fees payable to the Fund Manager

In general, the management fee shall be accrued at the annual rate of the NAV of the Fund on the preceding day. The calculation method is as follows:

$H = E \times \text{annual management fee rate} \div \text{number of days in the current year}$, where the annual management fee rate of the Fund is 1.5%

H is the management fee accrued every day

E is the NAV of the Fund on the preceding day

The management fee is accrued daily and is payable monthly. The Fund Manager will send the payment order for the Fund's management fee to the Fund Custodian, and the Fund Custodian will check and make a lump-sum payment to the Fund Manager from the fund assets within 3 Business Days from the first day of next month. In case of statutory festive holidays or a day off, the date of payment shall be postponed.

2) Custody fees payable to the Fund Custodian

In general, the custody fee shall be accrued at the annual rate of the NAV of the Fund on the preceding day. The calculation method is as follows:

$H = E \times \text{annual custody fee rate} \div \text{number of days in the current year}$, where the annual custody fee rate of the Fund is 0.25%

H is the custody fee accrued every day

E is the NAV of the Fund on the preceding day

The custody fee is accrued daily and is payable monthly. The Fund Manager will send the payment order for the Fund's custody fee to the Fund Custodian, and the Fund Custodian will check and make a lump – sum payment to the Fund Custodian from the fund assets within 3 Business Days from the first day of next month. In case of statutory festive holidays or a day off, the date of payment shall be postponed.

3) The above-mentioned fees in the expenses described in(3)-(8) of (I) a shall be paid by the Fund Custodian pursuant to other relevant regulations and the provisions in corresponding agreements, and such fees shall be paid as out-of-pocket expenses and shall be included or apportioned in the current expenses of the Fund.

4. Items not included in the expenses of the Fund

The expenses or the losses of the fund assets incurred due to the Fund Manager or the Fund Custodian fails to perform or fails to fully perform their obligations, and the expenses incurred when dealing with the matters not related to the Fund's operations, shall not be included in the expenses of by the Fund. Information disclosure expenses, accounting fees, legal fees and other expenses incurred during the Initial Offer Period of the Fund shall not be paid out of the assets of the Fund, but may be paid out of the application fees if application fees have been charged by the Fund.

5. The Fund Manager and Fund Custodian may adjust the fund management fee rate and the fund custody fee rate according to the development conditions of the Fund. The Unitholders' meeting is not required to convene for the purpose of reducing the fund management fee rate and the fund custody fee rate. The Fund Manager shall make an announcement on the Designated Media prior to the implementation date of new fee rate.

(II) Fees relating to the Sales of the Fund

Fees relating to the sales of the Fund mainly include Subscription fee, Redemption fee, and Switching fee of the Fund. For the specific fee rate, calculation methods and charging methods of the above fees, please refer to “Section VII Subscription, Redemption and Switching of Fund Units” of the Prospectus.

(III) Fund Expenses during the Implementation of the Side Pocket Mechanism

If the Fund implements the side pocket mechanism, the fees related to the side pocket account can be paid out of the side pocket account, but only after the realisation of the assets of the side pocket account. The relevant fees can be charged or reduced as appropriate, but management fees shall not be charged. Please refer to the provisions of the “Side Pocket Mechanism” chapter of this Prospectus or related announcements for details.

(IV) Taxes of the Fund

The Fund and the Unitholders shall perform the tax obligation pursuant to the Laws and Regulations stipulated by the State.

XIV. ACCOUNTING AND AUDITING OF THE FUND

(I) Accounting Policies of the Fund

1. The Fund Manager shall be responsible for the accounting issues of the Fund;
2. The fiscal year of the Fund commences on January 1 and ends on December 31 of each calendar year. If the Fund Contract is effective for less than two months in the fiscal year it commences, such effective period may be incorporated into the next fiscal year;
3. The Fund adopts RMB as the base currency of book keeping and Yuan as the bookkeeping unit;
4. The accounting system of the Fund shall comply with the relevant accounting standards of the State;
5. The Fund shall keep its own accounting and auditing independently;
6. The Fund Manager shall keep complete accounting records and evidence, and carry out the day-to-day accounting and prepare the financial statements of the Fund pursuant to the relevant provisions;
7. The Fund Custodian shall regularly check the Fund's accounting and financial statement preparation with the Fund Manager and provide written confirmation.

(II) Auditing of the Fund

1. The Fund Manager shall engage an accounting firm and its Certified Public Accountants qualified for engaging in securities and futures-related businesses to audit the annual financial statements and other matters of the Fund. The accounting firm and its Certified Public Accountants shall be independent of the Fund Manager and the Fund Custodian.
2. The accounting firm shall seek the prior approval of the Fund Manager and the Fund Custodian when replacing the Certified Public Accountants for the Fund.
3. If the Fund Manager (or the Fund Custodian) deems there are sufficient reasons to replace the accounting firm, the replacement may be made upon the consent of the Fund Custodian (or the Fund Manager). Such replacement of the accounting firm shall be announced by the Fund Manager after the replacement in accordance with the regulations.

XV. INFORMATION DISCLOSURE OF THE FUND

I. Information disclosure of the Fund shall be made in accordance with the *Funds Law, Measures on Operation, Measures on Information Disclosure*, the Fund Contract and other relevant regulations. In the event of changes in information disclosure requirements stipulated in relevant laws and regulations, the latest regulations shall apply to the Fund. The Fund Manager and the Fund Custodian shall disclose the fund information disclosure items on the national newspapers designated by the CSRC (hereinafter referred to as the “Designated Newspapers”), the designated websites (hereinafter referred to as the “Designated Websites”, including websites of the Fund Manager, the Fund Custodian and the CSRC’s electronic fund information disclosure website) and other related media outlets within the prescribed time limit in accordance with the relevant rules. The information of the Fund required to be disclosed publicly includes:

(I) Prospectus and Fund Product Key Facts Statement

The Prospectus is a legal document which gives details of the Fund upon public offering.

The Fund Product Key Facts Statement is a summary of the Fund Prospectus, which provides investors with a brief outline of the Fund. The Fund Manager shall compile, disclose and update the Fund Product Key Facts Statement in accordance with the laws, regulations and rules set by the CSRC.

In the event of a significant change in information contained in the Fund Prospectus or the Fund Product Key Facts Statement after the Fund Contract comes into effect, the Fund Manager shall update the Prospectus and the Fund Product Key Facts Statement accordingly and publish them on the Designated Websites within three Business Days after such significant change, and the Fund Product Key Facts Statement shall also be published on the websites or at the sales outlets of the Fund Sales Institutions; in the event of other change(s) in information contained in the Fund Prospectus or the Fund Product Key Facts Statement, the Fund Manager shall update the Prospectus and the Fund Product Key Facts Statement at least once every year.

Upon termination of operation of the Fund, the Fund Manager may stop updating the Fund Prospectus and the Fund Product Key Facts Statement.

(II) Fund Contract and Custody Agreement

The Fund Manager shall publish the summary of the Fund Contract on the designated newspaper and website three days prior to the offering of the Fund Units. The Fund Manager and the Fund Custodian shall publish the Fund Contract and the Custody Agreement on their respective websites.

(III) Fund Units Offering Announcement

The Fund Manager shall prepare a Fund Units Offering Announcement for the details of the Fund Unit offering and publish it on the designated newspapers and websites on the same day of disclosing the Prospectus in accordance with applicable rules of the *Funds Law* and the *Measures on Information Disclosure*.

(IV) Announcement on the Entry-into-Force of Fund Contract

The Fund Manager shall publish the Announcement on the Entry-into-Force of Fund Contract on the designated newspapers and websites on the following day after the Fund Contract comes into effect. The Notice shall state details of the fund-raising.

(V) Fund Unit Listing Announcement

For the fund units authorised to be listed and traded at the stock exchanges, the Fund Manager shall publish an announcement of the listing and trading of Fund Units on the Designated Websites, and publish a reminder announcement of the listing and trading of Fund Units on the Designated Newspapers, at least 3 business days prior to the listing.

(VI) Announcement of Fund net asset value

After the effectiveness of the Fund Contract and prior to the commencement of the Subscription or Redemption of Fund Units, the Fund Manager shall announce the NAV per Unit and the cumulative NAV per Fund Unit for each class of fund units on the Designated Websites at least once every week.

After the processing of the Subscription or Redemption of Fund units commences, the Fund Manager shall disclose the NAV per Unit and the cumulative NAV per Unit for each class of fund units on each Dealing Day via the Designated Websites and websites or sales outlets of the Fund Sales Institutions no later than the following day of every Dealing Day.

The Fund Manager shall disclose the NAV per Fund Unit and the cumulative NAV per Fund Unit for each class of fund units as of the last day of every half year and full year on the Designated Websites no later than the day following the last day of every half year and full year.

(VII) Announcement on the Subscription and Redemption Price of Fund Units

The Fund Manager shall set out the calculation method of the subscription and redemption price per fund unit and the relevant subscription and redemption fee rates on the information disclosure documents including the Fund Contract and the Prospectus of the Fund, and shall ensure that the Investors can read or duplicate the said information and data via the websites or business outlets of the Fund Sales Institutions.

(VIII) Annual Reports, Interim Reports and Quarterly Reports of the Fund (including quarterly reports on asset portfolios)

1. The Fund Manager shall complete the annual report of the Fund within three months after the last day of each year, publish the annual report on the Designated Websites, and publish a reminder announcement regarding the annual report in the Designated Newspapers.

Financial accounting reports in the Fund's annual report shall be audited by an accounting firm qualified for operating securities and futures-related businesses.

2. The Fund Manager shall complete the interim report of the Fund within two months after the last day of the first half of each year, publish the interim report on the Designated Websites, and publish a reminder announcement regarding the interim report in the Designated Newspapers.

3. The Fund Manager shall complete the quarterly report within 15 Business Days from the last day of each quarter, publish it on the Designated Websites, and publish a reminder announcement of the quarterly report on the Designated Newspapers.

The Fund Manager shall disclose information about assets in the Fund's portfolios and liquidity risk analysis in the Fund's annual and interim reports.

If fund units held by a single investor reach or exceed 20% of the total number of fund units, the Fund Manager, in order to protect the rights and interests of other investors, shall specify at least the investor's category, numbers of his/her/its holdings and his/her/its holding as a percentage of the total number of fund units at the end of the reporting period, changes in his/her/its holding during the reporting period, and inherent risks of the Fund in the "Other Important Information Affecting Investors' Decisions" section of the periodic report of the Fund, unless otherwise stipulated by the CSRC.

