

BEA Union Investment Series

IMPORTANT:

- BEA Union Investment Series is an umbrella fund has within it different Sub-Funds investing in equities and/or bonds, each with different risk profile.
- Sub-Funds which invest in emerging markets may be subject to higher liquidity and volatility risks, while Sub-Funds which invest in a particular market or sector may be subject to a higher concentration risk than funds following a more diversified policy.
- Sub-Funds which invest in lower-rated fixed income instruments, including below investment grade and non-rated debt securities, are subject to greater credit and liquidity risks than higher rated securities.
- Sub-Funds may enter into futures contracts and currency forward contracts for hedging and investment purposes. For futures contracts and currency forward contracts entered into on an unhedged basis, the net total aggregate value of contract prices will not exceed 20% of the total net asset value of the Sub-Fund. Given the leverage effect embedded in futures and currency forward contracts, a Sub-Fund may be exposed to significant losses.
- The investment decision is yours but you should not invest in the Sub-Funds unless the intermediary who sells the Sub-Funds to you has explained to you that it is suitable for you and why, including how buying the Sub-Funds would be consistent with your investment objectives.

Explanatory Memorandum

Investment Manager:



**BEA Union
Investment**



BEA 東亞銀行

BEA Union Investment Series (the "Fund")

Addendum to the Explanatory Memorandum of the Fund dated Sept (the "Explanatory Memorandum")

Important

This Addendum supplements and should be read together with the Explanatory Memorandum. This Addendum is authorized for distribution only when accompanied by the Explanatory Memorandum together with the latest available annual report and accounts of the Fund and any subsequent interim report. The Manager accepts responsibility for the information contained in this Addendum as being accurate as at the date of publication.

Words and expressions defined in the Explanatory Memorandum shall have the same meanings in this Addendum, unless otherwise expressed herein. All other provisions contained in the Explanatory Memorandum shall remain unchanged and continue to apply. If you are in this Addendum, you should seek independent professional financial advice.

Change of Investment Adviser of BEA Union Investment Global Themes Fund (the "Sub-Fund")

With effect from 1 May 2010, Union Investment Institutional GmbH ("UIN") will replace Deutsche Investment Management Americas Inc. ("DIMA") as the investment adviser of the Sub-Fund. Accordingly, the Explanatory Memorandum will be amended as follows:

Page 2, "ADMINISTRATION" - the column headed "Investment adviser for BEA Union Investment Global Themes Fund" shall be deleted at its entirety.

Page 2, "ADMINISTRATION" - the column headed "Investment adviser for BEA Union Investment Global Resources Fund and BEA Union Investment Four Seasons Fund" shall be deleted and replaced with "Investment adviser for BEA Union Investment Global Resources Fund, BEA Union Investment Global Themes Fund and BEA Union Investment Four Seasons Fund". In addition, to correct a typographical error, the wording "Deutsche Investment Management" immediately above "Union Investment Institutional GmbH" shall be deleted.

Page 6, "MANAGEMENT OF THE FUND" - the sixth and seventh paragraphs under the sub-section headed "The Management Company" shall be deleted and replaced with the following:

"The Manager has appointed Union Investment Institutional GmbH as an investment adviser for the BEA Union Investment Global Resources Fund and the BEA Union Investment Global Themes Fund, and has delegated to it the management of the investments of these Sub-Funds. In addition, the Manager has appointed Union Investment Institutional GmbH as a non-discretionary investment adviser for the BEA Union Investment Four Seasons Fund."

Pages 6-7, "MANAGEMENT OF THE FUND" - the sub-title "Deutsche Investment Management Americas Inc." under the sub-section headed "The Investment Advisers" and the three paragraphs thereunder shall be deleted in their entirety.

All other references to "Deutsche Investment Management Americas Inc." shall be deleted and replaced with "Union Investment Institutional GmbH" in the Explanatory Memorandum.

Revision to the Investment Objective and Policy of BEA Union Investment Asian Bond and Currency Fund (the "Sub-Fund")

With effect from 1 May 2010, the following changes will be made to the Investment Objective and Policy of the Sub-Fund:

Page 33, "APPENDIX IV" - the third paragraph under the section headed "Investment Objective and Policy (effective from 5 October 2009)" shall be deleted and replaced with the following:

"The BEA Union Investment Asian Bond and Currency Fund's assets will be invested primarily in government bonds and corporate bonds."

Page 33, "APPENDIX IV" - the last paragraph under the section headed "Investment Objective and Policy (effective from 5 October 2009)" shall be deleted and replaced with the following:

"The Manager intends to invest, under normal circumstances, at least 70% of the BEA Union Investment Asian Bond and Currency Fund's non-cash assets in Asian Debt."

31 March 2010

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IMPORTANT INFORMATION FOR INVESTORS

This Explanatory Memorandum comprises information relating to BEA Union Investment Series, an umbrella unit trust established under the laws of Hong Kong by a trust deed dated 18 January 2002 between BEA Union Investment Management Limited (previously known as East Asia Asset Management Company Limited) as manager and Bank of East Asia (Trustees) Limited as trustee.

The Directors of the Manager accept responsibility for the information contained in this Explanatory Memorandum as being accurate at the date of publication. However, neither the delivery of this Explanatory Memorandum nor the offer or issue of Units shall under any circumstances constitute a representation that the information contained in this Explanatory Memorandum is correct as of any time subsequent to such date. This Explanatory Memorandum may from time to time be updated. Intending applicants for Units should ask the Manager if any supplements to this Explanatory Memorandum or any later Explanatory Memorandum have been issued.

Any information given or representations made by any dealer, salesman or other person and (in either case) not contained in this Explanatory Memorandum should be regarded as unauthorised and accordingly must not be relied upon.

The Fund has been authorised by the SFC pursuant to section 104 of the SFO. In granting such authorisation, the SFC takes no responsibility for the financial soundness of the Fund or the accuracy of any of the statements made or opinions expressed in this Explanatory Memorandum and such authorisation does not imply that investment in the Fund is recommended by the SFC.

No action has been taken to permit an offering of Units or the distribution of this Explanatory Memorandum in any jurisdiction other than Hong Kong where action would be required for such purposes. Accordingly, this Explanatory Memorandum may not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised.

In particular:-

- (a) the Units have not been registered under the United States Securities Act of 1933 (as amended) and, except in a transaction which does not violate such Act, may not be directly or indirectly offered or sold in the United States of America, or any of its territories or possessions or areas subject to its jurisdiction, or for the benefit of a US Person (as defined in Regulation S under such Act); and
- (b) the Fund has not been and will not be registered under the United States Investment Company Act of 1940 as amended.

Potential applicants for Units should inform themselves as to (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their incorporation, citizenship, residence or domicile and which might be relevant to the subscription, holding or disposal of Units.

Investment involves risk and investors should note that losses may be sustained on their investment. There is no assurance that the investment objective of the respective Sub-Fund will be achieved. Investors should read the Explanatory Memorandum including the section headed "Risk Factors" before making their choice of investment.

Important: If you are in any doubt about the contents of this Explanatory Memorandum, you should seek independent professional financial advice.

ADMINISTRATION

Manager

BEA Union Investment Management Limited
5th Floor
The Bank of East Asia Building
10 Des Voeux Road Central
Central
Hong Kong

Trustee and Registrar

Bank of East Asia (Trustees) Limited
32nd Floor
BEA Tower
Millennium City 5
418 Kwun Tong Road
Kwun Tong, Kowloon
Hong Kong

Directors of the Manager

Brian LI Man Bun
Samson LI Kai Cheong
Ilex LAM Ka Keung
Nicholas LEUNG Tin Chu
Ulrich KÖHNE
Alexander SCHINDLER
Jens WILHELM

Investment adviser for BEA Union Investment Global Themes Fund

Deutsche Investment Management
Americas Inc.
345 Park Avenue
New York, NY 10154
United States of America

Investment adviser for BEA Union Investment Global Resources Fund and BEA Union Investment Four Seasons Fund

Deutsche Investment Management
Union Investment Institutional GmbH
Wiesenhüttenstraße 10
60329 Frankfurt am Main
Germany

Auditors

KPMG
8th Floor
Prince's Building
10 Chater Road
Central
Hong Kong

Solicitors to the Manager

Deacons
5th Floor
Alexandra House
18 Chater Road
Central
Hong Kong

DEFINITIONS

The defined terms used in this Explanatory Memorandum have the following meanings:-

“Accounting Date”	Means 31 December in each year or such other date or dates in each year as the Managers may from time to time specify in respect of any Sub-Fund and notify to the Trustee and the Unitholders of such Sub-Fund;
“Accounting Period”	Means a period commencing on the date of establishment of the relevant Sub-Fund or on the date next following an Accounting Date of the relevant Sub-Fund and ending on the next succeeding Accounting Date for such Sub-Fund;
“Authorised Distributor”	Means any person appointed by the Manager to distribute some or all of the Sub-Funds to potential investors
“Business Day”	Means a day (other than a Saturday and a Sunday) on which banks in Hong Kong are open for normal banking business or such other day or days as the Manager and the Trustee may agree from time to time, provided that 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 Business Day unless the Manager and the Trustee determine otherwise
“China” or “PRC”	Means the People’s Republic of China excluding Hong Kong, Macau and Taiwan for purpose of this document
“China A-Shares”	Means shares issued by companies listed on the Shanghai Stock Exchange or the Shenzhen Stock Exchange, traded in Renminbi and available for investment by domestic (Chinese) investors and holders of qualified foreign institutional investors (QFII) status
“China B-Shares”	Means shares issued by companies listed on the Shanghai Stock Exchange or the Shenzhen Stock Exchange, traded in foreign currencies and available for investment by domestic (Chinese) investors and foreign investors
“connected person”	Means in relation to the Manager: (a) any person, company or fund beneficially owning, directly or indirectly, 20% or more of the ordinary share capital of the Manager or being able to exercise, directly or indirectly, 20% or more of the total votes in the Manager; or

- (b) any person or fund controlled by a person who or which meets one or both of the descriptions given in (a); or
- (c) any company in which the Manager owns directly or indirectly 20% or more of the ordinary share capital or in which the Manager is able to exercise, directly or indirectly 20% or more of the total votes of such fund; or
- (d) any member of the group of which the Manager forms part; or
- (e) any director or officer of the Manager or of any of its connected persons as defined in (a), (b), (c) or (d) above

"Dealing Day"	Means such days as are described in the Appendices for the relevant Sub-Funds
"Dealing Deadline"	Means such time on the relevant Dealing Day as described in the Appendix for the relevant Sub-Funds
"Explanatory Memorandum"	Means this Explanatory Memorandum including the appendices, as each may be amended, updated or supplemented from time to time
"Fund"	Means BEA Union Investment Series, an umbrella unit trust established in Hong Kong
"Hong Kong"	Means Hong Kong Special Administrative Region of the PRC
"HK\$"	Means Hong Kong Dollars, the lawful currency of Hong Kong
"Issue Price"	Means in respect of each Sub-Fund the price per Unit as disclosed in the relevant Appendix
"Interim Accounting Date"	Means such date or dates during each Accounting Period other than the Accounting Date as the Managers may from time to time determine in respect of any Sub-Fund and notify to the Trustee and the Unitholders of the class relating to such Sub-Fund
"Interim Accounting Period"	Means a period commencing on the date of commencement of this Fund or the date of the establishment of the relevant Sub-Fund (as the case may be) or on the date next following the preceding Interim Accounting Date or Accounting Date of the relevant Sub-Fund and ending on the next succeeding Interim Accounting Date for such Sub-Fund

“Launch Date” or “Launch Period”	Means the date from which, or the initial period during which (as the case may be), the Units of the relevant Sub-Fund are being offered to investors as described in the relevant Appendix
“Manager”	Means BEA Union Investment Management Limited
“Net Asset Value”	Means the net asset value of the Fund or a Sub-Fund or of a Unit, as the context may require, calculated in accordance with the provisions of the Trust Deed as summarised below under the section headed "Valuation"
“Realisation Price”	Means the price, at which Units will be realised as more fully described in the section headed "Payment of Realisation Proceeds"
“Record Date”	Means the date as determined by the Manager on which the names of the Holders must be entered on the register of Holders to be entitled to distribution (if any) declared in respect of an Interim Accounting Period or Accounting Period
“SFC”	Means the Securities and Futures Commission of Hong Kong
“SFO”	Means the Securities and Futures Ordinance, Laws of Hong Kong (Chapter 571)
“Sub-Fund”	Means a sub-fund of the Fund
“Trust Deed”	Means the trust deed establishing the Fund entered into by the Manager and the Trustee dated 18 January 2002
“Trustee”	Means Bank of East Asia (Trustees) Limited in its capacity as trustee of the Fund
“Unit”	Means a Unit in a Sub-Fund
“Unitholder”	Means a person registered as a holder of a Unit
“U.S.”	Means the United States of America
“US\$”	Means the lawful currency of the United States of America
“Valuation Day”	Means such days as are described in the Appendix for the relevant Sub-Fund
“Valuation Point”	Means such time on the relevant Valuation Day as described in the Appendix for the relevant Sub-Fund and as the Manager with the approval of the Trustee may from time to time determine to calculate the Net Asset Value provided that the Unitholders are notified of the change

INTRODUCTION

BEA Union Investment Series is an umbrella unit trust established in Hong Kong currently offering 8 Sub-Funds. The Manager may create further Sub-Funds in the future. Investors should contact the Manager to obtain the latest offering document relating to the available Sub-Funds.

INVESTMENT OBJECTIVE

The investment objective of each Sub-Fund and principal risks, as well as other important details, are set forth in the Appendix hereto relating to the relevant Sub-Fund.

MANAGEMENT OF THE FUND

The Management Company

The Manager of the Fund is BEA Union Investment Management Limited.

The Manager was set up in April 1988 and was previously known as East Asia Asset Management Company Limited. The Manager is jointly owned by The Bank of East Asia, Limited and Union Asset Management Holding AG, and is licensed to carry on Types 1 (Dealing in Securities), 4 (Advising on Securities), 5 (Advising on Futures Contracts) and 9 (Asset Management) Regulated Activities under Part V of the SFO.

The Manager has experience in providing to its clients (both private and institutional) a wide range of professional investment management services including, inter alia, managing tailor-made investment portfolios, advising on investment strategies and undertaking the sale and purchase of foreign equity, bonds and structured investment products.

The Manager undertakes the management and administration of the Fund, including communication with Unitholders and conduct of meetings, and in conjunction with the Trustee is responsible for the maintenance of accounts and records in compliance with the Trust Deed and the laws of Hong Kong.

The Manager may appoint sub-managers or investment advisers in relation to specific Sub-Funds subject to prior SFC approval.

The Manager has appointed Deutsche Investment Management Americas Inc. as investment adviser for the BEA Union Investment Global Themes Fund and has delegated to it management of the investments of the BEA Union Investment Global Themes Fund.

The Manager has appointed Union Investment Institutional GmbH as an investment adviser for the BEA Union Investment Global Resources Fund, and has delegated to it the management of the investments of the Sub-Fund. In addition, the Manager has appointed Union Investment Institutional GmbH as a non-discretionary investment adviser for the BEA Union Investment Four Seasons Fund.

The Manager may appoint other investment advisers to provide investment advisory service to any of the Sub-Funds from time to time and the remuneration of such investment advisers will be borne by the Manager.

The Investment Adviser

[Deutsche Investment Management Americas Inc.](#)

Deutsche Investment Management Americas Inc. is a company established under the laws of the United States of America and registered as an investment adviser by the U.S. Securities and Exchange Commission. Deutsche Investment Management Americas Inc., together with its affiliated entities, does business as Deutsche Asset Management ("DeAM") in the United States. DeAM is an asset manager with approximately 700 investment professionals worldwide. DeAM's investment platforms provide global capabilities with local expertise to deliver a comprehensive line-up of investment products across a range of asset classes and investing styles.

DeAM has investment advisory affiliates in Australia, England, Germany, Hong Kong, Ireland, Italy, Japan, Singapore, Canada, Luxembourg, Poland and the United States. DeAM may enter into transactions with its affiliated entities as required for proper management of the BEA Union Investment Global Themes Fund, provided that such transactions are permissible under the applicable laws and regulations (including any applicable SFC requirements).

The Investment Management Delegation Agreement between the Manager and Deutsche Investment Management Americas Inc. is available for inspection at the Manager's office free of charge during normal working hours.

Union Investment Institutional GmbH

Union Investment Institutional GmbH ("UIN") was founded on 12 August 1970 under the name of DEVIF (Deutsche Gesellschaft für Investment-Fonds GmbH) as an investment fund manager focusing on management of institutional portfolios. It was renamed on 6 February 2002. UIN is 100% owned by the Union Investment Asset Management Holding AG and its core business is to manage institutional accounts and investment funds of both German and international investors. Union Investment Asset Management Holding AG and Union Investment Institutional GmbH are both incorporated in Frankfurt am Main, Germany, supervised by Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) of Germany. As of December 2007, UIN's assets under management was approximately EUR 73 billion and Union Investment Group's assets under management, including retail business, amounted to approximately EUR 175 billion.

The Investment Management Delegation Agreement and the Investment Advisory Agreement between the Manager and UIN are available for inspection at the Manager's office free of charge during normal working hours.

The Trustee

The Trustee of the Fund is Bank of East Asia (Trustees) Limited which was incorporated with limited liability in November 1975, and is registered as a trust company under Part VIII of the Trustee Ordinance.

Under the Trust Deed, the Trustee is responsible for the safe-keeping of the assets of the Fund and monitoring the compliance by the Manager with the requirements of the Trust Deed. The Trustee shall remain liable for any act or omission of any custodian or joint custodian (other than Clearstream or Cedel, S.A.) in relation to any investment of a sub-fund in bearer form deposited with such custodian or joint custodian (other than as aforesaid) as if the same were the act or omission of the Trustee. In selecting a custodian, the Trustee will generally have regard to the relevant qualifications attained by the custodian for purpose of providing custodial service in the relevant jurisdictions and its business track record.

The Authorised Distributor

The Manager may appoint one or more Authorised Distributor(s) to distribute one or more Sub-Fund(s), and to receive applications for subscription, redemption and/or switching of Units on the Manager's behalf. Currently, The Bank of East Asia, Limited has been appointed as one of the Authorised Distributors.

OFFERING

Units of each Sub-Fund will be offered for the first time at the Issue Price either during the Launch Period or from the Launch Date as set forth in the Appendix relating to the relevant Sub-Fund.

Different classes of Units may be offered for each Sub-Fund. Although the assets attributable to each class of Units of a Sub-Fund will form one single pool, each class of Units will have a different charging structure with the result that the net asset value attributable to each class of Units of a Sub-Fund may differ slightly. In addition, each class of Units may be subject to different minimum initial and subsequent subscription amounts and holding amounts, and minimum redemption and conversion amounts. Investors should refer to the relevant Appendix for the available classes of Units and the applicable minimum amounts. The Manager may in its discretion agree to accept applications for subscription, redemption and conversion of certain classes below the applicable minimum amounts.

DEALING DAY AND DEALING DEADLINE

The Manager may from time to time with the approval of the Trustee determine generally or in relation to any particular jurisdiction the time on such Dealing Day or on such other Business Day as in which Units may from time to time be sold prior to which instructions for subscriptions, realisations, conversions or transfers are to be received in order to be dealt with on a particular Dealing Day. Dealing Days and the relevant Dealing Deadlines for each Sub-Fund are set out in the relevant Appendix.

PURCHASE OF UNITS

Application Procedure

To purchase Units an investor should:-

- (a) contact the Manager or the Authorised Distributor of the Fund for an application form;
- (b) complete the application form; and
- (c) return the original form to the Authorised Distributor.

Applications will generally be accepted on a Dealing Day only if cleared funds have been received on or prior to such Dealing Day in relation to which Units are to be issued. Notwithstanding the above, a Sub-Fund may rely upon application orders received, even prior to receipt of application monies, and may issue Units to investors according to such orders and invest the expected application amounts. If payment is not cleared within 3 Business Days of receipt of the application (or such other date as the Manager shall determine and notify the relevant applicant), the Manager reserves the right to cancel the transaction at any time thereafter. In such circumstances, an investor may be required to settle the difference between the prices at issue and at cancellation of the units concerned.

Each applicant whose application is accepted will be sent a contract note confirming details of the purchase of Units but no certificates will be issued.

The Manager, at its discretion, is entitled to impose a preliminary charge of up to 5% on the offer price of each Unit, as described in the relevant Appendix. The Manager may retain the benefit of such charge or may re-allow or pay all or part of the preliminary charge (and any other fees received) to recognised intermediaries or such other persons as the Manager may at its absolute discretion determine.

Payment Procedure

Subscription monies should normally be paid in the relevant base currency as disclosed in the relevant Appendix. Arrangements can be made for applicants to pay for Units in most other major currencies and in such cases, the cost of currency conversion will be borne by the applicant.

All payments should be made by cheque, direct transfer, telegraphic transfer or banker's draft. Cheques and banker's drafts should be crossed "a/c payee only, not negotiable" and made payable to "Bank of East Asia (Trustees) Limited as trustee to BEA Union Investment Series", stating the name of the relevant Sub-Fund to be subscribed, and sent with the application form. Payment by cheque is likely to cause delay in receipt of cleared funds and Units generally will not be issued until the cheque is cleared. Any costs of transfer of application monies to a Sub-Fund will be payable by the applicant.

Details of payments by telegraphic transfer are set out in the application form.

No money should be paid to any intermediary in Hong Kong who is not licensed by or registered with the SFC to conduct Type 1 (Dealing in Securities) regulated activity under Part V of the SFO.

General

All holdings will be registered and certificates are not issued. Evidence of title will be the entry on the register of Unitholders. Unitholders should therefore be aware of the importance of ensuring that the Trustee is informed of any change to the registered details. Fractions of Units may be issued calculated to 2 decimal places. Application monies representing smaller fractions of a Unit will be retained by the relevant Sub-Fund. The Manager reserves the right to reject any application in whole or in part. A maximum of 4 persons may be registered as joint Unitholders.

REALISATION OF UNITS

Realisation Procedure

Subject to any lock-up period as set out in the relevant Appendix, Unitholders who wish to realise their Units may do so on any Dealing Day by submitting a realisation request to the Authorised Distributor before the Dealing Deadline for the relevant Sub-Fund, as defined in the relevant Appendix.

A realisation request must be given in writing and must specify the name of the relevant Sub-Fund and the value or number of Units to be realised, the name(s) of the registered holder(s), and give payment instructions for the realisation proceeds.

A Unitholder shall not be entitled hereunder to realise part only of his holding of Units in relation to a Sub-Fund if thereby his holding would be reduced to less than the minimum holding for the Sub-Fund (as described in the relevant Appendix) and may not realise any Unit prior to the date falling seven days after the Dealing Day on which such Unit was acquired.

Payment of Realisation Proceeds

The realisation price on any Dealing Day shall be the price per Unit ascertained by dividing the Net Asset Value of the relevant Sub-Fund as at the Valuation Point in respect of the Dealing Day on which the realisation request is received by the Authorised Distributor by the number of Units then in issue rounded down to 2 decimal places or in such manner and to such other number of decimal places as may from time to time be determined by the Manager after consulting the Trustee. Any rounding adjustment shall be retained by the relevant Sub-Fund. Such price shall be calculated in the base currency of the relevant Sub-Fund and quoted by the Manager in such base currency and in such other currency or currencies at the Manager's discretion (with prior notice to the Trustee) by converting such price to its equivalent in such other currency or currencies at the same rate as the Manager shall apply in calculating the Net Asset Value as at the Valuation Point.

The Manager may at its option impose a realisation charge of up to 3% of the realisation price in respect of Class A and Class I Units to be realised and up to 4% of the realisation price in respect of Class B Units to be realised. The realisation charge, if any, is described in the relevant Appendix. The Manager may on any day in its sole and absolute discretion differentiate between Unitholders as to the amount of the realisation charge to be imposed (within the permitted limit).

The amount due to a Unitholder on the realisation of a Unit pursuant to the paragraphs above shall be the realisation price per Unit, less any realisation charge, any fiscal and sale charges and any rounding adjustment in respect thereof. The fiscal and sale charges (if any), as well as the rounding adjustment aforesaid in relation to the realisation of any Units shall be retained as part of the relevant Sub-Fund. The realisation charge shall be retained by the Manager.

Realisation proceeds will not be paid to any realising Unitholder until (a) unless otherwise agreed by the Trustee, the written original of the realisation request duly signed by the Unitholder has been received by the Authorised Distributor and (b) where realisation proceeds are to be paid by telegraphic transfer, the signature of the Unitholder (or each joint Unitholder) has been verified to the satisfaction of the Trustee.

Subject as mentioned above and so long as relevant account details have been provided, realisation proceeds will be paid in the base currency of the relevant Sub-Fund by direct transfer or telegraphic transfer, normally within 10 Business Days after the relevant Dealing Day (or as otherwise specified in the Appendix of the relevant Sub-Fund) and in any event within one calendar month of the relevant Dealing Day or (if later) receipt of a properly documented request for realisation of Units. If relevant account details are not provided, realisation proceeds will be paid to the realising Unitholder (or to the first-named of joint Unitholders) at the Unitholder's risk by cheque, usually in the base currency of the relevant Sub-Fund and sent to the realising Unitholder at the last known address held in the records of the Registrar.

Realisation proceeds can be paid in a currency other than the base currency of the relevant Sub-Fund at the request and expense of the Unitholder. In such circumstances, the Trustee shall use such currency exchange rates as it may from time to time determine.

The Trust Deed provides for payment of realisation proceeds in specie with the consent of the relevant Unitholder.