(IX) Ad Hoc Reports and Announcements

In case of any event occurring during the Fund's operation which may materially affect the rights and interests of the Unitholders or the prices of the fund units, the party who has the obligation of information disclosure shall prepare a temporary report in accordance with the regulations, and publish it via the Designated Newspapers and Designated Websites:

1. Convening of the Unitholders' meetings and matters determined at the meetings;
2. Termination of Fund Units listing and trading at the stock exchanges, termination of the Fund Contract, and liquidation of the Fund;
3. Change in the ways of operation of the Fund, and merger of funds;
4. Replacement of the Fund Manager or the Fund Custodian;
5. The Fund Manager entrusts a fund service agency to process registration, accounting and valuation of Fund Units, or the Fund Custodian entrusts a fund service agency to process Fund accounting, valuation and verification;
6. Change in the legal name or domicile of the Fund Manager or the Fund Custodian;
7. Change in the Fund Manager's shareholders with a stake of over 5%, change in its actual controller;
8. Extension of the Initial Offer Period of the Fund;
9. Change of a senior manager or portfolio manager of the Fund Manager, or of the head of the dedicated fund custody department of the Fund Custodian;
10. Replacement of more than 50% of the Fund Manager's directors within the most recent 12 months;
11. Replacement of over 30% of core staff members of the Fund Manager or core staff members at the dedicated fund custody department of the Fund Custodian during the most recent 12 months;

12. Litigation or arbitration involving the fund management business, the Fund's assets or fund custody business;
13. Major administrative or criminal penalties imposed on the Fund Manager or its senior managers or portfolio managers due to activities related to fund management operations, or major administrative or criminal penalties imposed on the Fund Custodian or head of its dedicated fund custody department due to activities related to fund custody operations;
14. The Fund Manager uses the Fund's assets to buy or sell securities issued or underwritten during the underwriting period by the Fund Manager, the Fund Custodian or their controlling shareholder(s), actual controller(s) or companies with a significant interest in it, or engages in other forms of major related-party transactions, unless otherwise stipulated by the CSRC;
15. Distributions of the fund income;
16. Any change in the accrual standard, accrual method and rate of the management fee, custody fee, Subscription fee, Redemption fee, etc. of the Fund;
17. Valuation errors in respect of the NAV per fund unit over 0.5% of the NAV per fund unit for the class of Fund units;
18. Replacement of the accounting firm engaged by the Fund;
19. Replacement of the Fund Registrars;
20. Commencement of subscription and redemption of the Fund;
21. The Fund encounters Substantial Redemptions and delays processing of related transactions;
22. The Fund has continuously encountered Substantial Redemptions and suspended the acceptance of redemption applications or delayed the payment of Redemption amount;
23. Suspension of the acceptance of Subscription or Redemption applications, and resumption of the acceptance of Subscription and Redemption applications by the Fund;
24. Adjustments are made to fund unit subscription and/or redemption related matters, or an important matter arises that may affect fund unit redemption by investors;
25. Other matters that the Fund's information disclosure obligors believe may materially affect the rights and interests of the Fund's Unitholders or the prices of the Fund Units, or other matters prescribed by the CSRC.

(X) Clarification Announcements

In the event that, during the validity period of the Fund Contract, any information published on any public media or circulated in the market may have a misleading effect on or lead to significant fluctuations in the Fund Unit price and may hurt the Unitholders' rights or interests, the party responsible for the information disclosure shall immediately clarify such false information publicly and report such information to the CSRC.

(XI) Liquidation report

In case of the termination of the Fund Contract, the Fund Manager shall set up a fund asset liquidation team in accordance with the laws to liquidate the fund's assets and prepare a liquidation report. The fund asset liquidation team shall publish the liquidation report on the Designated Websites, and publish a reminder announcement on the liquidation report in the Designated Newspapers.

(XII) Resolutions of the Unitholders' meeting

(XIII) Information Disclosure during the Implementation of the Side Pocket Mechanism.

If the Fund implements the side pocket mechanism, the relevant information disclosure obligors shall disclose information in accordance with laws and regulations, the Fund Contract, and the Prospectus. Please refer to the provisions of the "Side Pocket Mechanism" chapter of this Prospectus for details.

(XIV) Other Information Required by the CSRC

(XV) Availability and Inspection of information disclosure documents

After the release of information that must be disclosed according to the laws, the Fund Manager and Fund Custodian shall, in accordance with the relevant laws and regulations, display the information at their domiciles so that the public can inspect and copy.

The information disclosure of the Fund shall be conducted in strict accordance with the laws and regulations and the Fund Contract.

II. Information disclosure management

The Fund Manager and Fund Custodian shall establish a sound information disclosure management system, and designate a dedicated department and senior manager to be responsible for the management of information disclosure affairs.

When disclosing the fund information to the public, the fund information disclosure obligors shall comply with the relevant CSRC rules on fund information disclosure contents and formats as well as other relevant rules.

The Fund Custodian shall review and verify, pursuant to the relevant laws, regulations, CSRC rules and the Fund Contract, relevant fund information for public disclosure prepared by the Fund Manager, including NAV of the Fund, NAV per Fund Unit, fund unit Subscription and Redemption prices, the Fund's regular reports, updated Prospectus, updated Fund Product Key Facts Statement and the Fund's liquidation report, and confirm with the Fund Manager in writing or electronically.

The Fund Manager and the Fund Custodian shall choose one newspaper from the Designated Newspapers for information disclosure purposes. The Fund Manager and Fund Custodian shall submit the Fund's information proposed for disclosure via the CSRC's electronic fund information disclosure website, and guarantee the authenticity, accuracy, completeness and timeliness of the information submitted.

Apart from disclosing information via the Designated Media in accordance with the laws, the Fund Manager and the Fund Custodian may disclose relevant information via other public media outlets as needed, but information cannot be disclosed on other public media outlets earlier than on the Designated Media, and information published on different media outlets shall be consistent.

In addition to disclosing information in accordance with the laws and regulations, the Fund Manager and Fund Custodian may work to improve the quality of information disclosure in a bid to provide useful information for investors to assist their decision-making, provided that investors should be treated fairly, and such information will not mislead investors, and the Fund's normal investment will not be affected. The specific requirements shall conform to the relevant regulations of the CSRC and self-disciplinary rules. Expenses (if any) incurred as a result of such self-initiated information disclosure shall not be disbursed from the Fund's assets.

Professional agencies issuing audit reports or legal opinions for fund information publicly disclosed by the Fund's information disclosure obligors shall compile working papers and retain related files for at least 10 years after the termination of the Fund Contract.

XVI. SIDE POCKET MECHANISM

(I) Implementation conditions, implementation procedures, and scope of specific assets of the side pocket mechanism

When the Fund holds specific assets and there are, or there potentially will be substantive redemption applications, in accordance with the principle of protecting the interests of Unitholders to the greatest extent, the Fund Manager can activate the side pocket mechanism in accordance with laws and regulations and as agreed in the Fund Contract without convening a Unitholders' Meeting for deliberation after negotiation and agreement with the Fund Custodian and consultation with the Accounting Firm. The Fund Manager shall report to the China Securities Regulatory Commission and the dispatched office of the China Securities Regulatory Commission where the company is located on the day when the side pocket mechanism is activated.

Specific assets include: (1) Assets that have no reference active market prices and the use of valuation techniques still leads to significant uncertainty in their fair value; (2) Assets that are measured at amortized cost and the provision for asset impairment still leads to major uncertainties in the value of assets; and (3) Other assets with major uncertainties in the value of assets.

(II) Fund operation arrangements during the implementation of the side pocket mechanism

1. Fund Unit Subscription and Redemption

(1) Side pocket account

During the implementation of the side pocket mechanism, the Fund Manager will not process any subscription, redemption, or conversion applications of the side pocket account. Any subscription, redemption, or conversion applications of the Fund Units of the side pocket account by any Unitholder will be rejected.

(2) Main pocket account

The Fund Manager will ensure that the Unitholders of the main pocket account have the redemption rights as stipulated in the Fund Contract in accordance with the law, and reasonably determine the matters in relation to subscription based on the operation of the main pocket account. The specific matters will be stipulated in the relevant announcements by the Fund Manager on the occasion.

(3) The Fund Manager, after consulting with the Fund Custodian, shall suspend the fund valuation and suspend the acceptance of any subscription or redemption applications or defer payment of any redemption of the Fund if the specific assets account for more than 50% of the Fund's NAV on the previous valuation day.

For any redemption applications received on the activation day of the side pocket mechanism, the Fund Manager only processes the redemption applications for the main pocket account and pays the redemption amount. Any subscription applications received on the activation day of the side pocket mechanism are deemed as subscription applications submitted by the Investors to the main pocket account after the activation of the side pocket mechanism.

2. Registration of Fund Units

During the implementation of the side pocket mechanism, the Fund Manager shall implement independent management of the units of the side pocket account. The main pocket account shall continue to use the original fund code, and the side pocket account shall use an independent fund code. The name of the side pocket account units shall be set in the format of “Fund abbreviation + side pocket identification S + side pocket account establishment date,” and a capital letter M will be added to the name of the main pocket account units as a suffix. The M mark in the name of the main pocket account units will be removed once all side pocket accounts of the Fund are cancelled.

On the activation day of the side pocket mechanism, the Fund Manager and the fund registration agency shall confirm the register of Unitholders of the corresponding side pocket account and their units based on the units of original accounts of the Fund Unitholders.

The Fund Manager will de-register the side pocket account once the side pocket account assets are fully liquidated.

3. Fund Investment and Performance

During the implementation of the side pocket mechanism, the investment operation indicators and the fund performance indicators of the Fund shall be based on the assets of the main pocket account. The Fund Manager shall not conduct any investment operations other than the disposal of the specific assets in the side pocket account.

When presenting the fund performance, the Fund Manager and relevant service agencies shall fully explain the foregoing circumstances to avoid misunderstanding by Investors.

The Fund Manager shall, in principle, complete adjustments to the portfolio of the main pocket account within 20 trading days after the activation of the side pocket mechanism, except for circumstances specified by the China Securities Regulatory Commission due to asset liquidity restrictions.

4. Valuation of Fund Assets

On the activation day of the side pocket mechanism, the Fund Manager will divide the assets of the main pocket account and the side pocket account based on the net assets of the Fund determined after the end-of-day valuation is completed, and the balance of the asset accounts and the balance of liability accounts other than taxes payable account explicitly related to the specific assets are included in the side pocket account. The Fund Manager shall treat the specific assets as a whole, and shall not just separate the parts whose fair value cannot be determined.

During the implementation of the side pocket mechanism, the Fund Manager will set up a separate set of books for the side pocket account and keep independent accounts. If the Fund has multiple side pocket accounts at the same time, the side pocket accounts shall keep their independent accounts. The accounting of the side pocket account shall comply with the relevant requirements of the Accounting Standards for Business Enterprises.

5. Fund Expenses

During the implementation of the side pocket mechanism, no management fee will be charged for the side pocket account assets. Any consulting and auditing expenses incurred due to the activation of the side pocket mechanism shall be borne by the Fund Manager.

The Fund Manager may deduct the expenses related to the disposal of the side pocket account assets from the side pocket account after the realisation of the side pocket account assets.