CONVERSION BETWEEN SUB-FUNDS

Unitholders have the right (subject to any suspension in the determination of the net asset value of any relevant Sub-Fund and any restrictions described in the Appendix for the relevant Sub-Funds) to convert all or part of their Units of any class relating to a Sub-Fund into Units relating to another Sub-Fund by giving notice in writing to the Authorised Distributor. A request for conversion will not be effected if as a result the relevant holder would hold less than the minimum holding of Units of the relevant class prescribed by, or is prohibited from holding Units of that Sub-Fund under, the relevant offering document. Unless the Manager otherwise agrees, Units of a class can only be converted into Units of the same class of the same or another Sub-Fund.

Requests for conversion received by the Authorised Distributor prior to the Dealing Deadline for a Dealing Day will be dealt with on that Dealing Day. Neither the Manager nor the Trustee shall be responsible to any Unitholder for any loss resulting from the non-receipt of a request for conversion or any amendment to a request for conversion prior to receipt.

The rate at which the whole or any part of a holding of Units relating to a Sub-Fund (the "Existing Units") will be converted on any Dealing Day into Units relating to another Sub-Fund (the "New Units") will be determined by reference to their relative Unit prices on the relevant Dealing Day.

The Manager has a right to impose a conversion charge of up to 2% of the issue price of the New Units in relation to the conversion of Units as set out in the relevant Appendix.

If there is, at any time during the period from the time as at which the realisation price per Existing Unit is calculated and the time at which any necessary transfer of funds from the Sub-Fund to which the Existing Units relate (the "Original Sub-Fund") to the Sub-Fund to which the New Units relate takes place, an officially announced devaluation or depreciation of any currency in which any investment of the Original Sub-Fund is denominated or normally traded, the realisation price per Existing Unit shall be reduced as the Manager considers appropriate to take account of the effect of that devaluation or depreciation and the number of New Units which will arise from that conversion shall be recalculated as if that reduced realisation price had been the realisation price ruling for realisation of Existing Units on the relevant Dealing Day.

Restrictions on realisation and conversion

The Manager may suspend the realisation or conversion of Units or delay the payment of realisation proceeds during any periods in which the determination of the Net Asset Value of the relevant Sub-Fund is suspended (for details see "Suspension of Calculation of Net Asset Value" below).

With a view to protecting the interests of Unitholders, the Manager is entitled, with the approval of the Trustee, to limit the number of Units of any Sub-Fund realised on any Dealing Day (whether by sale to the Manager or by cancellation by the Trustee) to 10% of the total number of Units of the relevant Sub-Fund in issue. In this event, the limitation will apply pro rata so that all Unitholders wishing to realise Units of the same Sub-Fund on that Dealing Day will realise the same proportion of such Units, and Units not realised (but which would otherwise have been realised) will be carried forward for realisation, subject to the same limitation, and will have priority on the next Dealing Day. If requests for realisation are so carried forward, the Manager will inform the Unitholders concerned.

The Manager does not authorise practices connected to market timing and it reserves the right to reject any applications for subscriptions or conversions of Units from a Unitholder which it suspects to use such practices and take, the case be, the necessary measures to protect the Unitholders of the Sub-Funds.

Market timing is to be understood as an arbitrage method through which a Unitholder systematically subscribes and realises or converts Units within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Value of the concerned Sub-Funds.

VALUATION

The value of the net assets of each Sub-Fund will be determined as at each Valuation Point in accordance with the Trust Deed. The Trust Deed provides (inter alia) that:-

- (a) **except in the case of any interest in a collective investment scheme to which paragraph (b) applies and subject as provided in paragraph (f) below**, all calculations based on the value of investments quoted, listed, traded or dealt in on any securities market shall be made by reference to the last traded price or (if no last traded price is available) midway between the latest available market dealing offered price and the latest available market dealing bid price on the principal stock exchange for such investments, at or immediately preceding the Valuation Point, and in determining such prices the Manager and the Trustee shall be entitled to use and rely on electronic price feeds from such source or sources as they may from time to time determine;
- (b) **subject as provided in paragraphs (c) and (f) below**, the value of each interest in any collective investment scheme shall be the last published net asset value per Unit or share in such collective investment scheme (where available) or (if the same is not available) the last published bid price for such Unit or share at or immediately preceding the Valuation Point;
- (c) **if no net asset value, bid and offer prices or price quotations are available as provided in paragraphs (a) and (b) above**, the value of the relevant investment shall be determined from time to time in such manner as the Manager shall determine;
- (d) **the value of any investment which is not listed or ordinarily dealt in on a market shall be the initial value thereof equal to the amount expended out of the relevant Sub-Fund in the acquisition of such investment (including in each case the amount of stamp duties, commissions and other acquisition expenses) provided that the Manager may with the approval of the Trustee and shall at the request of the Trustee cause a revaluation to be made by a professional person approved by the Trustee as qualified to value such investment;**
- (e) **cash, deposits and similar investments shall be valued at their face value (together with accrued interest) unless, in the opinion of the Manager, any adjustment should be made to reflect the value thereof;**
- (f) **notwithstanding the foregoing, the Manager may with the consent of the Trustee adjust the value of any investment or permit some other method of valuation to be used if, having regard to relevant circumstances, the Manager considers that such adjustment or use of such other method is required to reflect the fair value of the investment; and**

- (g) the value of any investment (whether of a security or cash) otherwise than in the base currency of the relevant Sub-Fund shall be converted into currency at the rate (whether official or otherwise) which the Manager shall deem appropriate in the circumstances having regard to any premium or discount which may be relevant and to costs of exchange.

Suspension of Calculation of Net Asset Value

The Manager may, after giving notice to the Trustee, declare a suspension of the determination of the Net Asset Value of a Sub-Fund for the whole or any part of any period during which:

- (a) there is a closure of or the restriction or suspension of trading on any securities market on which a substantial part of the investments of the relevant Sub-Fund is normally traded or a breakdown in any of the means normally employed by the Manager or the Trustee (as the case may be) in ascertaining the prices of investments or the Net Asset Value of the relevant Sub-Fund or the Net Asset Value per Unit in the relevant Sub-Fund; or
- (b) for any other reason the prices of investments of the relevant Sub-Fund cannot, in the opinion of the Manager, reasonably, promptly and fairly be ascertained; or
- (c) circumstances exist as a result of which, in the opinion of the Manager, it is not reasonably practicable to realise any investments of the relevant Sub-Fund or it is not possible to do so without seriously prejudicing the interests of relevant Unitholders; or
- (d) the remittance or repatriation of funds which will or may be involved in the realisation of, or in the payment for, the investments of the relevant Sub-Fund or the issue or realisation of Units in the relevant Sub-Fund is delayed or cannot, in the opinion of the Manager, be carried out promptly at normal rates of exchange.

Such suspension shall take effect forthwith upon the declaration thereof and thereafter there shall be no determination of the Net Asset Value of the relevant Sub-Fund until the Manager shall declare the suspension at an end, except that the suspension shall terminate in any event on the day following the first Business Day on which (i) the condition giving rise to the suspension shall have ceased to exist and (ii) no other condition under which suspension is authorised shall exist.

Whenever the Manager declares such a suspension it shall, as soon as may be practicable after any such declaration and at least once a month during the period of such suspension, publish a notice in the South China Morning Post and Hong Kong Economic Times.

No Units in the relevant Sub-Fund may be issued, realised or converted during such a period of suspension.

INVESTMENT AND BORROWING RESTRICTIONS

The Trust Deed sets out restrictions and prohibitions on the acquisition of certain investments by the Manager for the Fund. Unless otherwise disclosed in the Appendix for each Sub-Fund and agreed by the SFC, each of the Sub-Fund(s) is subject to the following principal investment restrictions:-

- (a) not more than 10% of the Net Asset Value of a Sub-Fund may consist of securities (other than Government and other public securities) issued by a single issuer;
- (b) a Sub-Fund may not hold more than 10% of any ordinary shares issued by any single issuer;
- (c) not more than 15% of the Net Asset Value of a Sub-Fund may consist of securities of any company not listed or quoted on a stock exchange, over-the-counter market or other organised securities market which is open to the international public and on which such securities are regularly traded;
- (d) not more than 15% of the Net Asset Value of a Sub-Fund may consist of warrants and options, other than warrants and options held for hedging purposes;

- (e) not more than 10% of the Net Asset Value of a Sub-Fund may consist of shares or units in other open ended unit trusts or mutual funds ("managed funds") other than interests in real estate investment trusts that are listed on a stock exchange ("REITS") provided that no investment may be made in a managed fund managed by the Manager or any of its connected persons if such investment would result in an increase in the overall total of the preliminary charge, manager's fee or other costs and charges borne by the Unitholders of the relevant Sub-Fund.
- (f) not more than 20% of the Net Asset Value of a Sub-Fund may consist of physical commodities (including gold, silver, platinum or other bullion) and commodity based investments (other than shares in companies engaged in producing, processing or trading in commodities);
- (g) the net aggregate value of the contract prices, whether payable to or by a Sub-Fund (other than futures contracts entered into for hedging purposes), together with the aggregate value of investments falling within paragraph (f) above held by the Sub-Fund, may not exceed 20% of the Net Asset Value of the Sub-Fund;
- (h) not more than 30% of the Net Asset Value of a Sub-Fund may consist of Government and other public securities of a single issue; and
- (i) subject to paragraph (h) above, a Sub-Fund may be fully invested in Government and other public securities issued by a single issuer provided that it holds Government and other public securities of at least six different issues.

The Manager shall not on behalf of any Sub-Fund(s):-

- (i) invest in a security of any class in any company or body if directors and officers of the Manager individually own more than 1/2% of the total nominal amount of all the issued securities of that class or collectively own more than 5% of those securities;
- (ii) invest in any type of real estate (including buildings) or interests in real estate (including options or rights, but excluding shares in real estate companies or interests in REITs);
- (iii) make short sales if as a consequence the liability of such Sub-Fund to deliver securities would exceed 10% of the Net Asset Value of such Sub-Fund (and for this purpose securities sold short must be actively traded on a market where short selling is permitted);
- (iv) write uncovered options;
- (v) write a call option if the aggregate of the exercise prices of all such call options written on behalf of the relevant Sub-Fund would exceed 25% of the Net Asset Value of that Sub-Fund;
- (vi) make a loan out of that Sub-Fund without the prior written consent of the Trustee except to the extent that the acquisition of an investment or the making of a deposit might constitute a loan;
- (vii) assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person in respect of borrowed money without the prior written consent of the Trustee;
- (viii) enter into any obligation on behalf of the relevant Sub-Fund or acquire any asset for the account of that Sub-Fund which involves the assumption of any liability by the Trustee which is unlimited; or
- (ix) apply any part of the relevant Sub-Fund in the acquisition of any investments which are for the time being nil paid or partly paid in respect of which a call is due to be made unless such call could be met in full out of cash or near cash forming part of such Sub-Fund which has not been appropriated and set aside for any other purposes and shall not be entitled without the consent of the Trustee to apply any part of the relevant Sub-Fund in the acquisition of any other investment which is in the opinion of the Trustee likely to involve the Trustee in any liability (contingent or otherwise).

Unless otherwise disclosed below or in the relevant Appendix, the Manager may borrow up to 25% of the latest available Net Asset Value of each Sub-Fund to acquire investments, to realise Units or to pay expenses relating to the relevant Sub-Fund. The assets of a Sub-Fund may be charged or pledged as security for any such borrowings.

Where a Sub-Fund is approved as a feeder fund:

- (i) for the purpose of complying with the relevant investment restrictions, the Sub-Fund and the underlying fund will be deemed a single entity;
- (ii) the underlying fund must be authorised by the SFC;
- (iii) the Sub-Fund may not borrow more than 10% of its total net asset value and any such borrowing shall be restricted to facilitating realisations of Units or defraying operating expenses; and
- (iv) notwithstanding that the Sub-Fund will usually invest all its assets in a single underlying fund, the Sub-Fund may retain up to 5% of its latest available Net Asset Value in cash or on deposit or in certificates of deposit or other money market or banking instruments to facilitate realisations of Units or to defray operating expenses.

The Manager has power to arrange for the loan of securities of any Sub-Fund and may do so from time to time, as and when considered appropriate in the interests of Unitholders and in accordance with applicable regulations and market practice. In connection with any securities lending:-

- All income arising as a result of the securities lending, net of fees and expenses, will be credited to the relevant Sub-Fund;
- The Trustee must be satisfied as to the financial standing of the relevant counterparty which has minimum credit rating of Single A by Moody's and/or Standard and Poor's or equivalent;
- Collateral for the securities lent must be in the form of cash or such other form as permitted by the SFC and must exceed the value of the securities lent;
- The value of the securities lent must not exceed 10 per cent. of the net asset value of the relevant Sub-Fund.

The Manager currently does not intend to enter into any share repurchase transactions in respect of any of the Sub-Funds.

RISK FACTORS

Each Sub-Fund is subject to market fluctuations and to the risks inherent in all investments. The price of Units of any Sub-Fund and the income from them may go down as well as up.

Investors' attention is drawn to the following risk factors:

The performance of the Sub-Funds is subject to a number of risk factors and the risks associated with investments in underlying funds where the Sub-Fund is structured as a feeder fund, including those set out below.