6. Fund Income and Distribution

During the implementation of the side pocket mechanism, the Fund Manager can distribute the income of the units of the main pocket account if the units of the main pocket account meet the income distribution conditions stipulated in the Fund Contract. There will be no income distribution of the side pocket account.

7. Fund Information Disclosure

(1) Information of the NAV of the Fund

During the implementation of the side pocket mechanism, the Fund Manager shall suspend the disclosure of the NAV per Fund Unit and the cumulative NAV per Fund Unit of the side pocket account.

(2) Regular reports

During the implementation of the side pocket mechanism, the financial statements in the Fund's regular reports are prepared based only on the main pocket account. Information about the side pocket account is separately disclosed in the regular reports, including but not limited to:

- 1) Basic information such as the fund code, fund name, and date of establishment of the side pocket account;
- 2) The initial assets and initial liabilities of the side pocket account;
- 3) Basic information such as the name, code, and issuer of the specific assets;
- 4) The progress of the disposal of the specific assets, the expenses related to the disposal of the specific assets, and other information related to the status of the specific assets during the reporting period;
- 5) Depending on the progress of the disposal of the specific assets, the net realisable value or the reference range of the net value of the specific assets may be disclosed. Such net value or net value range does not represent the final realisable price of the specific assets, and does not represent any commitment of the Fund Manager to the final realisable price of the specific assets;
- 6) Warnings of other situations and related risks that may have a significant impact on the interests of Investors.

(3) Ad hoc reports

The Fund Manager shall make ad hoc announcements in a timely manner in case of activation of the side pocket mechanism, disposal of specific assets, termination of the side pocket mechanism, or other matters that may have a material impact on the interests of Investors.

The content of the ad hoc announcement on the activation of the side pocket mechanism shall include important information such as the reasons and procedures for the activation, the liquidity and valuation of the specific assets, the impact on investors' subscription and redemption, and risk warnings.

The content of the ad hoc announcement on the disposal of specific assets shall include important information such as the price and time of disposal of the specific assets, the payment to the unitholders of the side pocket account shares, and the related expenses incurred. During the implementation of the side pocket mechanism, if the side pocket account assets cannot be disposed of and realised in one time, the Fund Manager shall issue an ad hoc announcement in a timely manner after each disposal and realisation.

8. Disposal and Liquidation of Specific Assets

The Fund Manager will develop a liquidation plan in accordance with the principle of maximizing the interests of Unitholders to realise the disposal of the side pocket account assets. Regardless of whether the assets of the side pocket account have been fully realised, the Fund Manager shall promptly pay the corresponding amount of the realised part to the Unitholders of the side pocket account.

9. Audit of the Side Pocket Account

The Fund Manager shall promptly engage an accounting firm that meets the requirements of the *Securities Law* to conduct audits and disclose special audit opinions upon the activation and the termination of the side pocket mechanism, as follows:

The Fund Manager shall obtain professional opinions from an accounting firm that meets the requirements of the *Securities Law* on matters related to the identification of specific assets upon the activation of the side pocket mechanism.

The Fund Manager shall, within five Business Days after the activation of the side pocket mechanism, engage an accounting firm that provides opinions on the activation day of the side pocket mechanism to issue a special audit opinion on the specific assets held by the Fund on the activation day of the side pocket mechanism. The content shall include the initial assets, units, net assets, and other information on the side pocket account.

When the accounting firm audits the annual report of the Fund, it shall perform appropriate procedures and issue an audit opinion on the accounting and the disclosure in the annual report regarding the side pocket mechanism during the period of the operation of the Fund's side pocket mechanism.

Once the side pocket account assets are fully realised, the Fund Manager shall refer to the relevant requirements of the fund liquidation report and engage an accounting firm that meets the requirements of the *Securities Law* to audit the side pocket account and disclose special audit opinions.

- (III) For any part of the relevant provisions of this Section on the side pocket mechanism that directly refers to laws, regulations, or regulatory rules, the Fund Manager may modify and adjust the content of this Section directly upon negotiation and agreement with the Fund Custodian and the performance of proper procedures in case of cancellation or change of relevant content as a result of future amendments to laws, regulations, or regulatory rules without the need to convene a Fund Unitholders' Meeting, provided that there is no substantial adverse effect on the interests of the Unitholders.

XVII. RISK DISCLOSURES

(I) Risks of investing in the Fund

1. Market risks

The fluctuations in the market prices of securities attributable to various factors may pose potential risks on the fund assets. Such risks mainly include:

(1) Policy risk

Change in monetary policy, fiscal policy, industry policy, regulatory policy of the securities market and other national policies will exert certain impacts on the securities market, which may give rise to the fluctuations of the market price and consequently affect the income of the Fund.

(2) Economic cycle risk

The securities market is impacted by the cyclic macro economical variations. Macroeconomic performance will affect the return level of the securities market, and consequently affect income of the Fund.

(3) Interest rate risk

The interest rate fluctuations in the financial market may result in changes in prices and yields in the securities market. The interest rate directly affects the bond price and the yields of bonds, and thus has an influence on financing costs and the profits of the enterprises. As the Fund invests in bonds and bonds buy-back, the income level maybe subject to changes in the interest rate and demand and supply conditions in the money market.

(4) Purchasing power risk

The purpose of investment of the Fund is to maintain and add value to the fund assets. In case of inflation, the gains on investment in securities of the Fund may be offset by inflation, which will affect the value maintenance and appreciation of the fund assets.

2. Credit risk:

Defaults in delivery occur during the trading of the Fund, or the issuer of bond invested in by the Fund breaches the contract or refuses to pay the due principal and interest, which will possibly result in the loss of the fund assets and change of income.

3. Investment risk:

The Fund will be affected by the performance of the invested securities. Bonds, especially the national debts, are relatively stable. However, they may also be affected by the macro-economic policy and market conditions and show price fluctuations. Investment in enterprise bonds and financial bonds will also be affected by the changes of bond credit rating. All these factors will bring income variation risks to the Investors.

4. Liquidity risk:

Open-end funds need to deal with the redemption of Investors at any time. If the fund assets fail to be converted quickly to cash or cause negative impacts on NAV when realised to cash, both the fund operation and income level will be affected. In particular, during a Substantial Redemption, if it becomes more difficult to put the Fund's assets into cash, it may be difficult to adjust the position of the Fund, cause liquidity risk and even affect the NAV per Fund Unit.

5. Risks of activating the side pocket mechanism

In case the Fund activates the side pocket mechanism, during the implementation of the side pocket mechanism, the disclosure of the NAV per Fund Unit of the side pocket account will be suspended, and no subscriptions, redemptions, or conversions will be allowed.

Due to the uncertainty of the realisation time of the specific assets, the final realisation price is also uncertain and may be significantly lower than the valuation of the specific assets when the side pocket mechanism is activated, and Unitholders of the Fund may face losses as a result.

6. Management risk

During the management and operation of the Fund, the income level of the Fund may be directly affected by the research level and investment management level of the Fund Manager. Incorrect judgment on the economic trend and securities market by the Fund Manager, incomplete information obtained, and mistakes in investment operation will affect the income level of the Fund.

7. Specific Risks to the Fund

- (1) Investment varieties. Bonus stock investment refers to the investment in listed companies with stable and significant stock cash bonus incomes to achieve current cash return and long-term capital return. Bonus distribution reflects the rational behaviors of the listed companies of emphasizing the rate of investment return and focusing on shareholders' return, but will also affect the growth characteristics of the company and the company may lack room for expansion when compared with high-growth companies.
- (2) Asset allocation. The Fund will adopt strategic asset allocation (SAA) and tactic asset allocation (TAA) strategies to optimise the portfolios dynamically. In this respect, market ineffectiveness affirms the significance of active asset allocation strategies, i.e. through analyzing and mastering information on different levels and making corresponding asset allocation adjustment to grasp market opportunities. However, due to different impacts such as economic cycles, market environment, corporate governance and system structuring result in deviation of asset allocation from the optimal level, risks may arise to the portfolio performance.

(3) General risks of stock/bond market

As the Fund is a mixed fund and the Fund's assets are mainly invested in stock market and bond market, the changes in stock market and bond market will affect the performance of the Fund. Although the Fund adopts a stable investment strategy to achieve dynamic optimization of the investment portfolios, the Fund could not fully resist the risks of decline in general market and thus the performance of the NAV of the Fund may be affected.

8. Operating or technical risk

In the course of various transactions or back-office operations of the open-end funds, the normal operation of transactions and the benefits of Unitholders may be affected by any failures or errors of technical systems. This kind of technical risk may arise from the management companies, Registrars, Sales Agencies, stock exchanges, and the securities registration and clearing institutions of the Fund.

9. Compliance risks

Compliance risks refer to the risks of breaching the national laws and regulations during the course of management or operation of the Fund, or the risks of the investments of the Fund violating the regulations and the relevant provisions of the Fund Contract.

10. Risks associated with investing in stocks listed in the Science and Technology Innovation Board (“STAR Market”) include

(1) Liquidity risk for STAR Market – listed stocks

The STAR Market has high investor eligibility barriers, and individual investors must meet certain conditions to be allowed to invest in STAR Market-listed stocks. Therefore, the STAR Market may have limited liquidity relative to other stock market boards. If homogeneous expectations are formed among institutional investors, there may be a risk that stocks cannot be transacted.

(2) The risk of companies listed on the STAR Market being delisted

The STAR Market has relatively strict criteria for stock delisting, and temporary listing suspension, listing resumption and re-listing systems are not adopted for the STAR Market, meaning that companies listed on the STAR Market have greater exposure to delisting risk, which may adversely affect the Fund.

(3) Investment concentration risk

As a newly established board, the STAR Market will initially offer a relatively limited number of investment targets, and investors could easily end up concentrating on a small number of stocks. Such limited focus in the market would pose a risk of investment concentration.

(4) Market risk

Most companies listed on the STAR Market specialize in high- and new-tech businesses and emerging strategic industries, such as next-generation information technology, high-end equipment, new materials, new energy, energy conservation and environmental protection and biomedicine. Most of these companies are startups with uncertainties in earnings, cash flow and valuation prospects. Therefore, there are differences between investments in the STAR Market and investments in the traditional secondary market. It is generally more difficult to invest in the STAR Market, and STAR Market-listed stocks have greater exposure to market risks.

Price fluctuation limits do not apply to STAR Market-traded stocks during the first five days after listing, and a daily price fluctuation limit of 20% applies from the sixth day onward. Relative to other boards, greater share price fluctuations are allowed on the STAR Market, and market risks increase accordingly.

(5) Systematic risk

All listed companies on the STAR Market are innovative technology enterprises that have gained a relatively high level of market recognition. They tend to have similar operating and profit models, so there is a relatively high degree of correlation among STAR Market-listed stocks. A market downturn will lead to significant systematic risks.