- (i) **Political, economic and social risks** — All financial markets may at times be adversely affected by changes in political, economic and social conditions.
- (ii) **Emerging markets** — Various countries in which a Sub-Fund may invest are considered as emerging markets. As emerging markets tend to be more volatile than developed markets, any holdings in emerging markets are exposed to higher levels of market risk. The securities markets of some of the emerging countries in which a Sub-Fund's assets may be invested are not yet fully developed which may, in some circumstances, lead to a potential lack of liquidity. Accounting, auditing and financial reporting standards in some of the emerging markets in which a Sub-Fund's assets may be invested may be less vigorous than international standards. As a result, certain material disclosures may not be made by some companies.

- (iii) **Currency risk — Certain Sub-Funds may be denominated in a certain currency although they may be invested in whole or in part in assets quoted in other currencies.** The performance of such Sub-Funds will therefore be affected by movements in the exchange rate between the currencies in which the assets are held and the base currency of the Sub-Fund. Since the Manager aims to maximise returns for such Sub-Funds in terms of their base currency, investors in these Sub-Funds may be exposed to additional currency risk.
- (iv) **Interest rates — Interest rates may be subject to fluctuation.** High yield bonds are particularly susceptible to interest rate changes and may experience significant price volatility. Any fluctuation in interest rates may have a direct effect on the income received by such Sub-Funds and their respective capital value.
- (v) **Downgrading risk — Investment grade securities invested by a Sub-Fund may be subject to the risk of being downgraded to below investment grade securities.** In the event of downgrading in the credit ratings of a security or an issuer relating to a security, a Sub-Fund's investment value in such security may be adversely affected. The investment manager of the Sub-Fund may or may not dispose of the securities, subject to the investment objective of the Sub-Fund. In the event of investment grade securities being downgraded to below investment grade securities, the Sub-Fund will also be subject to the below investment grade securities risk outlined in the following paragraph.
- (vi) **Below investment grade and non-rated securities — A Sub-Fund may invest in securities which are below investment grade or which are non-rated.** Investors should note that such securities would generally be considered to have a higher credit risk and a greater possibility of default than more highly rated securities. If the issuer of securities defaults, or such securities cannot be realised, or perform badly, investor may suffer substantial losses. In addition, the market for securities which are non-rated or rated below investment grade and/or have a lower credit rating generally is of lower liquidity and less active than that for higher rated securities and a Sub-Fund's ability to liquidate its holdings in response to changes in the economy or the financial markets may be further limited by factors such as adverse publicity and investor perception.
- (vii) **Credit risk — In times of financial instability there may be increased uncertainty around the credit worthiness of issuers of debt or other securities.** Market conditions may mean there are increased instances of default amongst issuers. If the issuer of any of the securities in which the assets of a Sub-Fund are invested defaults or suffers insolvency or other financial difficulties, the value of such Sub-Fund will be adversely affected.
- (viii) **Over-the-counter markets — In general, for investments traded on over-the-counter (OTC) markets, there is less governmental regulation and supervision of transactions in the OTC markets (in which many different kinds of financial derivatives instruments and structured products are generally traded) than of transactions entered into on organized exchanges.** In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearing house, may not be available in connection with transactions carried out on OTC markets. Therefore, a Sub-Fund entering into OTC transactions will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that a Sub-Fund will sustain losses.

In addition, certain instruments traded on the OTC markets (such as customised financial derivatives and structured products) can be illiquid. The market for relatively illiquid investments tends to be more volatile than the market for more liquid investments.
- (ix) **Diversification risk — Certain Sub-Funds may invest only in a specific country/region/sector.** Although each Sub-Fund's portfolio will be well diversified in terms of the number of holdings, investors should be aware that such Sub-Funds are likely to be more volatile than a broad-based fund, such as a global or regional equity fund, as they are more susceptible to fluctuations in value resulting from adverse conditions in their respective countries.
- (x) **Hedging — The Manager is permitted, but not obliged, to use hedging techniques to attempt to offset market risks.** There is no guarantee that hedging techniques will achieve their desired result.

- (xi) **Market risk — The Sub-Funds which invest directly or indirectly in equities are subject to the risks generally associated with equity investment, namely, the market value of the stocks may go down as well as up. Factors affecting the stock values are numerous, including but not limited to changes in investment sentiment, political environment, economic environment, and the business and social conditions in local and global marketplace. Securities exchanges typically have the right to suspend or limit trading in any security traded on the relevant exchange; a suspension will render it impossible to liquidate positions and can thereby expose the Sub-Funds to losses.**

In falling equity markets there may be increased volatility. Market prices in such circumstances may defy rational analysis or expectation for prolonged periods of time, and can be influenced by movements of large funds as a result of short-term factors, counter-speculative measures or other reasons. Market volatility of a large enough magnitude can sometimes weaken what is deemed to be a sound fundamental basis for investing in a particular market or stock. Investment expectations may fail to be realised in such instances.

- (xii) **Liquidity risk — In extreme market conditions, it may be difficult for a Sub-Fund to realise an investment at short notice without suffering a discount to market value. In such circumstances, Unitholders may suffer a delay in realising their investment.**
- (xiii) **Sector risk — The Sub-Funds which invest in a specific industry or target a specific sector will be subject to the risks of that industry or sector, which may include, but not limited to, rapid obsolescence of technology, sensitivity of regulatory change, minimal barriers to entry, and sensitivity to overall market swings.**
- (xiv) **Derivative and structured product risk — The Sub-Funds may invest in derivatives such as options, futures and convertible securities, and in depositary receipts, participation rights and potentially through other instruments which are linked to the performance of securities or indices such as participation notes, equity swaps and equity linked notes, which are sometimes referred to as "structured products". Investment in these instruments can be illiquid, if there is no active market in these instruments. Such Sub-Funds will be subject to insolvency or default risk of the issuers or counterparties. In addition, investment through structured products may lead to a dilution of performance of such Sub-Funds when compared to a fund investing directly in similar assets.**
- (xv) **Equity Linked Notes ("ELN") — A Sub-Fund may invest in instruments which are linked to the performance of securities or indices such as ELN or other similar instruments. ELN may not be listed and are subject to the terms and conditions imposed by their issuer. These terms may lead to delays in implementing the Manager's investment strategy due to restrictions on the issuer acquiring or disposing of the securities underlying the ELN. Investment in ELN can be illiquid as there is no active market in ELN. In order to meet realisation requests, the Sub-Funds rely upon the counterparty issuing the ELN to quote a price to unwind any part of the ELN. This price will reflect the market liquidity conditions and the size of the transaction.**

By seeking exposure to investments in certain listed securities through ELN, the Sub-Funds are taking on the credit risk of the issuer of the ELN. There is a risk that the issuer will not settle a transaction due to a credit or liquidity problem, thus causing the Sub-Funds to suffer a loss. In addition, in the case of a default, the Sub-Funds could become subject to adverse market movements while replacement transactions are executed.

An investment in an ELN entitles the holder to certain cash payments calculated by reference to the shares to which the ELN is linked. It is not an investment directly in the shares themselves. An investment in the ELN does not entitle the ELN holder to the beneficial interest in the shares nor to make any claim against the company issuing the shares.

Investment through ELN may lead to a dilution of performance of the Sub-Funds when compared to a fund investing directly in similar assets. In addition, when the Sub-Funds intend to invest in a particular share through ELN, there is no guarantee that subsequent application monies for units in the Sub-Funds can be immediately invested in such share through ELN. This may impact on the performance of the Sub-Funds.

A Sub-Fund will invest not more than 15% of its Net Asset Value in ELN not listed or quoted on a stock exchange, over-the-counter market or other organised securities market which is open to the international public and on which such ELN is regularly traded. For purpose of investment restriction monitoring, ELN will be treated as an equity investment instead of being classified as a derivative in determining the appropriate limits.

- (xvi) **Currency forward contracts** — A Sub-Fund may enter into currency forward contracts for hedging and/or investment purposes. Forward contracts are not traded on exchanges and are not standardized; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Trading in currency forward contracts is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. Market illiquidity or disruption could result in major losses to a Sub-Fund.

Furthermore, currency forward contracts do not eliminate fluctuations in the prices of the Sub-Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. Performance may be strongly influenced by movements in foreign exchange rates because currency positions held by the Sub-Fund may not correspond with securities positions held. In such circumstances, the Sub-Fund's asset may be exposed to the losses on and the costs of the relevant financial instruments.

- (xvii) **Restricted markets risk** — The Sub-Funds may invest in securities in jurisdictions (including China) which impose limitations or restrictions on foreign ownership or holdings. The Sub-Funds may be required to make such investments directly or indirectly. In either case, legal and regulatory restrictions or limitations may directly or indirectly have adverse effect on the liquidity and performance of such investments due to factors including (without limitation) repatriation limitations, unfavourable tax treatments, higher commission costs, dealing restrictions, regulatory reporting requirements, reliance on services of local custodians and service providers and other factors.

- (xviii) **China market risk** — Investing in the China market is subject to the risks of investing in emerging markets generally and the risks specific to the China market in particular.

Investors should be aware that for more than 50 years, the Chinese government has adopted a planned economic system. Since 1978, the Chinese government has implemented economic reform measures which emphasise decentralisation and the utilisation of market forces in the development of the Chinese economy. Many of the economic reforms in China are unprecedented or experimental and are subject to adjustment and modification. Any significant change in China's political, social or economic policy may have a negative impact on investments in the China market.

The regulatory and legal framework for capital markets and joint stock companies in China may not be as well developed when compared with those of developed countries. Chinese accounting standards and practice may deviate significantly from international accounting standards. The settlement and clearing systems of the Chinese securities markets may not be as well tested and may be subject to increased risks of error or inefficiency.

Investments in equity interests of Chinese companies may be made through China A-Shares, China B-Shares and China H-Shares. As the number of these securities and their combined total market value are relatively small compared to more developed markets, investments in these securities may be subject to increased price volatility and lower liquidity.

A Sub-Fund that invests in permissible Chinese equity securities may be subject to withholding and other taxes imposed in China. In addition, there is a possibility that the current tax laws, regulations and practice in China will be changed with retrospective effect in the future. Any such changes may have an adverse effect on the net asset value of the relevant Sub-Fund.

The Chinese government's control of currency conversion and movements in the Renminbi exchange rates may adversely affect the operations and financial results of Chinese companies.

- (xix) **Custodial risk** — **Custodians or sub-custodians may be appointed in local markets** for purpose of safekeeping assets in those markets. Where a Sub-Fund invests in markets where custodial and/or settlement systems are not fully developed, the assets of the Sub-Fund may be exposed to custodial risk. In certain circumstances a Sub-Fund may take a longer time or may even be unable to recover some of its assets. Such circumstances may include the liquidation, bankruptcy or insolvency of a custodian or sub-custodian, retroactive application of legislation and fraud or improper registration of title. The costs borne by a Sub-Fund in investing and holding investments in such markets will be generally higher than in organised securities markets.
- (xx) **Counterparty risk** — **The Sub-Funds may invest in different instruments in accordance with their objectives and as permitted by the investment restrictions.** If the counterparties of these underlying investments default, the Sub-Funds could suffer substantial losses. In addition, if the counterparties with which a Sub-Fund effects transactions cease making markets or quoting prices in certain of the instruments, the Sub-Fund may be unable to enter into a desired transaction or to enter into an offsetting transaction with respect to an open position, which may adversely affect its performance.
- (xxi) **Small company risk** — **The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies** due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.

In view of the above, investment in any Sub-Fund should be regarded as long term in nature. The Sub-Funds are, therefore, only suitable for investors who can afford the risks involved.

Investors should refer to the relevant Appendix for details of any additional risks specific to a Sub-Fund.

EXPENSES AND CHARGES

The current management fee, trustee fee, registrar's fee and holders servicing fee for each Sub-Fund are set out in the relevant Appendix. The Manager will give one month's prior notice (or such other notice as may be approved by the SFC) to Unitholders should there be any increase of (i) the management fee from the current level up to the maximum level of 2.0% per annum, or (ii) the trustee fee from the current level up to the maximum level of 1.0% per annum, or (iii) the holders servicing fee from the current level up to the maximum level of 2.0% per annum.

The establishment costs of the Fund and the initial Sub-Fund in Hong Kong were borne by the initial Sub-Fund and deducted following the close of its launch period. The establishment costs and payments incurred in the establishment of subsequent Sub-Funds are to be borne by the relevant Sub-Fund to which such costs and payments relate.

Each Sub-Fund will bear the costs set out in the Trust Deed, which are directly attributable to it. Where such costs are not directly attributable to a Sub-Fund, the Manager shall determine in its absolute discretion how such costs are to be allocated. Such costs include but are not limited to the costs of investing and realising the investments of the Sub-Fund(s), the fees and expenses of custodians of the assets of the Fund, the fees and expenses of the auditors, valuation costs, legal fees, the costs incurred in connection with any listing or regulatory approval, the costs of holding meetings of Unitholders and the costs incurred in the preparation and printing of any explanatory memorandum. If any Sub-Fund is wound-up prior to the expenses being fully amortised, such unamortised amount will be borne by the relevant Sub-Fund before its termination.

For so long as the Fund and such Sub-Funds are authorised by the SFC, no advertising or promotional expenses shall be charged to the Sub-Funds so authorised.

Cash Rebates and Soft Commissions

Neither the Manager nor any of its connected persons will retain cash or other rebates from brokers or dealers in consideration of directing transactions for a Sub-Fund to such brokers or dealers, save that goods and services (soft commissions) may be retained if, such goods and services are of demonstrable benefit to the Unitholders, and the transaction execution is consistent with best execution standards and brokerage rates are not in excess of customary institutional full-service brokerage rates.

The Manager and/or any company associated with it reserves the right to effect transactions by or through the agency of another person with whom the Manager and/or any company associated with it has an arrangement under which that party will from time to time provide to or procure for the Manager and/or any company associated with it goods, services or other benefits (such as research and advisory services, computer hardware associated with specialised software or research services and performance measures) the nature of which is such that their provision can reasonably be expected to benefit the Fund as a whole and may contribute to an improvement in the performance of the Fund or of the Manager and/or any company associated with it in providing services to the Fund and for which no direct payment is made but instead the Manager and/or any company associated with it undertakes to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments.

TAXATION

Each prospective Unitholder should inform himself of, and where appropriate take advice on, the taxes applicable to the acquisition, holding and realisation of Units by him under the laws of the places of his citizenship, residence and domicile.

Hong Kong

During such period as the Fund and such of its Sub-Funds are authorised by the SFC pursuant to section 104 of the SFO then, under present Hong Kong law and practice:-

- (a) The Fund is not expected to be subject to Hong Kong tax in respect of any of its authorised activities.
- (b) No tax will be payable by Unitholders in Hong Kong in respect of dividends or other income distributions of the Sub-Funds so authorised or in respect of any capital gains arising on a sale, realisation or other disposal of Units of the authorised Sub-Funds, except that Hong Kong profits tax may arise where such transactions form part of a trade, profession or business carried on in Hong Kong.

REPORTS AND ACCOUNTS

The Fund's financial year end is on 31 December in each year. Audited accounts in US\$ will be sent to Unitholders as soon as possible, and in any event within four months, after the end of the financial year. The audited accounts relating to a Sub-Fund which is structured as a feeder fund will include a statement of the investments comprised in the underlying fund in which that Sub-Fund invests.

The Manager also sends unaudited semi-annual reports to Unitholders within two months after 30 June in each year. Such reports contain a statement of the Net Asset Value of each Sub-Fund and of the investments comprising its portfolio. Once issued the accounts will be available for inspection at the Manager's office free of charge during normal working hours. The first unaudited semi-annual report of each Sub-Fund will be issued in respect of the six-month period ending on 30 June immediately following the issue of first annual report of the relevant Sub-Fund, or such earlier period as the Manager may determine.

DISTRIBUTION OF INCOME

Unless otherwise described in the relevant Appendix, the Manager shall not make any distribution of income or net capital gains realised on the sale of investments, and income, if any, and net capital gains, if any, in respect of the Fund or any Sub-Fund shall be accumulated and capitalised.

Distributions of a Sub-Fund declared in respect of an Interim Accounting Period or an Accounting Period, if any, as described in the relevant Appendix, shall be distributed among the Unitholders of the relevant classes of Units rateably in accordance with the number of Units held by them on the Record Date in respect of such Interim Accounting Period or Accounting Period, as the case may be. For the avoidance of doubt, only Unitholders whose names are entered on the register of Unitholders on such Record Date shall be entitled to the distribution declared in respect of the corresponding Interim Accounting Period or Accounting Period, as the case maybe.

Payment of an interim distribution (if any) will be made within 12 weeks from the Interim Accounting Date and payment of a final distribution (if any) will be made within two months from the Accounting Date. Any payment of distributions will be made in the base currency of the relevant classes by cheque at the risk of the Unitholders (or in such other manner as may be agreed with the Manager). Any distribution which is not claimed for six years will be forfeited and become part of the assets of the relevant class of Units.

VOTING RIGHTS

Meetings of Unitholders may be convened by the Manager or the Trustee, and the Unitholders of 10% or more in value of the Units in issue may require a meeting to be convened. Unitholders will be given not less than 21 days' notice of any meeting.

The quorum for all meetings is Unitholders present in person or by proxy representing 10% of the Units for the time being in issue except for the purpose of passing an extraordinary resolution. The quorum for passing an extraordinary resolution shall be Unitholders present in person or by proxy representing 25% or more of the Units in issue. In the case of an adjourned meeting of which separate notice will be given, such Unitholders as are present in person or by proxy will form a quorum. On a show of hands, every individual Unitholder present in person or by representative has one vote; on a poll every Unitholder present in person, by proxy or by representative has one vote for every Unit of which he is the holder. In the case of joint Unitholders the senior of those who tenders a vote (in person or by proxy) will be accepted and seniority is determined by the order in which the names appear on the Register of Unitholders. A poll may be demanded by the Chairman or one or more Unitholders present in person or by proxy representing 5% in value of the Units for the time being in issue.

PUBLICATION OF PRICES

The Net Asset Value per Unit of each Sub-Fund at each Valuation Day will be published at least once a month in Hong Kong in the South China Morning Post and in the Hong Kong Economic Times.

TRANSFER OF UNITS

Subject as provided below, Units may be transferred by an instrument in writing in common form signed by (or, in the case of a body corporate, signed on behalf of or sealed by) the transferor and the transferee. The transferor will be deemed to remain the holder of the Units transferred until the name of the transferee is entered in the register of Unitholders in respect of such Units.

Each instrument of transfer must relate to a single class of Units only. No Units may be transferred if, as a result, either the transferor or the transferee would hold Units having a value less than the minimum holding (if any) of the relevant class.

TRUST DEED

The Fund was established under the laws of Hong Kong by a Trust Deed dated 18 January 2002 made between BEA Union Investment Management Limited (previously known as East Asia Asset Management Company Limited) as Manager and Bank of East Asia (Trustees) Limited as Trustee.

The Trust Deed contains provisions for the indemnification of the parties and their exculpation from liability in certain circumstances. Unitholders and intending applicants are advised to consult the terms of the Trust Deed.

Copies of the Trust Deed (together with any undertakings given to the SFC) as for the time being in force may be obtained from the Manager at a cost of HK\$500 each and may be inspected during normal working hours at the offices of the Manager and the Trustee free of charge.

TERMINATION OF THE FUND OR ANY SUB-FUND

The Fund shall continue for a period of 80 years from the date of the Trust Deed or until it is terminated in one of the ways set out below.

The Fund may be terminated by the Trustee, provided that the Trustee shall certify that in its opinion the proposed termination is in the interest of Unitholders, (a) if in the opinion of the Trustee, the Manager is incapable of performing or fails to perform its duties satisfactorily or (b) if the Manager goes into liquidation. Further at any time the Unitholders of the Fund or any Sub-Fund may authorise termination of such Sub-Fund by Extraordinary Resolution. The Trustee may also terminate the Fund if any law shall be passed which renders it illegal or in the opinion of the Trustee impracticable or inadvisable in consultation with the relevant regulatory agencies (SFC in Hong Kong) to continue the Fund. The Fund or any Sub-Fund may be terminated by the Manager (a) if on any date, in relation to the Fund, the Net Asset Value of the Units of the Fund shall be below HK\$80 million provided that a resolution of affected Unitholders shall be required to approve the termination of the Fund or (b) if on any date, in relation to any Sub-Fund, the aggregate Net Asset Value of the Units outstanding in respect of such Sub-Fund shall be less than HK\$80 million provided that a resolution of affected Unitholders shall be required to approve the termination or (c) if any law shall be passed which renders it illegal or in the opinion of the Manager impracticable or inadvisable in consultation with the relevant regulatory agencies (SFC in Hong Kong) to continue the Fund or such Sub-Fund. In cases of termination on notice, three months' notice of any termination will be given to Unitholders.

ANTI-MONEY LAUNDERING REGULATIONS

As part of the Manager's responsibility for the prevention of money laundering, the Manager may require a detailed verification of an investor's identity and the source of payment of application monies. Depending on the circumstances of each application, a detailed verification might not be required where:-

- (a) the applicant makes the payment from an account held in the applicant's name at a recognised financial institution; or
- (b) the application is made through a recognised intermediary.

These exceptions will only apply if the financial institution or intermediary referred to above is within a country recognised as having sufficient anti-money laundering regulations. The Manager nevertheless reserves the right to request such information as is necessary to verify the identity of an applicant and the source of payment. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Manager may refuse to accept the application and the subscription monies relating thereto.

CONFLICTS OF INTEREST

The Manager and the Trustee may from time to time act as trustee, administrator, registrar, manager, custodian, investment manager or investment adviser, representative or otherwise as may be required from time to time in relation to, or be otherwise involved in or with, other funds and clients which have similar investment objectives to those of any Sub-Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Fund. Each will, at all times, have regard in such event to its obligations to the Fund and will endeavour to ensure that such conflicts are resolved fairly. In any event, the Manager shall ensure that all investment opportunities will be fairly allocated.

APPENDIX I

BEA UNION INVESTMENT JAPAN GROWTH FUND

Introduction

The BEA Union Investment Japan Growth Fund is a feeder fund which invests its assets in a single underlying fund.

Class A and Class B Units of the BEA Union Investment Japan Growth Fund were launched on 20 February 2006. The Launch Period of Class I Units will be such date or period as may be determined by the Manager. The initial issue of Class I Units will be on such date ("Initial Issue Day") as may be determined by the Manager. The initial Issue Price of Class I Units shall be the net asset value per unit of Class A Units as at the Valuation Point on the Initial Issue Day or on such other Dealing Day as the Manager may determine, exclusive of the preliminary charge (if any). Following the Launch Period, Units are available for issue on each Dealing Day at the prevailing offer price.

The base currency of the BEA Union Investment Japan Growth Fund is US\$.

Investment Objective and Policy

The investment objective of the BEA Union Investment Japan Growth Fund is to achieve long term capital growth through investing in a Japan equity fund (the "Underlying Fund") managed by reputable specialist fund manager. The Underlying Fund that the BEA Union Investment Japan Growth Fund currently invests in is the ipac Multi-Manager Japan Equity Fund, a fund under ipac Multi-Manager Investment Fund Series which is managed by AXA Investment Managers Asia Limited. The Manager may, subject to the consent of the Trustee and approval of the SFC, change the Underlying Fund by giving not less than three months' notice to the relevant Unitholders.

The Underlying Fund aims to provide high capital growth over the long term by investing in Japanese equities. It employs one or more specialist fund managers to invest in a diversified portfolio of Japanese equities. Normally 100% of the assets of the Underlying Fund will be invested in Japanese equities. Any remaining assets will be invested in deposits, as appropriate.

Available Classes

Class A, Class B and Class I Units are currently available for issue to investors.

Subscription Details

Launch Date	Class A Units and Class B Units were launched on 20 February 2006
	Launch Period of Class I Units: such date or period as may be determined by the Manager
Issue Price (exclusive of preliminary charge if any)	During the Launch Period for Class I Units: Net asset value per unit of Class A Units as at the Valuation Point on the Initial Issue Day (or on such other Dealing Day as the Manager may determine)
	Following the Launch Period: at a price calculated with reference to the Net Asset Value per Unit of the relevant class of Units as at the Valuation Point on the relevant Valuation Day in accordance with the valuation rules (as summarised in the main section of the Explanatory Memorandum under the section headed "Valuation").

[†]The ipac Multi-Manager Japan Equity Fund may subsequently be offered to retail investors. In such circumstances, one month's prior notice shall be given to the relevant Unitholders.

Minimum Investment Amount	For Class A and Class B Units: US\$2,000 For Class I Units: US\$1,000,000
Minimum Subsequent Investments Amounts	For Class A and Class B Unit: US\$1,000 For Class I Units: US\$500,000
Minimum Holding	For Class A and Class B Units: US\$2,000 For Class I Units: US\$1,000,000
Minimum Redemption or Conversion Amount	For Class A and Class B Units: Not applicable For Class I Units: US\$500,000

For details regarding the procedure for the subscriptions, see the main part of the Explanatory Memorandum under "Purchase of Units".

Fees

Preliminary Charge (% of issue price)	Class A Units : up to 5% Class B Units : Nil Class I Units : Nil
Realisation Charge (% of realisation price)	Class A Units : 0.5%, but currently waived. *Class B Units : Between 0 - 4% on a sliding scale by reference to the number of years such Class B Units are held as follows:-

<u>Holding Period:</u>	<u>%</u>
less than 1 year	4%
1 year to 2 years	3%
2 years to 3 years	2%
3 years to 4 years	1%
4 years or more	Nil

*Class I Units : 0.5% if such Class I Units are held for less than 1 year, otherwise nil

**For the purpose of determining the realisation charge payable on Class B and Class I Units, Units subscribed earlier in time will be deemed to be realised prior to Units subscribed later in time.*

Conversion Charge (% of issue price of new Units)	All classes: Up to 2%
Management Fee (% Net Asset Value of the BEA Union Investment Japan Growth Fund)	Class A and Class B Units: 1.5% p.a. Class I Units: 1.25% p.a.
Trustee Fee (% Net Asset Value of the BEA Union Investment Japan Growth Fund)	Current fee payable for all Classes: 0.125% p.a., however the aggregate trustees fees paid to the Trustee and the trustee of the Underlying Fund are currently intended not to exceed 0.625% p.a. of the net asset value of the BEA Union Investment Japan Growth Fund – see below "Fees of the Underlying Fund of the BEA Union Investment Japan Growth Fund.