(6) Stock-price fluctuation risk

A market-oriented approach is adopted for determining the prices, issue sizes and tempo of initial public offerings (IPOs) on the STAR Market. Institutional investors will play a dominant role in quotation, pricing and placement activities. The quotation-based pricing model is adopted for all stock offerings on the STAR Market, and quotations will only be limited to seven types of professional institutional investors including securities companies. Individual investors cannot be directly involved in the issue-pricing process. Furthermore, given the typical characteristics of STAR Market-listed companies — such as a high degree of technological innovation, uncertain performance prospects, huge earnings fluctuations and high risk — only a limited number of comparable companies will be available in the market. Therefore, traditional valuation methods may not apply, and pricing will be more difficult. After listing, STAR Market-listed stocks may face the risk of price fluctuation.

(7) Policy risk

Any change in the level of support offered by the state for, and the level of importance that it attaches to, the high- and new-tech industries will have a major impact on listed companies on the STAR Market. Changes in the global economic situation will also have policy-level implications for emerging strategic industries and STAR Market-listed stocks.

11. Risk of investing in Chinese depository receipts

The Fund's investment scope includes Chinese depository receipts. In addition to the common risks faced by other funds that only invest in the stocks listed on the Shanghai and Shenzhen Stock Markets, the Fund will also be exposed to the risks resulting from large price fluctuations and even large losses of Chinese depository receipts, as well as the risks associated with the issuance mechanism of Chinese depository receipts, including the risks that may arise from the differences in the legal status and rights of the holders of Chinese depository receipts and the shareholders of the overseas issuers of the underlying securities; the risks that may arise from special arrangements of the holders of Chinese depository receipts in the distribution of dividends and the exercise of voting rights; the risks of automatic constraints of depository agreements on the holders of Chinese depository receipts; the risks of differences in the price of Chinese depository receipts and fluctuations due to multiple listings in different locations; the risks of dilution of the rights and interests of the holders of Chinese depository receipts; the risks of delisting of Chinese depository receipts; the risks that may arise from the potential differences in domestic and foreign ongoing information disclosure supervision of the issuers of the underlying securities that have been listed overseas; and other risks that may arise from the differences in domestic and foreign legal systems and regulatory environments.

12. Other risks:

Any event of Force Majeure, such as wars and natural disasters, may seriously affect the operation of the securities markets and lead to the loss of the fund assets.

Any crisis in the financial markets, industry competition, and breach of contract by the agencies may occur out of the Fund Manager's direct control and may be detrimental to the interest of the Fund or the Unitholders.

(II) Declaration

1. The Fund has not been guaranteed by any level of government, agency or department. The Fund Investors voluntarily invest in the Fund and they shall bear the investment risks at their own discretion.
2. Other than the sales of the Fund directly made by the Fund Manager, sales of the Fund is also made by agency via the Fund's Sales Agencies. However, the fund assets are not deposits or liabilities of these Sales Agencies, and the income is not guaranteed by the Fund's Sales Agencies. Therefore, the Sales Agencies cannot guarantee its income or the safety of the principal.

XVIII. TERMINATION AND LIQUIDATION OF THE FUND

(I) Reasons for Termination of Fund Contract

Under any of the following circumstances, the Fund Contract shall be terminated upon the approval of the CSRC:

- (1) The Unitholders' meeting resolves to terminate the Fund Contract;
- (2) The Fund Manager fails to continue to perform the duties of the Fund Manager for the reasons of dissolution, bankruptcy and revocation, and no other appropriate fund management institution assumes its original rights and obligations within 6 months;
- (3) The Fund Custodian fails to continue to perform the duties of the Fund Custodian for the reasons of dissolution, bankruptcy and revocation, and no other appropriate custody institution assumes its original rights and obligations within 6 months;
- (4) Merge or revocation of the Fund;
- (5) Other circumstances permitted by the CSRC.

(II) Liquidation of Assets of the Fund

1. Liquidation team of assets of the Fund

- (1) After the Fund Contract is terminated, a liquidation team of the Fund shall be established to conduct the liquidation of the Fund under the supervision of the CSRC.
- (2) The liquidation team of the Fund shall consist of the Fund Manager, the Fund Custodian, certified public accountants and lawyers who are qualified for engaging in securities and futures-related business, and persons appointed by the CSRC. The liquidation team of the Fund may engage necessary staff.
- (3) The liquidation team of the Fund shall be responsible for the safekeeping, clearing, valuation, realization and allocation of the Fund's assets. The liquidation team of the Fund can take necessary civil activities in accordance with relevant laws.

2. Liquidation procedures of the Fund's assets

An announcement on the liquidation of the Fund shall be published upon the termination of the Fund Contract;

- (1) When the Fund Contract is terminated, the liquidation team of the Fund shall carry out a unified takeover of the Fund's assets;
- (2) To clear and confirm the Fund's assets;
- (3) To value and realise the Fund's assets;
- (4) To engage a law firm to issue legal opinion;

- (5) To engage an accounting firm to audit the liquidation report;
- (6) To report the results of liquidation of the Fund to the CSRC;
- (7) To participate in the civil actions relating to the assets of the Fund;
- (8) To publish the announcement on the liquidation of the Fund;
- (9) To allocate the remaining assets of the Fund.

3. Liquidation expenses

Liquidation expenses mean all reasonable fees and expenses incurred during the liquidation process of the Fund carried out by the liquidation team of the Fund, which shall be paid out of the Fund's assets by the liquidation team of the Fund with priority.

4. The Fund's assets shall make payment in the following sequence:

- (1) Payment of liquidation expenses;
- (2) Payment of taxes in arrears;
- (3) Discharge of the Fund's debts;
- (4) Make allocation in proportion to the fund units held by the Unitholders.

The Fund's assets shall not be allocated to the Unitholders before the payments set forth in Items (1) to (3) above are made.

5. Announcement of liquidation of the Fund's assets

The liquidation report of the Fund's assets shall be announced by the liquidation team within 5 Business Days after the Fund Contract is terminated and reported to the CSRC for record. Any material matters in the liquidation process shall be announced timely. The liquidation results of the assets of the Fund shall be announced by the liquidation team of the Fund within 3 Business Days upon submitting to the CSRC for record.

6. Keeping of account books and documents of liquidation of the Fund's assets

The Fund Custodian shall keep the account books and related documents of liquidation of the Fund's assets for more than 15 years.

XIX. SUMMARY OF THE FUND CONTRACT

(I). Rights and Obligations of Unitholder, Fund Manager and Fund Custodian:

1. Rights of Unitholders

- 1) To share the income brought by the Fund's assets;
- 2) To participate in the allocation of the remaining assets of the Fund after liquidation;
- 3) To transfer or apply for redeeming the fund units which are held by them in accordance with the laws;
- 4) To request to convene the Unitholders' meetings in accordance with relevant provisions;
- 5) To attend or appoint a proxy to attend a Unitholders' meeting and exercise their voting rights on matters considered on the Unitholders' meeting;
- 6) To access and copy the publicly disclosed information of the Fund;
- 7) To supervise the investment operation of the Fund Manager;
- 8) To bring a suit against the violation of their legitimate interests by the Fund Manager, the Fund Custodian and the Sales Agencies of fund units;
- 9) Other rights stipulated by the Laws and Regulations and the Fund Contract.

Unless otherwise provided by laws and regulations or otherwise agreed upon in the Fund Contract, each fund unit in the same class shall have the same equal legitimate interests.

2. Obligations of Unitholders

- 1) To comply with the Laws and Regulations, the Fund Contract and other relevant provisions;
- 2) To pay the Application and Subscription monies of the Fund and the expenses stipulated;
- 3) To assume the limited liability for the loss of the Fund or the termination of the Fund Contract to the extent of the fund units it holds ;
- 4) Not to engage in any activity that will adversely impair the Fund or the legitimate interests of Unitholders;
- 5) To execute the effective resolutions approved by the Unitholders' meetings;
- 6) To return any improper gains received from the Fund Manager, the Fund Custodian and the agent of the Fund Manager for any reason during the course of trading of the Fund;
- 7) Other obligations specified by the Laws and Regulations and the Fund Contract.

3. Rights of the Fund Manager

- 1) To independently utilise the assets of the Fund pursuant to the relevant provisions in Laws and Regulations and the Fund Contract as from the Effective Date of Fund Contract;
- 2) To receive remuneration of the Fund Manager;
- 3) To exercise the rights arising from the investment of the Fund's assets in securities in accordance with relevant regulations;
- 4) Subject to the compliance with the relevant Laws and Regulations, to formulate and adjust the business rules related to the Application, Subscription, Redemption, switching, non-trading transfer, Agency Transfer, etc. of the Fund;
- 5) To supervise the Fund Custodian in accordance with the Fund Contract and the relevant provisions. The Fund Manager shall promptly report to the CSRC and the banking supervisory regulator any acts which are in breach of the Fund Contract or the relevant Laws and Regulations by the Fund Custodian and might cause material losses to the fund assets and/or to the interests of other parties concerned, and take necessary measures to protect the interests of the Fund and other relevant parties of the Fund;
- 6) To reject or temporarily suspend accepting the application for Subscription and Redemption within the extent as agreed in the Fund Contract;
- 7) To select and replace the Registrars and to conduct necessary supervision and inspection on its agency behavior as the Registrar;
- 8) To select and replace the sales agency institutions and to conduct necessary supervision and inspection on their behaviors in accordance with the sales agency agreements and the relevant Laws and Regulations;
- 9) To nominate a new Fund Custodian in the event of replacement of the Fund Custodian;
- 10) To convene a Unitholders' meeting pursuant to laws;
- 11) Other rights stipulated by the Laws and Regulations.