Registrar's Fee (% Net Asset Value of the BEA Union Investment Japan Growth Fund)	0.015-0.05% p.a. depending on the number of Unitholders and the number of transactions in Units which occur during any period.
Holders Servicing Fee (% Net Asset Value of the BEA Union Investment Japan Growth Fund)	Class A and Class I Units: Nil Class B Units: 1% p.a.

Establishment Costs

The costs of establishment of the BEA Union Investment Japan Growth Fund and initial issue of Class A and Class B Units amounted to approximately HK\$400,000 and were borne by the BEA Union Investment Japan Growth Fund and deducted during the course of the first year following its launch. The costs of establishing Class I Units of the BEA Union Investment Japan Growth Fund amounted to approximately HK\$10,000 and will be borne by the BEA Union Investment Japan Growth Fund and deducted during the course of the first year following launch of Class I Units.

Fees of the Underlying Fund of the BEA Union Investment Japan Growth Fund

In addition, the BEA Union Investment Japan Growth Fund will, indirectly, bear a proportionate share of the fees and expenses of the Underlying Fund in which it invests.

The manager of the Underlying Fund is currently entitled to receive a management fee of up to 1.50% per annum of the net asset value of the Underlying Fund. The fee is calculated and accrues on each dealing day and is paid monthly in arrears. The manager of the Underlying Fund is also entitled to receive a preliminary charge on the issue of units of up to 5.0% of the issue price of such units and a realisation charge on the realisation of units of up to 0.5% of the realisation price of such units. The manager of the Underlying Fund has currently agreed to waive the preliminary charge and realisation charge in respect of any units issued to or realised by the BEA Union Investment Japan Growth Fund.

It is the Manager's present intention that the aggregate of the management fees payable to the Manager and the manager of the Underlying Fund will not, in the case of Class A and Class B Units, exceed 1.5% per annum, and in the case of Class I Units, exceed 1.25% per annum, based on the Net Asset Value of the respective Classes. Unless otherwise agreed with the SFC, the Manager will give not less than one month's notice to affected Unitholders of any change in such intention.

The trustee of the Underlying Fund is currently entitled to receive a fee for acting as trustee of up to 0.50% per annum of the net asset value of the Underlying Fund. In addition, the trustee of the Underlying Fund is also entitled to receive a servicing fee of up to 0.20% per annum. In return for the servicing fee, the trustee of the Underlying Fund has agreed to pay certain of the costs and expenses of the Underlying Fund. If the servicing fee is not sufficient to meet those costs and expenses, the trustee of the Underlying Fund will bear the difference. The above fees are calculated and accrue on each dealing day and are paid monthly in arrears.

It is the Trustee's present intention that the aggregate of the trustee fees payable to the Trustee and the trustee of the Underlying Fund will not exceed 0.625% per annum of the Net Asset Value of the BEA Union Investment Japan Growth Fund. Unless otherwise agreed with the SFC, the Trustee will give not less than one month's notice to affected Unitholders of any change in such intention.

Dealing Day and Dealing Deadline

Each Business Day shall be a Dealing Day.

The Dealing Deadline is 4:00 p.m. (Hong Kong time) on each Dealing Day.

In order for instructions for subscriptions, realisations, conversions and transfers to be dealt with on the same Dealing Day, such instructions must be received by the Authorised Distributor before the Dealing Deadline on the same Dealing Day. Instructions received after the Dealing Deadline or on a day which is not a Dealing Day will be carried forward and dealt with on the next Dealing Day.

Distributions

Income, if any, and net capital gains, if any, in respect of the BEA Union Investment Japan Growth Fund shall be accumulated and capitalised and no distributions will be made.

Valuation

Valuation Days for the BEA Union Investment Japan Growth Fund are each Dealing Day and the Valuation Point is the close of the last relevant market to close on each Valuation Day, the first Valuation Day being the next Dealing Day following the Launch Period.

Risk Factors

Investors should be aware that the Underlying Fund, due to its high exposure to equities, has a high risk profile in terms of fluctuations in the value of its assets. Investors should regard the BEA Union Investment Japan Growth Fund as a high risk investment.

BEA Union Investment Japan Growth Fund invests in a single underlying fund. For purpose of complying with the applicable investment restrictions, BEA Japan Growth Fund and the Underlying Fund will be deemed a single entity.

APPENDIX II

BEA UNION INVESTMENT GLOBAL THEMES FUND

Introduction

The BEA Union Investment Global Themes Fund invests its assets primarily in marketable global equity securities.

Class A and Class B Units of the BEA Union Investment Global Themes Fund were launched on 19 March 2007. The Launch Period of Class I Units will be such date or period as may be determined by the Manager. The initial issue of Class I Units will be on such date ("Initial Issue Day") as may be determined by the Manager. The initial Issue Price of Class I Units shall be the net asset value per unit of Class A Units as at the Valuation Point on the Initial Issue Day or on such other Dealing Day as the Manager may determine, exclusive of the preliminary charge (if any). Following the Launch Period, Units are available for issue on each Dealing Day at the prevailing offer price.

The base currency of the BEA Union Investment Global Themes Fund is US\$.

Investment Objective and Policy

The investment objective of the BEA Union Investment Global Themes Fund is to seek long-term growth of capital through a diversified international portfolio of marketable securities, primarily equity securities, including common stocks, preferred stocks, warrants and debt securities convertible into common stocks. The BEA Union Investment Global Themes Fund may not invest more than 15% of its total assets in warrants. Warrants may present for the investor a higher risk than ordinary shares. The BEA Union Investment Global Themes Fund will generally invest in equity securities of established companies listed on securities exchanges worldwide, but also may invest in securities traded on any regulated market which operates regularly and is recognized and open to the public. It may also invest in debt securities convertible into common stocks, convertible and non-convertible preferred stock and fixed-income securities of governments, government agencies, supranational agencies and companies, when the Investment Adviser believes that the potential for appreciation will equal or exceed that available from investments in equity securities. Under certain circumstances, the BEA Union Investment Global Themes Fund may also invest in zero coupon securities and, to the extent permitted by law, securities of other investment companies.

Except during the initial start-up period or pending cash movements, substantially all and at least 70% of the BEA Union Investment Global Themes Fund's total assets at the time of purchase will, under normal circumstances, be invested in equity securities. Such securities include common and preferred stocks, International Depository Receipts ("IDRs"), Global Depository Receipts ("GDRs") and American Depository Receipts ("ADRs"), debt securities convertible into common or preferred stocks or IDRs, GDRs or ADRs, common stock purchase warrants and rights, marketable joint venture interests, and general and limited partnership interests. The BEA Union Investment Global Themes Fund may also invest in money market instruments and money market mutual funds.

It is expected that investments of the BEA Union Investment Global Themes Fund will be spread broadly around the world. Under normal circumstances, at least three countries will be represented among the BEA Union Investment Global Themes Fund's portfolio securities and at least three currencies will be represented among the BEA Union Investment Global Themes Fund's portfolio securities. However, in exceptional circumstances, the BEA Union Investment Global Themes Fund may be invested up to 100% in the securities of non-U.S. based issuers or up to 100% in the securities of U.S. based issuers.

While the BEA Union Investment Global Themes Fund will emphasise investments in companies which are well established in their markets and which have large capitalisations, the BEA Union Investment Global Themes Fund may also be invested in the securities of smaller companies and companies operating in emerging markets.

The BEA Union Investment Global Themes Fund may not invest more than 10% of its total assets at the time of purchase in securities of a single issuer (except for obligations issued or guaranteed by the US government or its agencies or shares of money market mutual funds) nor hold more than 10% of any issuer's outstanding voting securities at the time of purchase.

The BEA Union Investment Global Themes Fund may invest up to 10% of its total assets at the time of purchase in securities which are not readily marketable at the time of purchase. However, securities which are eligible for sale pursuant to Rule 144A of the Securities Act of 1933 shall not be deemed to be securities which are not readily marketable for purposes of the preceding sentence.

Save for warrants, the BEA Union Investment Global Themes Fund may not engage in any type of derivative transactions in the course of pursuing its investment objectives.

No borrowing or short selling of securities other than short sales against the box or in connection with the settlement of securities transactions will be allowed.

Available Classes

Class A, Class B and Class I Units are currently available for issue to investors.

Subscription Details

Launch Period	Class A Units and Class B Units were launched on 19 March 2007 Launch Period of Class I Units: such date or period as may be determined by the Manager
Issue Price (exclusive of preliminary charge, if any)	During the Launch Period for Class I Units: Net asset value per unit of Class A Units as at the Valuation Point on the Initial Issue Day (or on such other Dealing Day as the Manager may determine) Following the Launch Period: at a price calculated with reference to the Net Asset Value per Unit of the relevant class of Units as at the Valuation Point on the relevant Valuation Day in accordance with the valuation rules (as summarised in the main section of the Explanatory Memorandum under the section headed "Valuation").

Minimum Investment Amount	For Class A and Class B Units: US\$2,000 For Class I Units: US\$1,000,000
Minimum Subsequent Investments Amounts	For Class A and Class B Unit: US\$1,000 For Class I Units: US\$500,000
Minimum Holding	For Class A and Class B Units: US\$2,000 For Class I Units: US\$1,000,000
Minimum Redemption or Conversion Amount	For Class A and Class B Units: Not applicable For Class I Units: US\$500,000

For details regarding the procedure for the subscriptions, see the main part of the Explanatory Memorandum under "Purchase of Units".

Fees

Preliminary Charge (% of issue price)	Class A Units : up to 5% Class B Units : Nil Class I Units : Nil
Realisation Charge (% of realisation price)	Class A Units : 0.5%, but currently waived. *Class B Units : Between 0-4% on a sliding scale by reference to the number of years such Class B Units are held as follows:-

<u>Holding Period:</u>	<u>%</u>
less than 1 year	4%
1 year to 2 years	3%
2 years to 3 years	2%
3 years to 4 years	1%
4 years or more	Nil

***Class I Units** : 0.5% if such Class I Units are held for less than 1 year, otherwise nil

**For the purpose of determining the realisation charge payable on Class B and Class I Units, Units subscribed earlier in time will be deemed to be realised prior to Units subscribed later in time.*

Conversion Charge (% of issue price of new Units)	All classes: Up to 2.0%
Management Fee (% Net Asset Value of the BEA Union Investment Global Themes Fund)	Class A and Class B Units: 1.5% p.a. Class I Units: 1.25% p.a.
Investment Advisory Fee	The investment advisory fee payable to Deutsche Investment Management Americas Inc. will be borne by the Manager
Trustee Fee (% Net Asset Value of the BEA Union Investment Global Themes Fund)	Current fee payable for all Classes: 0.175% p.a.

Registrar's Fee
(% Net Asset Value of the
BEA Union Investment
Global Themes Fund)

0.015-0.05% p.a. depending on the number of Unitholders and the number of transactions in Units which occur during any period.

Holders Servicing Fee
(% Net Asset Value of the
BEA Union Investment
Global Themes Fund)

Class A and Class I Units: Nil
Class B Units: 1% p.a.

Establishment Costs

The costs of establishment of the BEA Union Investment Global Themes Fund and initial issue of Class A and Class B Units amounted to approximately HK\$275,000 which were borne by the BEA Union Investment Global Themes Fund and deducted during the course of the first year following its launch. The costs of establishing Class I Units of the BEA Union Investment Global Themes Fund amounted to approximately HK\$10,000 and will be borne by the BEA Union Investment Global Themes Fund and deducted during the course of the first year following launch of Class I Units.

Dealing Day and Dealing Deadline

Each Business Day shall be a Dealing Day.

The Dealing Deadline is 4:00 p.m. (Hong Kong time) on each Dealing Day.

In order for instructions for subscriptions, realisations, conversions and transfers to be dealt with on the same Dealing Day, such instructions must be received by the Authorised Distributor before the Dealing Deadline on the same Dealing Day. Instructions received after the Dealing Deadline or on a day which is not a Dealing Day will be carried forward and dealt with on the next Dealing Day.

Distributions

Income, if any, and net capital gains, if any, in respect of the BEA Union Investment Global Themes Fund shall be accumulated and capitalised and no distributions will be made.

Valuation

Valuation Days for the BEA Union Investment Global Themes Fund are each Dealing Day and the Valuation Point is the close of the last relevant market to close on each Valuation Day, the first Valuation Day being the next Dealing Day following the Launch Period.

Risk Factors

Investors should be aware that the BEA Union Investment Global Themes Fund invests directly in equities which are subject to the risks generally associated with equity investment, namely, the market value of the stocks may go down as well as up. Factors affecting the stock values are numerous, including but not limited to changes in investment sentiment, political environment, economic environment, and the business and social conditions in local and global marketplace. Securities exchanges typically have the right to suspend or limit trading in any security traded on the relevant exchange; a suspension will render it impossible to liquidate positions and can thereby expose the BEA Union Investment Global Themes Fund to losses. Investors should be aware that the BEA Union Investment Global Themes Fund, due to its high exposure to equities, has a high risk profile in terms of fluctuations in the value of its assets. Investors should regard the BEA Union Investment Global Themes Fund as a high risk investment.

APPENDIX III

BEA UNION INVESTMENT GLOBAL RESOURCES FUND

Introduction

The BEA Union Investment Global Resources Fund is a sector fund which invests its assets primarily in marketable global equity securities.

Class A and Class B Units in the BEA Union Investment Global Resources Fund were launched on 10 March 2008. The Launch Period of Class I Units will be such date or period as may be determined by the Manager. The initial issue of Class I Units will be on such date ("Initial Issue Day") as may be determined by the Manager. The initial Issue Price of Class I Units shall be the net asset value per unit of Class A Units as at the Valuation Point on the Initial Issue Day or on such other Dealing Day as the Manager may determine, exclusive of the preliminary charge (if any). Following the Launch Period, Units are available for issue on each Dealing Day at the prevailing offer price.

The base currency of the BEA Union Investment Global Resources Fund is US\$.

Investment Objective and Policy

The investment objective of the BEA Union Investment Global Resources Fund is to seek long-term growth of capital through a diversified international portfolio of marketable securities, primarily equity securities and equity linked securities, including common stocks, preferred stocks, warrants, equity deposits, equity linked notes and debt securities convertible into common stocks with a business focus on mining, agriculture, forestry, extraction of energy, oil and gas, exploration, processing and distribution, commodity-related industries, recycling, and renewable energy. The fund may also invest in money market instruments, unit trusts and cash. The BEA Union Investment Global Resources Fund will focus on active management by stock selection, timing, management of exposure and sub-sector allocation.

The BEA Union Investment Global Resources Fund shall invest at least 70% of its total assets in equity securities and may invest no more than 10% of its total assets in other collective investment schemes.

The BEA Union Investment Global Resources Fund may invest no more than 10% of its total assets at the time of purchase in securities of any single issuer (except for obligations issued or guaranteed by the U.S. government or its agencies or shares or units of money market mutual funds).

Save for currency forwards, the BEA Union Investment Global Resources Fund may not engage in any type of derivative transactions in the course of pursuing its investment objectives. The BEA Union Investment Global Resources Fund may invest up to 10% of its total assets in currency forwards in liquid and convertible currencies for hedging purposes only.

The BEA Union Investment Global Resources Fund may not invest in physical commodities.

Available Classes

Class A, Class B and Class I Units are currently available for issue to investors.

Subscription Details

Launch Period	Class A and Class B Units were launched on 10 March 2008 The Launch Period of Class I Units: such date or period as may be determined by the Manager
Issue Price (exclusive of preliminary charge, if any)	During the Launch Period for Class I Units: Net asset value per unit of Class A Units as at the Valuation Point on the Initial Issue Day (or on such other Dealing Day as the Manager may determine)

Following the Launch Period:
at a price calculated with reference to the Net Asset Value per Unit of the relevant class of Units as at the Valuation Point on the relevant Valuation Day in accordance with the valuation rules (as summarised in the main section of the Explanatory Memorandum under the section headed "Valuation").

Minimum Investment Amount	For Class A and Class B Units: US\$2,000 For Class I Units: US\$1,000,000
Minimum Subsequent Investments Amounts	For Class A and Class B Unit: US\$1,000 For Class I Units: US\$500,000
Minimum Holding	For Class A and Class B Units: US\$2,000 For Class I Units: US\$1,000,000
Minimum Redemption or Conversion Amount	For Class A and Class B Units: Not applicable For Class I Units: US\$500,000

For details regarding the procedure for the subscriptions, see the main part of the Explanatory Memorandum under "Purchase of Units".

Fees

Preliminary Charge (% of issue price)	Class A Units : up to 5% Class B Units : Nil Class I Units : Nil
Realisation Charge (% of realisation price)	Class A Units : 0.5%, but currently waived. *Class B Units : Between 0-4% on a sliding scale by reference to the number of years such Class B Units are held as follows:-

<u>Holding Period:</u>	<u>%</u>
less than 1 year	4%
1 year to 2 years	3%
2 years to 3 years	2%
3 years to 4 years	1%
4 years or more	Nil

***Class I Units** : 0.5% if such Class I Units are held for less than 1 year, otherwise nil

**For the purpose of determining the realisation charge payable on Class B and Class I Units, Units subscribed earlier in time will be deemed to be realised prior to Units subscribed later in time.*

Conversion Charge (% of issue price of new Units)	All classes: Up to 2.0%
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Management Fee
(% Net Asset Value of the
BEA Union Investment
Global Resources Fund)

Class A and Class B Units: 1.5% p.a.
Class I Units: 1.25% p.a.

Investment Advisory Fee

The investment advisory fee payable to Union Investment Institutional GmbH will be borne by the Manager

Trustee Fee
(% Net Asset Value of the
BEA Union Investment
Global Resources Fund)

Current fee payable for all Classes: 0.175% p.a.

Registrar's Fee
(% Net Asset Value of the
BEA Union Investment
Global Resources Fund)

0.015-0.05% p.a. depending on the number of Unitholders and the number of transactions in Units which occur during any period.

Holders Servicing Fee
(% Net Asset Value of the
BEA Union Investment
Global Resources Fund)

Class A and Class I Units: Nil
Class B Units: 1% p.a.

Establishment Costs

The costs of establishment of the BEA Union Investment Global Resources Fund and initial issue of Class A and Class B Units amounted to approximately HK\$375,000 and were borne by the BEA Union Investment Global Resources Fund and deducted during the course of the first year following its launch. The costs of establishing Class I Units of the BEA Union Investment Global Resources Fund amounted to approximately HK\$10,000 and will be borne by the BEA Union Investment Global Resources Fund and deducted during the course of the first year following launch of the Units.

Dealing Day and Dealing Deadline

Each Business Day shall be a Dealing Day.

The Dealing Deadline is 4:00 p.m. (Hong Kong time) on each Dealing Day.

In order for instructions for subscriptions, realisations, conversions and transfers to be dealt with on the same Dealing Day, such instructions must be received by the Authorised Distributor before the Dealing Deadline on the same Dealing Day. Instructions received after the Dealing Deadline or on a day which is not a Dealing Day will be carried forward and dealt with on the next Dealing Day.

Distributions

Income, if any, and net capital gains, if any, in respect of the BEA Union Investment Global Resources Fund shall be accumulated and capitalised and no distributions will be made.

Valuation

Valuation Days for the BEA Union Investment Global Resources Fund are each Dealing Day and the Valuation Point is the close of the last relevant market to close on each Valuation Day, the first Valuation Day being the third Dealing Day following the Launch Period.

Risk Factors

Investors should be aware that the BEA Union Investment Global Resources Fund invests directly in equities which are subject to the risks generally associated with equity investment, namely, the market value of the stocks may go down as well as up. Factors affecting the stock values are numerous, including but not limited to changes in investment sentiment, political environment, economic environment and the business and social conditions in local and global marketplace. Securities exchanges typically have the right to suspend or limit trading in any security traded on the relevant exchange; a suspension will render it impossible to liquidate positions and can thereby expose the BEA Union Investment Global Resources Fund to losses.

As the BEA Union Investment Global Resources Fund invests in specific sectors, it is subject to sector specific risk. Although its portfolio will be well diversified in terms of the number of holdings, investors should be aware that the BEA Union Investment Global Resources Fund is likely to be more volatile than a broad-based fund, such as an ordinary global or regional equity fund, as it is more susceptible to fluctuations in value resulting from adverse conditions in the specific sectors.

The BEA Union Investment Global Resources Fund, due to its high exposure to equities of specific sectors, has a high risk profile in terms of fluctuations in the value of its assets. Investors should regard the BEA Union Investment Global Resources Fund as a high risk investment.

APPENDIX IV

BEA UNION INVESTMENT ASIAN BOND AND CURRENCY FUND

Introduction

The BEA Union Investment Asian Bond and Currency Fund invests its assets primarily in debt securities issued by Asian issuers and denominated in Asian or other currencies.

Class A, Class B and Class I Units in the BEA Union Investment Asian Bond and Currency Fund were launched on 25 August 2008. Following the Launch Period, Units are available for issue on each Dealing Day at the prevailing offer price.

The base currency of the BEA Union Investment Asian Bond and Currency Fund is US\$.

Investment Objective and Policy (effective until 4 October 2009)

The investment objective of the BEA Union Investment Asian Bond and Currency Fund is to seek regular interest income, capital gains and currency appreciation from an actively managed portfolio of debt securities denominated in Asian or other currencies and primarily issued by Asian government or corporate entities ("**Asian Debt**").

Debt securities invested by the Sub-fund may include convertible, exchangeable and non-exchangeable and non-convertible debt securities, fixed and floating rate bonds, zero coupon and discount bonds, transferable notes, commercial paper, certificates of deposits of variable or fixed interest rates listed, traded or dealt in regulated markets or exchanges. The Sub-Fund may also invest in money market instruments, unit trusts and cash.

The BEA Union Investment Asian Bond and Currency Fund's assets will normally be invested between 0%-80% in government bonds, and between 20%-80% in corporate bonds. However, the actual allocation may vary as market and other conditions change.

The Manager may acquire financial futures contracts for the BEA Union Investment Asian Bond and Currency Fund for hedging purposes to reduce risk and enhance asset value, consistent with the investment objective of the BEA Union Investment Asian Bond and Currency Fund.

Except during the initial start-up period or pending cash movements, substantially all and at least 70% of the BEA Union Investment Asian Bond and Currency Fund's total assets at the time of purchase will, under normal circumstances, be invested in Asian Debt.

Investment Objective and Policy (effective from 5 October 2009)

The investment objective of the BEA Union Investment Asian Bond and Currency Fund is to seek regular interest income, capital gains and currency appreciation from an actively managed portfolio of debt securities denominated in Asian or other currencies and primarily issued by Asian government or corporate entities ("**Asian Debt**").

Debt securities invested by the Sub-fund may include convertible, exchangeable and non-exchangeable and non-convertible debt securities, fixed and floating rate bonds, zero coupon and discount bonds, transferable notes, commercial paper, certificates of deposits of variable or fixed interest rates listed, traded or dealt in regulated markets or exchanges. These debt securities may include below investment grade and non-rated debt securities. The Sub-Fund may also invest in money market instruments, unit trusts and cash.

The BEA Union Investment Asian Bond and Currency Fund's assets will normally be invested between 0%-80% in government bonds, and between 20%-80% in corporate bonds. However, the actual allocation may vary as market and other conditions change.

The Manager may acquire financial futures contracts and currency forward contracts for the BEA Union Investment Asian Bond and Currency Fund for hedging purposes to reduce risk and enhance asset value, and for investment purposes consistent with the investment objective of the Sub-Fund. The net total aggregate value of contract prices in respect of futures contracts and currency forward contracts entered into other than for hedging may not exceed 20% of the total net asset value of the Sub-Fund.

Except during the initial start-up period or pending cash movements, substantially all and at least 70% of the BEA Union Investment Asian Bond and Currency Fund's total assets at the time of purchase will, under normal circumstances, be invested in Asian Debt.

Available Classes

Class A (Accumulating), Class A (Distributing), Class B (Accumulating), Class B (Distributing), Class I (Accumulating) and Class I (Distributing) Units are currently available for issue to investors. References to Class A Units include Class A (Accumulating) and Class A (Distributing) Units; references to Class B Units include Class B (Accumulating) and Class B (Distributing) Units; and references to Class I Units include Class I (Accumulating) and Class I (Distributing) Units.

Subscription Details

Launch Period	Launch Period of Class A, Class B and Class I Units ended on 25 August 2008
Issue Price (exclusive of preliminary charge, if any)	During the Launch Period: US\$10.00 per Unit Following the Launch Period: at a price calculated with reference to the Net Asset Value per Unit of the relevant class of Units as at the Valuation Point on the relevant Valuation Day in accordance with the valuation rules (as summarised in the main section of the Explanatory Memorandum under the section headed "Valuation").
Minimum Investment Amount	For Class A and Class B Units: US\$2,000 For Class I Units: US\$5,000,000
Minimum Subsequent Investments Amounts	For Class A and Class B Unit: US\$1,000 For Class I Units: Not applicable
Minimum Holding	For Class A and Class B Units: US\$2,000 For Class I Units: US\$5,000,000

For details regarding the procedure for subscriptions, see the main part of the Explanatory Memorandum under "Purchase of Units".