4. Obligations of the Fund Manager

- 1) To carry out the fund offering pursuant to the laws, and to undertake or appoint other institutions to undertake the offering, Subscription, Redemption and registration of fund units;
- 2) To handle the procedures of record filing for the Fund;
- 3) To manage and use the assets of the Fund based on the principles of good faith and due diligence as from the Effective Date of Fund Contract;

- 4) To employ adequate qualified personnel with professional qualifications to conduct analysis and make decisions regarding the Fund's investment, and to manage and operate the assets of the Fund in a professional business manner;
- 5) To establish sound systems for internal risk control, supervision and auditing, financial management and personnel management, etc., so as to ensure the assets of the Fund under its management and the assets of the Fund Manager are independent to each other. To have separate management and separate book-entry on various funds managed by the Fund Manager and to carry out securities investment;
- 6) Not to seek benefits for itself or any third party or entrust any third party to operate the assets of the Fund unless otherwise provided by the *Funds Law*, the Fund Contract and other relevant provisions;
- 7) To be supervised by the Fund Custodian pursuant to laws;
- 8) To calculate and publish the net asset value information of the Fund, to confirm the Subscription and Redemption prices of the fund units;
- 9) To adopt appropriate and reasonable measures to ensure that the calculation methods for the Application, Subscription, Redemption and cancellation prices of the units of open-ended funds are in compliance with the provisions of legal documents, such as the Fund Contract, etc.;
- 10) To accept and handle the application for Subscription and Redemption and to pay the redemption monies in time and in full;
- 11) To carry out the financial accounting of the Fund and to prepare the financial and accounting reports of the Fund;
- 12) To prepare interim and annual reports of the Fund;
- 13) To perform the obligations of information disclosure and reporting in strict accordance with the *Funds Law*, the Fund Contract and other relevant provisions;
- 14) To keep business secrets of the Fund and not to disclose any investment plans, investment intentions, etc. of the Fund. To keep confidential of and not to disclose to others any information of the Fund before the same is made available to the public, save for disclosures required by the *Funds Law*, the Fund Contract and other relevant provisions;
- 15) To determine the income distribution plan of the Fund in accordance with the Fund Contract and to distribute the income to the Unitholders on a timely basis;
- 16) To convene or assist the Fund Custodian and Unitholders to convene Unitholders' meetings in accordance with the *Funds Law*, the Fund Contract and other relevant provisions;

- 17) To maintain records, accounting books, statements of business activities of fund assets management and other relevant information;
- 18) To exercise the right of litigation or to implement other legal actions on behalf of the interests of the Unitholders in the name of the Fund Manager;
- 19) To organise and join in the liquidation team of the Fund's assets and participate in the keeping, clearing, valuation, realization and allocation of the assets of the Fund;
- 20) To assume liability to pay compensation in case of any loss to the assets of the Fund or any harm to the legitimate interests of the Unitholders arising from the Fund Manager's breach in the Fund Contract. Such liability shall not be exempted due to its retirement;
- 21) To claim for compensation against the Fund Custodian for the Unitholders in the event of any losses of the assets of the Fund arising from the Fund Custodian's breach in the Fund Contract;
- 22) To provide the Fund Custodian with the register of Unitholders pursuant to the relevant provisions;
- 23) Other duties stipulated by the Laws and Regulations and the securities regulatory authorities under the State Council.

5. Rights of the Fund Custodian

- 1) To receive the fund custody fee;
- 2) To supervise the investment operation of the Fund by the Fund Manager;
- 3) To keep in safe custody the fund assets in accordance with laws as from the Effective Date of Fund Contract;
- 4) To nominate a new Fund Manager in the event of replacement of the Fund Manager;
- 5) To supervise the Fund Manager pursuant to the Fund Contract and the relevant provisions. The Fund Custodian shall promptly report to the CSRC any acts which are in breach of the Fund Contract or the relevant Laws and Regulations by the Fund Manager and might cause material losses to the fund assets and/or to the interests of other parties concerned, and take necessary measures to protect the interests of the Fund and other parties concerned;
- 6) To convene a Unitholders' meeting pursuant to laws;
- 7) To obtain the information of the register of the Unitholders pursuant to the relevant provisions;
- 8) Other rights stipulated by the Laws and Regulations.

6. Obligations of the Fund Custodian

- 1) To safely keep the assets of the Fund;
- 2) To establish a specialised fund custody department, which operates in a business premise that meets the requirements, employs adequate full-time qualified personnel who are familiar with the fund custody business, and is responsible for the custody of the assets of the Fund;
- 3) To maintain separate accounts for the assets of various funds which are in its custody to ensure the completeness and independence of the assets of the Fund;
- 4) Not to seek benefits for itself or any third party or entrust the assets of the Fund under custody by any third party unless otherwise provided by the *Funds Law*, the Fund Contract and other relevant provisions;
- 5) To safely keep all the material contracts (the *Fund Contract* and the *Custody Agreement*) related to the Fund and the evidences signed by the Fund Manager on behalf of the Fund;
- 6) To open capital account and securities account for the assets of the Fund pursuant to the relevant provisions;
- 7) To keep business secrets of the Fund. To keep confidential and not to disclose to others any information of the Fund before the same is made available to the public, save for disclosures required by the *Funds Law*, the Fund Contract and other relevant provisions;
- 8) To provide its opinion on the financial and accounting reports of the Fund as well as the interim and annual reports of the Fund to illustrate whether the Fund Manager's operation in all major aspects is in strict accordance with the provisions of the Fund Contract. In the event that the Fund Manager fails to perform the acts stipulated in the Fund Contract, it is also necessary to illustrate whether the appropriate measures have been taken by the Fund Custodian;
- 9) To keep the records, account books, statements and other related information of the custody business activities of the Fund;
- 10) To process the clearing and settlement in a timely manner according to the investment instructions of the Fund Manager pursuant to agreed terms in the Fund Contract and the investment instructions of the Fund Manager;
- 11) To provide its opinion on the financial and accounting reports of the Fund as well as the interim and annual reports of the Fund;
- 12) To establish and maintain the register of Unitholders according to the provisions in the Fund Contract and the Custody Agreement;
- 13) To carry out the information disclosures related to the custody business activities of the Fund;
- 14) To review and verify the net asset value information of the Fund calculated by the Fund Manager and the Subscription and Redemption prices of the fund units;

- 15) To supervise investment operation of the Fund Manager pursuant to the provisions;
- 16) To prepare relevant account books and check with the Fund Manager in accordance with the provisions;
- 17) To pay the Fund income and Redemption monies to the Unitholders pursuant to the instruction of the Fund Manager or relevant provisions;
- 18) To convene the Unitholders' meeting pursuant to the provisions or to cooperate with the Unitholders to convene the Unitholders' meeting by itself pursuant to the laws;
- 19) To assume liability to pay compensation in the case of any loss of the assets of the Fund incurred by the breach in the Fund Contract. Such liability shall not be exempted due to its retirement;
- 20) To claim for compensation against the Fund Manager for the Fund in the event of any losses of the assets of the Fund arising from the Fund Manager's breach of the Fund Contract;
- 21) Other duties stipulated by the Laws and Regulations and the securities regulatory authorities under the State Council.

(II) Procedures and Rules for Convening, Discussion on and Voting in the Unitholders' meeting

1. Matters for Convening Unitholders' Meeting

The Unitholders' meetings shall be convened when there is an occurrence or a need for determining one of the following reasons and upon the proposal of the Fund Manager, the Fund Custodian or the Unitholders who hold not less than 10% (including 10%, same as below) of fund units (calculated on the basis of the fund units on the date when the Fund Manager receives such proposal, same as below):

- (1) To terminate of the Fund Contract;
- (2) To change of the operation mode of the Fund;
- (3) To change the type of the Fund;
- (4) To change the investment objectives, investment scope or investment strategy of the Fund;
- (5) To change the discussion procedures of the Unitholders' meeting;
- (6) To replace the Fund Manager or the Fund Custodian;
- (7) To increase the remuneration standards of the Fund Manager and the Fund Custodian, except for the increase of such remuneration standards are required by the Laws and Regulations;
- (8) To merge the Fund with other funds;
- (9) Other situations as stipulated by the relevant Laws and Regulations, the Fund Contract or by the CSRC.

2. Methods of Convening the Unitholders' Meeting

- 1) The Unitholders' meeting shall be convened by the Fund Manager and the time, place, form of meeting and the registration date of interests shall be selected and determined by the Fund Manager unless otherwise agreed in Laws and Regulations or the Fund Contract. If the Fund Manager does not convene the meeting pursuant to the relevant provisions or cannot convene the meeting, the meeting shall be convened by the Fund Custodian.
- 2) The Fund Custodian shall submit a written proposal to the Fund Manager to convene the Unitholders' meeting as it considers necessary. The Fund Manager shall decide whether to convene the meeting and give a written notice to the Fund Custodian within 10 days after receipt of the written proposal. If the Fund Manager decides to convene the meeting, the meeting shall be convened within 60 days after the issuance of the written decision; if the Fund Manager decides not to convene the meeting and the Fund Custodian still considers that it is necessary to convene the meeting, the Fund Custodian shall convene the meeting on its own and determine the time, place, form of meeting and the registration date of interests.
- 3) If the Unitholders representing more than 10% of fund units consider it necessary to convene a Unitholders' meeting, they shall submit a written proposal to the Fund Manager. The Fund Manager shall decide whether to convene the meeting and give a written notice to the representative(s) of the proposing Unitholders and the Fund Custodian within 10 days after receipt of the written proposal. If the Fund Manager decides to convene the meeting, the meeting shall be convened within 60 days after the issuance of the written decision; if the Fund Manager decides not to convene the meeting and the Unitholders representing more than 10% of fund units still consider that it is necessary to convene the meeting, they shall submit a written proposal to the Fund Custodian. The Fund Custodian shall decide whether to convene the meeting and give a written notice to the representative(s) of the proposing Unitholders and the Fund Manager within 10 days after receipt of the written proposal; if the Fund Custodian decides to convene the Unitholders' meeting, the meeting shall be convened within 60 days after the issuance of the written decision.
- 4) If the Unitholders representing more than 10% of fund units request to convene a Unitholders' meeting for the same matter but both the Fund Manager and the Fund Custodian decide not to convene the meeting, the Unitholders representing more than 10% of fund units are entitled to convene a Unitholders' meeting on their own, provided that they shall report to the CSRC for record at least 30 days in advance.
- 5) If the Unitholders convene a Unitholders' meeting pursuant to the laws on their own, and the Fund Manager and the Fund Custodian shall cooperate and shall not obstruct or interfere.

3. Discussion procedures of the Unitholders' meeting

(1) Onsite meeting

In case of onsite meeting, the host of the meeting shall firstly declare the discussion procedures and considerations of the meeting according to the procedures prescribed, specify and announce the scrutineer, and then read out the proposals, which shall form the meeting resolutions in the presence of a legally practicing lawyer after discussion and voting.

The meeting shall be hosted by the authorised representative of the Fund Manager. In the event that the authorised representative of the Fund Manager is unable to host the meeting, the meeting shall be hosted by the authorised representative of the Fund Custodian; if both the authorised representatives of the Fund Manager and the Fund Custodian are unable to host the meeting, a representative shall be selected as the host of the Unitholders' meeting by a majority votes cast by the attending Unitholders and the proxies representing more than 50% of fund units.

The convener shall make a signature book of attendees of the meeting. The signature book shall set out information, such as the name (or entity name), identification number, residential address, fund units with voting rights held and represented, name of principal (or entity name), etc. of the attendees of the meeting.

(2) Communications meeting

In case of meeting of communications for voting, the convener shall firstly announce the proposals 30 days in advance. All the valid votes shall be counted on the second day after the notified voting deadline under the supervision of a notary institution, and then the resolutions will be formed.

4. Voting procedures of the Unitholders' meeting

1) Each fund unit held by the Unitholders is entitled to equal voting right.

2) Resolutions of the Unitholders' meetings include ordinary resolutions and special resolutions:

(A) Ordinary resolutions

To be effective, an ordinary resolution shall be approved by more than 50% of the voting rights held by the Unitholders and their proxies who attend the meeting. Except for the matters specified in paragraph (B) below which must be approved by a special resolution, all other matters shall be approved by an ordinary resolution;

(B) Special resolutions

To be effective, a special resolution shall be approved by more than two-third of the voting rights held by the Unitholders and proxies who attend the meeting. To be effective, material matters, such as replacement of the Fund Manager, replacement of the Fund Custodian, change of operation mode of the Fund and early termination of the Fund Contract, etc. must be approved by a special resolution.

- 3) The matters to be decided at the Unitholders' meeting shall be reported to the CSRC in accordance with the laws for approval or filing, and an announcement shall be made.
 - 4) The Unitholders' meeting adopts registered voting.
 - 5) Each proposal or each topic listed in the same proposal of a Unitholders' meeting shall be deliberated separately and voted one by one.
5. Special Agreement on the Unitholders' Meeting during the Implementation of the Side Pocket Mechanism

If the Fund implements the side pocket mechanism, the proportion of relevant fund units or voting rights refers to that the proportion of the fund units or voting rights held or represented by the main pocket account Unitholders and those of the side pocket Unitholders conforms with such proportion respectively. In case when the matters to be deliberated for convening the Unitholders' meeting do not involve the side pocket account, then it only refers to that the proportion of the fund units or voting rights held or represented by the main pocket account Unitholders conforms with such proportion:

1. Fund Unitholders shall individually or collectively represent more than 10% (inclusive) of the relevant fund units to exercise the rights to propose, convene, and nominate;
2. In case of onsite meeting, participants attending the meeting represent no less than half (inclusive) of the relevant fund units of the Fund on the registration date of interests;
3. In case of communications meeting, the fund units representing the shareholdings of the Unitholders who submit voting opinions directly by their own or by their authorized representatives on their behalf account for no less than half (inclusive) of the total number of fund units on the registration date of interests;
4. When the fund units held by the Unitholders participating in the voting at the Unitholders' meeting represent less than one-half of the relevant fund units on the registration date of interests, the convener shall reconvene a Unitholders' meeting on the original matters to be deliberated after 3 months and within 6 months of the original announced convene date of the Unitholders' meeting and have Unitholders to participate or authorize representatives to participate in voting at the Unitholders' meeting representing more than one-third (inclusive) of the relevant fund units;

5. In case of onsite meeting, an unitholder shall be selected as the host of the Unitholders' meeting by more than 50% (inclusive) of the voting rights held by the Unitholders and the proxies who attend the meeting ;
6. A general resolution shall be approved by more than one-half (inclusive) of the voting rights held by the Unitholders (or their proxies) who attend the meeting;
7. A special resolution shall be approved by more than two-thirds (inclusive) of the voting rights held by the Unitholders (or their proxies) who attend the meeting.

During the implementation of the side pocket mechanism, if the matters to be deliberated at the Unitholders' meeting involve the main pocket account and the side pocket account, the Unitholders of the main pocket account and the side pocket account shall vote respectively. Each fund unit of the same category in the same main pocket account or the same side pocket account has equal voting rights. If the voting matter does not involve the side pocket account, the units of the side pocket account shall have no voting rights.

During the implementation of the side pocket mechanism, the relevant provisions of the Unitholders' meeting shall be subject to the special provisions of this Section, and the relevant provisions of the above shall apply to the matters not provided in this Section.

(III) Reasons and Procedures for Discharge and Termination of the Fund Contract

1. Termination of the Fund Contract

Under any of the following circumstances, the Fund Contract shall be terminated upon approval of the CSRC:

- (1) The Unitholders' meeting resolves to terminate the Fund Contract;
- (2) The Fund Manager fails to continue to perform the duties of the Fund Manager for the reasons of dissolution, bankruptcy and revocation, and no other appropriate fund management institution assumes its original rights and obligations within 6 months;
- (3) The Fund Custodian fails to continue to perform the duties of the Fund Custodian for the reasons of dissolution, bankruptcy and revocation, and no other appropriate fund custody institution assumes its original rights and obligations within 6 months;
- (4) Merge or revocation of the Fund;
- (5) Other circumstances permitted by the CSRC.

2. Liquidation of Assets of the Fund

- (1) Liquidation team of assets of the Fund
 - (a) After the Fund Contract is terminated, a liquidation team shall be established to conduct the liquidation of the Fund under the supervision of the CSRC.

- (b) The liquidation team of the Fund shall consist of the Fund Manager, the Fund Custodian, certified public accountants and lawyers who are qualified for engaging in securities and futures-related businesses, and persons appointed by the CSRC. The liquidation team of the Fund may engage necessary staff.
- (c) The liquidation team of the Fund shall be responsible for safekeeping, clearing, valuation, realization and allocation of the Fund's assets. The liquidation team of the Fund can take necessary civil activities in accordance with relevant laws.

(2) Liquidation procedures of the Fund's assets

The liquidation team of the Fund shall make an announcement regarding the liquidation of the Fund upon the termination of the Fund Contract;

- (a) When the Fund Contract is terminated, the liquidation team shall carry out a unified takeover of the Fund's assets;
- (b) To clear and confirm the Fund's assets;
- (c) To value and realise the Fund's assets;
- (d) To engage a law firm to issue legal opinion on the liquidation report;
- (e) To engage an accounting firm to audit the liquidation report;
- (f) To report the results of liquidation of the Fund to the CSRC;
- (g) To participate in the civil actions relating to the assets of the Fund;
- (h) To publish the announcement of the liquidation of the Fund;
- (i) To allocate the remaining assets of the Fund.

(3) Liquidation expenses

Liquidation expenses mean all reasonable fees and expenses incurred during the liquidation process of the Fund carried out by the liquidation team of the Fund, which shall be paid out of the Fund's assets by the liquidation team of the Fund with priority.

(4) The Fund's assets shall make payment in the following sequence:

- (a) Payment of liquidation expenses;
- (b) Payment of taxes in arrears;
- (c) Discharge of the Fund's debts;
- (d) Making allocation in proportion to the fund units held by the Unitholders.

The Fund's assets shall not be allocated to the Unitholders before the payments set forth in Items (a) to (c) above are made.

(5) Announcement of liquidation of the Fund's assets

The announcement of liquidation of the Fund's assets shall be announced by the liquidation team of the Fund within 5 Business Days after the Fund Contract is terminated and reported to the CSRC for record. Any material matters in the liquidation process shall be announced timely. The liquidation results of the assets of the Fund shall be announced by the liquidation team of the Fund within 3 Business Days upon submitting to the CSRC for record.

(6) Keeping of books and documents of liquidation of the Fund's assets

The Fund Custodian shall keep the books and related documents of liquidation of the Fund's assets for more than 15 years.

(IV) Settlement of Disputes

The Parties to the Fund Contract shall endeavor to settle the disputes relating to the conclusion, contents, performance and interpretation of the Fund Contract or in connection with the Fund Contract through negotiation and mediation. Any Party who is unwilling or unable to settle such disputes through negotiation and mediation shall be entitled to submit such disputes to the China International Economic and Trade Arbitration Commission for arbitration pursuant to the arbitration rules then in force of the China International Economic and Trade Arbitration Commission. The arbitration shall take place in Beijing. The arbitral award shall be final and binding on the parties concerned.

During the settlement of disputes, the Parties to the Fund Contract shall observe their respective duties and responsibilities, continue to perform their obligations as set forth in the Fund Contract faithfully, diligently and responsibly, and shall maintain the legitimate interests of the Unitholders.

The Fund Contract shall be governed by laws of the PRC.

(V) Venues of Placing the Fund Contract and Methods of Obtaining the Fund Contract by Investors

The Fund Contract can be printed in hard copies for inspection by Investors at the offices and premises of the Fund Manager, the Fund Custodian, the Sales Agencies and the Registrars, but for validity, the original of the Fund Contract shall prevail.

XX. SUMMARY OF THE FUND CUSTODY AGREEMENT

(I) Parties to the Custody Agreement

1. Fund Manager: China International Fund Management Co., Ltd. (see Article 3 of this Prospectus for specific information)
2. Fund Custodian:
Name: China Construction Bank Corporation (hereinafter referred to as “CCB”)
Registered Address: No. 25, Finance Street, Xicheng District, Beijing
Business Address: No. 25, Finance Street, Xicheng District, Beijing
Postal Code:100032
Legal Representative: Tian Guoli
Inception Date: September 17, 2004
Fund Custody Business Approval No.: CSRC ZhengJianJiZi [1998] No. 12
Form of Organization: Company Limited by Shares
Registered Capital: RMB 250,010,977,486.00
Duration of Existence: continuous operation
Scope of business: Absorbing public deposits; offering short-term, medium-term and long-term loans; domestic and foreign payment settlements; notes acceptance and discount; issuing financial bonds; acting as a sales or redemption agency or underwriter for government bonds; trading in government bonds and financial bonds; interbank lending; proprietary foreign exchange trading or acting as a trading agency; bankcard businesses; issuing letters of credit and guarantees; acting as a payment/receipt processing agency and selling insurance on consignment; safe deposit box services; other businesses approved by national banking regulatory authorities and other regulatory authorities (The company may select businesses and carry out projects at its own discretion; businesses or projects for which legal approval is required may be operated subject to the permission of relevant authorities; the company may not operate any businesses or projects prohibited or restricted by the city’s industrial development policies.)

(II) Business Supervision and Verification between the Fund Custodian and the Fund Manager

1. The Fund Custodian shall supervise the scope of the Fund’s investments in compliance with relevant laws, regulations and the Fund Contract. The Fund Custodian uses relevant technical systems to supervise the compliance of the Fund’s actual investment in line with the securities selection criteria agreed in the Fund Contract, and to inspect the suspicious issues.

The investment scope of the Fund includes financial instruments with good liquidity, including the stocks, Chinese depository receipts, and bonds which are all issued and listed in China in accordance with the laws and other financial instruments which are permitted for fund investment by relevant laws or the CSRC.

Under normal market conditions, the proportion of stock investment in the portfolio of the Fund shall be 20%-75% of the Total Asset Value, and the proportion of bond investment shall be 20%-75%. The proportion of warrant investment shall be 0-3% of the NAV of the Fund, and the proportion of cash or government bonds with a maturity of less than 1 year shall be maintained at not less than 5% of the NAV of the Fund (cash does not include settlement provisions, guarantee deposits paid and subscription amount

receivables.) Should the relevant laws or regulator(s) permit other types of financial instruments to be invested in by funds, subject to the Fund Manager completing appropriate procedures, such financial instruments may be included in the Fund's investment scope. The investment of the Fund focuses on the varieties with high dividend and high bond interest and over 80% of the non-cash fund assets belong to the above-mentioned investment approach. Given the current conditions of the domestic stock market in China and the lack of effective hedging instruments, the Fund Manager will reserve the right to maintain the maximum proportion of bond investment at 95% and the minimum proportion of stock investment at 0% under extreme market conditions. If there are any changes on the above proportion required by the Laws and Regulations, a corresponding adjustment will be made on the investment scope of the Fund on a timely basis, and the proportion after adjustment shall prevail.

2. The Fund Custodian shall monitor the ratios of the Fund's investment and financing activities according to provisions of the relevant laws, regulations and the fund contract. The Fund Custodian shall conduct supervision according to ratio requirements and time limits specified as follows:
 - 1) The market value of stocks of one listed company held by the Fund shall not be more than 10% of the NAV of the Fund;
 - 2) The holdings of the Fund and any other fund managed by the Fund Manager in the securities issued by a company shall not be more than 10% of such securities;
 - 3) The capital balance financed through the bond repurchase in the national interbank market shall not be more than 40% of the NAV of the Fund;
 - 4) The proportion of stock investment of the Fund shall be 20%-75% of the Total Asset Value, and the proportion of bond investment shall be 20%-75%. The proportion of warrant investment shall be 0-3% of the NAV of the Fund;
 - 5) The total amount of warrants purchased by the Fund on any trading day shall not be more than 0.5% of the NAV of the Fund on the preceding trading day;
 - 6) The proportion of the same warrant held by all the funds managed by the Fund Manager shall not be more than 10% of that warrant;
 - 7) Where the assets of the Fund are used for Subscription for share issuance, the amount declared by the Fund shall not exceed the total assets of the Fund and the number of shares declared by the Fund shall not exceed the total number of shares to be issued by the issuer;
 - 8) The value of cash (not including settlement provisions, guarantee deposits paid and subscription amount receivables) or government bonds maturing within a year as a percentage of the NAV should be kept above 5%;
 - 9) The market value of Assets with Restricted Liquidity in which the Fund proactively invested should not exceed 15% of the Fund's NAV.

In the event that this investment limit is violated due to factors beyond the control of the Fund Manager, e.g. stock market fluctuations, trading suspension for shares in the listed company and changes in fund size, the Fund Manager shall not proactively increase investment in such Assets with Restricted Liquidity;

- 10) Where the Fund carries out a reverse repurchase as the counterparty to a private equity product or another entity recognised by the CSRC, the qualification requirements of the collaterals offered should be consistent with the investment scope in the Fund Contract.;
- 11) The number of outstanding shares issued by a listed company held by all open-ended funds (including open-end funds and periodic open-end funds which are currently open for subscription and redemption, except for open-ended funds that base investment operations entirely on tracking specific indexes and special investment portfolios recognised by the CSRC) managed by the Fund Manager and escrowed by the Custodian should not exceed 15% of the total number of outstanding shares in such listed company; the number of outstanding shares issued by a listed company held by all portfolios managed by the Fund Manager and escrowed by the Custodian should not exceed 30% of the total number of outstanding shares in such listed company.
- 12) The percentage limit of the Fund's investment in Chinese depositary receipts shall conform with that of domestically listed and traded stocks, and shall be calculated in combination with domestically listed and traded stocks, unless otherwise provided by laws, regulations, or regulatory agencies.

If the aforesaid restrictions are cancelled by the Laws and Regulations or the regulatory authorities, the Fund shall not be subject to the above restrictions.

If the investment of the Fund does not comply with the investment proportions specified in the above items 1-6, 7, 11 and 12 or as agreed in the Fund Contract due to factors not attributable to the Fund Manager, such as fluctuation in securities market, merger of listed companies, change in fund size, etc., the Fund Manager shall make adjustment within 10 trading days.

The Fund Manager shall enable the proportions of the investment portfolio of the Fund in compliance with that prescribed in the Fund Contract within six months from the Effective Date of the Fund Contract.

3. The Fund Custodian shall, pursuant to the relevant Laws and Regulations and the agreed provisions in the Fund Contract, supervise the prohibited investment activities specified in Clause 9 of Article 15 of the Agreement. The Fund Custodian shall supervise the prohibited investment activities and the connected transactions of the Fund Manager in the manner of post-supervision. Pursuant to the provisions of the Laws and Regulations which prohibit the Fund from engaging in the connected transactions, the Fund Manager and the Fund Custodian shall provide each other with the list of shareholders who have shareholding relationship with this entity, the list of companies which have other material interests with this entity and the list of trading securities of the related connected parties.

4. The Fund Custodian shall, pursuant to the relevant Laws and Regulations and the agreed provisions in the Fund Contract, supervise the Fund Manager's participation in the interbank bond market. The Fund Manager shall, before the operation of fund investment, provide the Fund Custodian with a list of interbank bond market counterparties which are selected carefully, suitable for the Fund. The Fund Custodian shall supervise whether the Fund Manager has carried out the transaction in accordance with the list of interbank bond market counterparties provided in advance. The Fund Manager can update the list of interbank bond market counterparties semiannually. If the Fund Manager needs to adjust the list of interbank bond market counterparty temporarily according to the market situation, the Fund Manager shall give reasons to the Fund Custodian, and negotiate a solution with the Fund Custodian within 3 Business Days before carrying out a transaction with the counterparty. The Fund Manager shall be responsible for the credit control of the counterparties, and shall carry out transactions according to the trading rules of the interbank bond market, and shall be responsible for losses arising from the breach of contract of the counterparties. The Fund Custodian shall supervise the performance of the contract according to the contract note of the interbank bond market.
5. The Fund Custodian shall, pursuant to the relevant Laws and Regulations and the agreed provisions in the Fund Contract, supervise and verify the calculation of the NAV of the Fund, the calculation of the NAV per Fund Unit, the receipt of accounts receivables, the determination of Fund's fees and income, the fund income distribution, the relevant information disclosure, the data of results and performance contained in the promotional materials of the Fund.
6. If the Fund Custodian discovers that the Fund Manager's above matters, investment instructions or actual investment operation are in breach of the Laws and Regulations and the provisions of the Fund Contract, the Fund Custodian shall, in a timely manner, give a written notice to the Fund Manager to make a correction within a period of time. The Fund Manager shall actively cooperate with and assist in the supervision and review conducted by the Fund Custodian. Upon the receipt of the notice, the Fund Manager shall make a verification in time before the next Business Day and shall reply to the Fund Custodian in writing, in order to provide explanation and proof for the doubts of the Fund Custodian and to specify the reasons of the breach and the deadline for correction, and shall guarantee to make the correction in time within a specified period of time. The Fund Custodian shall, within the above specified period, have the right to review the matters as set forth in the notice at any time and urge the Fund Manager to make corrections.
7. When the Fund Custodian is required to submit the fund supervision report to the CSRC pursuant to the regulations, the Fund Manager shall actively cooperate in providing the relevant data and system, etc.

8. Whereas the Fund Custodian discovers that the Fund Manager is in material breach, the Fund Custodian shall report to the CSRC in a timely manner and shall at the same time notify the Fund Manager to make corrections within the specific period of time and shall report the correction results to the CSRC. Whereas the Fund Manager, without proper reason, refuses or obstructs the other party to exercise the right of supervision pursuant to the provisions of the Agreement, or prevents the other party from carrying out the effective supervision by means of delay, fraud, etc. and if the circumstances are serious or no correction is made despite of the warning of the Fund Custodian, the Fund Custodian shall report to the CSRC.
9. The Fund Manager shall verify the performance of custody duties of the Fund Custodian. The verification items include the Fund Custodian's safekeeping of the assets of the Fund, opening of the fund account and securities account of the assets of the Fund, reviewing the NAV of the Fund and the NAV per Fund Unit calculated by the Fund Manager, clearing and settlement according to the instructions by the Fund Manager, disclosure of relevant information, supervising the operation of fund investment, etc.
10. When the Fund Manager discovers that the Fund Custodian is in breach of the *Funds Law*, the Fund Contract, this Agreement or other relevant provisions while makes unauthorised use of the assets of the Fund, does not implement the management of separate accounts on the assets of the Fund, fails to execute or delays to execute without any reason the instruction of fund transfer of the Fund Manager, reveals the investment information of the Fund, the Fund Manager shall, in a timely manner, give a written notice to the Fund Custodian to make a correction within a specific period of time. Upon the receipt of the notice, the Fund Custodian shall make verification in time before the next Business Day and shall reply to the Fund Manager in writing, specifying the reasons of the breach and the deadline for correction and shall guarantee to make corrections within the specified period of time. The Fund Manager shall, within the above specified period, have the right to review the matters as set forth in the notice and urge the Fund Custodian to make corrections. The Fund Custodian shall actively cooperate with the verification activities of Fund Manager including but not limited to: providing relevant information for the Fund Manager to verify the completeness and truth of the assets under custody, replying to the Fund Manager and making correction within the specified period of time.
11. Whereas the Fund Manager discovers that the Fund Custodian is in material breach, the Fund Manager shall report to the CSRC in a timely manner and shall at the same time notify the Fund Custodian to make corrections within the specified period of time and shall report the correction results to the CSRC. Whereas the Fund Custodian, without proper reason, refuses or obstructs the other party to exercise the right of supervision pursuant to the provisions of the agreement, or prevents the other party from carrying out the effective supervision by means of delay, fraud, etc. and if the circumstances are serious or no correction is made despite of the warning of the Fund Manager, the Fund Manager shall report to the CSRC.

12. When the Fund holds specific assets and there are, or there potentially will be substantive redemption applications, in accordance with the principle of protecting the interests of Unitholders to the greatest extent, the Fund Manager can activate the side pocket mechanism in accordance with laws and regulations and as agreed in the Fund Contract without convening a Unitholders' Meeting for deliberation after negotiation and agreement with the Fund Custodian and consultation with the Accounting Firm.

During the implementation of the side pocket mechanism, specific rules shall be implemented in accordance with the provisions of relevant laws and regulations and the agreements of the Fund Contract.

(III) Safekeeping of the Fund's Assets

1. Principles for Safekeeping the Fund's Assets

- 1) The assets of the Fund shall be independent from the owned assets of the Fund Manager and the Fund Custodian.
- 2) The Fund Custodian shall safely keep the assets of the Fund.
- 3) The Fund Custodian shall open the capital account and the securities account for the assets of the Fund pursuant to the provisions.
- 4) The Fund Custodian shall set up separate accounts for different assets of the Fund under its custody to ensure the completeness and independence of the Fund's assets.
- 5) The Custodian shall safely keep the assets of the Fund according to the instructions given by the Fund Manager and pursuant to the Fund Contract and the agreed provisions of this Agreement. Both parties may otherwise negotiate for a solution under any special circumstance.
- 6) For the assets receivable incurred by the fund investment, the Fund Manager shall be responsible for confirming a credit date with the relevant parties and inform the Fund Custodian of the date. If the assets of the Fund did not arrive the Fund's account on the credit date, the Fund Custodian shall, in a timely manner, notify the Fund Manager to take actions to call for payment. The Fund Manager shall be responsible for claiming the parties concerned for the losses of the Fund arising therefrom. The Fund Custodian shall assume no liability on such losses.
- 7) The Fund Custodian shall not entrust any third party to engage in the custody of the Funds' assets unless otherwise provided by the Laws and Regulations and the Fund Contract.

2. Initial Offer Period of the Fund and Verification of Proceeds

- 1) The proceeds during the Initial Offer Period of the Fund shall be deposited into the Special Account for Fund Offering opened by the Fund Manager at the business entity of the Fund Custodian. Such account shall be opened and managed by the Fund Manager.
- 2) Upon the expiry of the Initial Offer Period or the termination of offering of the Fund, and after the total amount of fund units, the amount of proceeds of the Fund's and the number of Unitholders have satisfied the relevant requirements of the *Funds Law* and Measures on Operation, the Fund Manager shall transfer all the funds attributable to the Fund's assets to the Fund's bank account opened by the Fund Custodian, and shall at the same time, engage an accounting firm with the professional qualification for securities business to conduct the verification and issue the verification report within the specified period of time. To be valid, the verification report issued shall be signed by two or more PRC certified public accountants who have involved in the verification process.
- 3) In the event that the conditions for the Fund Contract taking effect are not met at the expiry of the Initial Offer Period of the Fund, the Fund Manager shall conduct the matter of refund, etc. according to the provisions.

3. Opening and Management of the Fund's Capital Account

- 1) The Fund Custodian may open the Fund's capital account at its business institutions in the name of the Fund and process the receipt and payment of funds according to the lawful and compliant instructions of the Fund Manager. The Fund Custodian shall safely keep and use the Fund's bank reserved seal.
- 2) The Fund's capital account shall be opened and used only for the purpose of satisfying the need of the business development of the Fund. Neither the Fund Custodian nor the Fund Manager shall open any other bank accounts in the name of the Fund, or use any accounts of the Fund to carry out any activities other than the business of the Fund.
- 3) The Fund's capital account shall be opened and managed in accordance with relevant provisions of the relevant Laws and Regulations.
- 4) Subject to the compliance of the provisions in the Laws and Regulations, the Fund Custodian may process the payment of fund assets via the special account of the Fund Custodian.

4. Opening and Management of the Fund's Securities Account

- 1) The Fund Custodian shall open a securities account for the Fund at the Shanghai Branch and Shenzhen Branch of China Securities Depository and Clearing Company Limited in the joint name of the Fund Custodian and the Fund.

- 2) The Fund's securities account shall be opened and used only for the purpose of satisfying the need of the business development of the Fund. Neither the Fund Custodian nor the Fund Manager shall lend or transfer, without authorization and agreement from the other party, any securities accounts, or use any accounts of the Fund to carry out any activities other than the business of the Fund.
- 3) The Fund Custodian shall be responsible for opening the securities account of the Fund and safekeeping the securities account card, and the Fund Manager shall be responsible for the management and application of the account assets.

5. Opening and Management of Custody Accounts of Bonds

After the Fund Contract comes into effect, the Fund Custodian shall open the custody and settlement accounts of bonds at the China Central Depository and Clearing Co., Ltd. pursuant to relevant provisions of the People's Bank of China and the China Central Depository and Clearing Co., Ltd., and shall make settlement of bonds in the interbank market on behalf of the Fund. The Fund Manager and the Fund Custodian shall sign the Master Agreement of Repurchase of Bonds in the National Interbank Bond Market both on behalf of the Fund.

6. Opening and Management of Other Accounts

- 1) The Fund Custodian shall be responsible for opening other accounts which are required to open for satisfying the need of business development in accordance with the Laws and Regulations and the provisions in the Fund Contract. New accounts shall be used and managed pursuant to the relevant rules.
- 2) Whereas the opening and management of relevant accounts are otherwise provided by the Laws and Regulations, such provisions shall apply.

7. Safekeeping of the Relevant Marketable Instruments Invested by the Assets of the Fund

The interbank market certificates, etc. which are invested by the assets of the Fund shall be kept according to the relevant stipulations applicable to the physical securities.

8. Safekeeping of Material Contracts Relating to the Assets of the Fund

The original of the Fund Contract and the Custody Agreement shall be kept by the Fund Manager and the Fund Custodian respectively. Material contracts which are signed during the operation of the Fund, including but not limited to the *Securities Trading Seat Agreement*, shall be kept by the Fund Manager. The safekeeping period of the above material contracts is 15 years upon the termination of the Fund Contract.

(IV) Calculation and Review of the NAV of the Fund

1. The NAV per Fund Unit shall be calculated by dividing the NAV of the Fund after the closing on each Dealing Day by the balance of fund units on the same day. The NAV per Fund Unit shall be calculated with precision to 0.0001 Yuan and be rounded to the fourth decimal place. Whereas there are provisions otherwise provided by the State, such provisions shall be observed.

The NAV of the Fund and the NAV per Fund Unit for Class A and Class H Units shall be calculated on each Business Day and shall be published as stipulated.

2. The Fund Manager shall conduct valuation of the fund assets on each Business Day. The Fund Manager shall, after the valuation of fund Assets on each Dealing Day, send the results of NAV per Fund Unit to the Fund Custodian, and the results shall be published by the Fund Manager after the result is verified as containing no errors by the Fund Custodian. The review on the month-end, half-year-end and year-end valuations shall be conducted simultaneously with the checking of fund accounting records.

(V) Registration and Safekeeping of the Register of Unitholders

The Register of the Unitholders shall at least contain the name of Unitholders and the fund units held by them. The Fund Manager and the Fund Custodian shall keep the register of the Unitholders respectively according to the prevailing relevant rules. If the Fund Manager and the Fund Custodian fail to keep the register of Unitholders, they shall assume the liability in accordance with the relevant regulations.

(VI) Settlement of Disputes

Both parties shall settle any disputes arising from or relating to this Agreement through negotiation or mediation. Whereas the disputes cannot be settled through negotiation or mediation, either party shall have the right to submit the disputes to the China International Economic and Trade Arbitration Commission for arbitration in Beijing according to the arbitration rules then in force of China International Economic and Trade Arbitration Commission. The arbitration award is final and binding on all the parties concerned.

During the settlement of disputes, both parties shall observe their respective duties and responsibilities as the Fund Manager and the Fund Custodian, continue to perform their obligations as set forth in the Fund Contract and this Custody Agreement faithfully, diligently and responsibly, and shall maintain the legitimate interests of the Unitholders.

This Agreement shall be governed by the laws of the PRC.

(VII) Modification and Termination of the Custody Agreement

1. Modification Procedures of the Custody Agreement

Both parties to this Agreement may modify the Agreement after negotiation. The new Agreement after modification shall not be contradictory to the provisions of the Fund Contract. The modifications of the Fund Custody Agreement shall take effect after the submission to the CSRC for approval.

2. Circumstances for Termination of the Fund Custody Agreement
 - 1) The Fund Contract is terminated;
 - 2) The Fund Custodian is dissolved, legally withdrawn, in bankruptcy or the fund assets are taken over by other Fund Custodians;
 - 3) The Fund Manager is dissolved, legally withdrawn, in bankruptcy or the fund management rights are taken over by other Fund Managers;
 - 4) Other termination events stipulated by to the Laws and Regulations or the Fund Contract occur.

XXI. SERVICES TO UNITHOLDERS

The Fund Manager undertakes to provide a wide range of services to the Unitholders. The Fund Manager will increase or change the service items according to the needs of the Unitholders and changes in the market. The main services are as follows:

(I) Delivery of materials

1. Account Statement of Fund Investors:

The Fund Manager will send the account statement in written or electronic form to the Unitholders with regard to their transactions periodically or non-periodically.

2. Other relevant information.

(II) Charging options

In the appropriate occasions, the Fund Manager will provide Fund investors with several charging modes for them to invest in the Fund so as to meet the diversified investment demands of the Fund Investors. Please refer to the relevant notice for the specific implementation method.

(III) Electronic trade services of the Fund

The Fund Manager will provide Fund investors with electronic trade services. Investors may visit the website of the Fund Manager (www.cifm.com) for details.

(IV) Contact information

China International Fund Management Co., Ltd.

Consulting Hotline: 400 889 4888

Website: www.cifm.com

XXII. OTHER MATTERS TO BE DISCLOSED

1. Announcement of China International Fund Management Co., Ltd. on Lowering the Minimum Transaction Limit for Some of CIFM's Funds was issued on March 10, 2021;
2. Announcement of China International Fund Management Co., Ltd. on Amendments to the Fund Contract of CIFM China Multi-Assets Fund was issued on April 21, 2021;
3. Announcement of China International Fund Management Co., Ltd. on the Related Party Transaction of CIFM China Multi-Assets Fund was issued on June 11, 2021;
4. Announcement of China International Fund Management Co., Ltd. on Change in Senior Management was issued on August 12, 2021;
5. Announcement of China International Fund Management Co., Ltd. on Deregistration of Xiamen Branch was issued on September 4, 2021;
6. Dividend Announcement of CIFM China Multi-Assets Fund was issued on September 13, 2021;
7. Announcement on the Reduction of the Minimum Redemption and Switching and Holding Units of Some CIFM Funds was issued on September 17, 2021;
8. Announcement of China International Fund Management Co., Ltd. on Implementation of Relevant Accounting Standards for New Financial Instruments for Publicly Offered Securities Investment Funds of the Company was issued on January 5, 2022.

The aforementioned announcements have been published via media outlets designated by the China Securities Regulatory Commission.

XXIII. AVAILABILITY AND INSPECTION OF THE PROSPECTUS

The Prospectus is kept in the offices and business locations of the Fund Manager and Fund Sales Agencies and can be accessed free of charge by the Fund investors. After paying a handling charge, Investors may obtain a duplicate or a copy of the above documents within a reasonable time.

XXIV. DOCUMENTS AVAILABLE FOR INSPECTION

- (I) CSRC documents for approving the offering of CIFM China Multi-Assets Fund
- (II) Fund Contract of CIFM China Multi-Assets Fund
- (III) Custody Agreement of CIFM China Multi-Assets Fund
- (IV) Document of Legal Opinion
- (V) Approval of the Fund Manager's professional qualification certificate and business license
- (VI) Approval of the Fund Custodian's professional qualification certificate and business license
- (VII) The Business Rules on Open-end Funds of China International Fund Management Co., Ltd.
- (VIII) Other documents required by the CSRC

The above documents available for inspection are kept in the offices and business locations of the Fund Manager and Fund Sales Agencies and can be accessed free of charge by the Fund investors. After paying a handling charge, Investors may obtain a duplicate or a copy of the above documents within a reasonable time.

www.jpmorgan.com/hk/am/