Fees

<p>Preliminary Charge (% of issue price)</p>	<p>Class A Units : up to 5% Class B Units : Nil Class I Units : Nil</p>												
<p>Realisation Charge (% of realisation price)</p>	<p>Class A Units : 0.5%, but currently waived. *Class B Units : Between 0-4% on a sliding scale by reference to the number of years such Class B Units are held as follows:-</p> <table border="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;"><u>Holding Period:</u></th> <th style="text-align: right;"><u>%</u></th> </tr> </thead> <tbody> <tr> <td>less than 1 year</td> <td style="text-align: right;">4%</td> </tr> <tr> <td>1 year to 2 years</td> <td style="text-align: right;">3%</td> </tr> <tr> <td>2 years to 3 years</td> <td style="text-align: right;">2%</td> </tr> <tr> <td>3 years to 4 years</td> <td style="text-align: right;">1%</td> </tr> <tr> <td>4 years or more</td> <td style="text-align: right;">Nil</td> </tr> </tbody> </table> <p>*Class I Units : 0.5% if such Class I Units are held for less than 1 year, otherwise nil</p> <p><i>*For the purpose of determining the realisation charge payable on Class B and Class I Units, Units subscribed earlier in time will be deemed to be realised prior to Units subscribed later in time.</i></p>	<u>Holding Period:</u>	<u>%</u>	less than 1 year	4%	1 year to 2 years	3%	2 years to 3 years	2%	3 years to 4 years	1%	4 years or more	Nil
<u>Holding Period:</u>	<u>%</u>												
less than 1 year	4%												
1 year to 2 years	3%												
2 years to 3 years	2%												
3 years to 4 years	1%												
4 years or more	Nil												
<p>Conversion Charge (% of issue price of new Units)</p>	<p>All classes: Up to 2.0%</p>												
<p>Management Fee (% Net Asset Value of the BEA Union Investment Asian Bond and Currency Fund)</p>	<p>Current fee: Class A Units: 0.75% p.a. Class B Units: 0.85% p.a. Class I Units: 0.50% p.a.</p>												
<p>Trustee Fee (% Net Asset Value of the BEA Union Investment Asian Bond and Currency Fund)</p>	<p>Current fee payable for all Classes: 0.125% p.a.</p>												
<p>Registrar's Fee (% Net Asset Value of the BEA Union Investment Asian Bond and Currency Fund)</p>	<p>0.015-0.05% p.a. depending on the number of Unitholders and the number of transactions in Units which occur during any period.</p>												
<p>Holders Servicing Fee (% Net Asset Value of the BEA Union Investment Asian Bond and Currency Fund)</p>	<p>Class A and Class I Units: Nil Class B Units: 1% p.a.</p>												
<p>Distribution policy</p>	<p>*Class A (Accumulating) Units, Class B (Accumulating) Units and Class I (Accumulating) Units: no distributions</p> <p>*Class A (Distributing) Units, Class B (Distributing) Units and Class I (Distributing) Units and Class I (Distributing) Units: net income may be distributed</p> <p><i>*For details please refer to the sub-section headed "Distributions" below.</i></p>												

Establishment Costs

The costs of establishment of the BEA Union Investment Asian Bond and Currency Fund amounted to approximately HK\$230,000 and were borne by the BEA Union Investment Asian Bond and Currency Fund and deducted during the course of the first year following its launch.

Dealing Day and Dealing Deadline

Each Business Day shall be a Dealing Day.

The Dealing Deadline is 4:00 p.m. (Hong Kong time) on each Dealing Day.

In order for instructions for subscriptions, realisations, conversions and transfers to be dealt with on the same Dealing Day, such instructions must be received by the Authorised Distributor before the Dealing Deadline on the same Dealing Day. Instructions received after the Dealing Deadline or on a day which is not a Dealing Day will be carried forward and dealt with on the next Dealing Day.

Distributions

The Manager has discretion as to whether or not to make any distribution and the frequency and amount of distributions. However, it is the current intention of the Manager that only the net income (the income net of expenses) for Class A (Distributing), Class B (Distributing) and Class I (Distributing) Units may be distributed while income earned for Class A (Accumulating), Class B (Accumulating) and Class I (Accumulating) Units will be reflected in the value of Units of the respective classes.

For Class A (Distributing), Class B (Distributing) and Class I (Distributing) Units, an interim distribution (if any) will be distributed in respect of the three-month periods ending on 31 March, 30 June and 30 September of each year (each an "Interim Accounting Date"), and a final distribution (if any) will be distributed in respect of the three-month period ending on 31 December of each year (the "Accounting Date").

Unitholders whose names are entered on the register of Unitholders on the Record Date will be entitled to distribution (if any) declared in respect of the corresponding Interim Accounting Period or Accounting Period. The Record Date will be the 14th day of the month following an Interim Accounting Period or an Accounting Period (that is 14 January, 14 April, 14 July and 14 October of each year) or such other day as the Manager may determine and notify to the Unitholders. If such day is not a Business Day, the Record Date will be the immediately preceding Business Day.

Payment of an interim distribution (if any) will be made within 12 weeks from an Interim Accounting Date. Payment of a final distribution (if any) will be made within two months from the Accounting Date. It is the current intention of the Manager that details of any distribution (whether by way of an interim or a final distribution) to be made will be announced within 7 Business Days from the relevant Record Date and payment of such distribution will be made within 10 Business Days from the Record Date.

For details regarding distribution, see the main part of the Explanatory Memorandum under "Distribution of Income".

Valuation

Valuation Days for the BEA Union Investment Asian Bond and Currency Fund are each Dealing Day and the Valuation Point is the close of the last relevant market to close on each Valuation Day, the first Valuation Day being the fourth Dealing Day following the Launch Period.

Risk Factors

Investors should be aware that the BEA Union Investment Asian Bond and Currency Fund invests directly in debt securities and is therefore subject to the risks generally associated with debt securities, namely, interest rate risks and credit risks. The BEA Union Investment Asian Bond and Currency Fund may invest in below investment grade or non-rated debt securities. Such debt securities are generally subject to more risk and volatility than higher-rated securities because

of reduced credit worthiness, liquidity and greater chance of default and can thereby expose the BEA Union Investment Asian Bond and Currency Fund to losses. As the Sub-Fund will invest principally in debt securities issued by Asian issuers and denominated in Asian currencies, the Sub-Fund is also subject to, among others, emerging markets risks and currency risks. For further details, please refer to the section headed "Risk Factors".

The BEA Union Investment Asian Bond and Currency Fund, due to its possible exposure to below investment grade debt securities, has a medium to high risk profile in terms of fluctuations in the value of its assets. Investors should regard the BEA Union Investment Asian Bond and Currency Fund as a medium to high risk investment.

APPENDIX V

BEA UNION INVESTMENT KOREA FUND

Introduction

The BEA Union Investment Korea Fund is a country fund which invests its assets primarily in listed marketable equity securities that have an exposure to Korea.

Units in the BEA Union Investment Korea Fund are being offered to investors at the Issue Price of US\$10.00 per Unit (or such other amount as the Manager and the Trustee may agree), exclusive of the preliminary charge (if any). The Launch Period of Units in BEA Union Investment Korea Fund will be such date or period as may be determined by the Manager. Following the Launch Period, Units are available for issue on each Dealing Day at the prevailing offer price.

The base currency of the BEA Union Investment Korea Fund is US\$.

Investment Objective and Policy

The investment objective of the BEA Union Investment Korea Fund is to seek long-term growth of capital through a diversified portfolio of listed marketable securities of companies that derive or are expected to derive a significant portion of their revenues from goods produced or sold, investments made or services performed in Korea ("Korean securities"). The BEA Union Investment Korea Fund will invest at least 70% of its non-cash assets in Korean securities. The securities that may be invested by the Sub-Fund will be primarily equity securities and equity linked securities, including common stocks, preferred stocks, warrants, equity deposits, equity linked notes and debt securities convertible into common stocks. The Sub-Fund may also invest in money market instruments, unit trusts and cash. The BEA Union Investment Korea Fund will focus on active management by stock selection, timing, management of exposure and sector allocation.

The BEA Union Investment Korea Fund shall invest at least 70% of its total assets in equity securities. Any remaining assets may be held in cash or cash equivalents.

The Manager may acquire financial futures contracts and currency forward contracts for the BEA Union Investment Korea Fund for hedging purposes to reduce risk and enhance asset value, and for investment purposes consistent with the investment objective of the Sub-Fund. The net total aggregate value of contract prices in respect of futures contracts and currency forward contracts entered into other than for hedging may not exceed 20% of the total net asset value of the Sub-Fund.

Available Classes

Class A, Class B and Class I Units are currently available for issue to investors.

Subscription Details

Launch Period

The Launch Period of Units in BEA Union Investment Korea Fund will be such date or period as may be determined by the Manager.

Issue Price
(exclusive of preliminary
charge, if any)

During the Launch Period:
US\$10.00 per Unit

Following the Launch Period:
at a price calculated with reference to the Net Asset Value per
Unit of the relevant class of Units as at the Valuation Point on
the relevant Valuation Day in accordance with the valuation
rules (as summarised in the main section of the Explanatory
Memorandum under the section headed "Valuation").

Minimum Investment Amount

For Class A and Class B Units: US\$2,000
For Class I Units: US\$1,000,000

Minimum Subsequent
Investments Amounts

For Class A and Class B Unit: US\$1,000
For Class I Units: US\$500,000

Minimum Holding

For Class A and Class B Units: US\$2,000
For Class I Units: US\$1,000,000

Minimum Redemption or
Conversion Amount

For Class A and Class B Units: Not applicable
For Class I Units: US\$500,000

For details regarding the procedure for the subscriptions, see the main part of the Explanatory
Memorandum under "Purchase of Units".

Fees

Preliminary Charge
(% of issue price)

Class A Units : up to 5%
Class B Units : Nil
Class I Units : Nil

Realisation Charge
(% of realisation price)

Class A Units : 0.5%, but currently waived.
***Class B Units** : Between 0-4% on a sliding scale by reference
to the number of years such Class B Units are held as follows:-

<u>Holding Period:</u>	<u>%</u>
less than 1 year	4%
1 year to 2 years	3%
2 years to 3 years	2%
3 years to 4 years	1%
4 years or more	Nil

***Class I Units** : 0.5% if such Class I Units are held for less
than 1 year, otherwise nil

**For the purpose of determining the realisation charge
payable on Class B and Class I Units, Units subscribed
earlier in time will be deemed to be realised prior to Units
subscribed later in time.*

Conversion Charge
(% of issue price of new Units)

All classes: Up to 2.0%

Management Fee
(% Net Asset Value of the
BEA Union Investment
Korea Fund)

Class A and Class B Units: 1.75% p.a.
Class I Units: 1.5% p.a.

Trustee Fee
(% Net Asset Value of the
BEA Union Investment
Korea Fund)

Current fee payable for all Classes: 0.175% p.a.

Registrar's Fee
(% Net Asset Value of the
BEA Union Investment
Korea Fund)

0.015-0.05% p.a. depending on the number of Unitholders
and the number of transactions in Units which occur during
any period.

Holders Servicing Fee
(% Net Asset Value of the
BEA Union Investment
Korea Fund)

Class A and Class I Units: Nil
Class B Units: 1% p.a.

Establishment Costs

The costs of establishment of the BEA Union Investment Korea Fund are estimated to be approximately HK\$150,000 and shall be borne by the BEA Union Investment Korea Fund and will be deducted during the course of the first 12 months following its launch.

Dealing Day and Dealing Deadline

Each Business Day shall be a Dealing Day.

The Dealing Deadline is 4:00 p.m. (Hong Kong time) on each Dealing Day.

In order for instructions for subscriptions, realisations, conversions and transfers to be dealt with on the same Dealing Day, such instructions must be received by the Authorised Distributor before the Dealing Deadline on the same Dealing Day. Instructions received after the Dealing Deadline or on a day which is not a Dealing Day will be carried forward and dealt with on the next Dealing Day.

Distributions

Income, if any, and net capital gains, if any, in respect of the BEA Union Investment Korea Fund shall be accumulated and capitalised and no distributions will be made.

Valuation

Valuation Days for the BEA Union Investment Korea Fund are each Dealing Day and the Valuation Point is the close of the last relevant market to close on each Valuation Day, the first Valuation Day being the third Dealing Day following the Launch Period.

Risk Factors

Investors should be aware that the BEA Union Investment Korea Fund invests directly in equities which are subject to the risks generally associated with equity investment, namely, the market value of the stocks may go down as well as up. Factors affecting the stock values are numerous, including but not limited to changes in investment sentiment, political environment, economic environment and the business and social conditions in Korea. Securities exchanges in Korea typically have the right to suspend or limit trading in any security traded on the relevant exchange; a suspension will render it impossible to liquidate positions and can thereby expose the BEA Union Investment Korea Fund to losses.

As the BEA Union Investment Korea Fund invests in a specific country, it is subject to country risks. Although its portfolio will be well diversified in terms of the number of holdings, investors should be aware that the BEA Union Investment Korea Fund is likely to be more volatile than a broad-based fund, such as an ordinary global or regional equity fund, as it is more susceptible to fluctuations in value resulting from adverse conditions in Korea.

The BEA Union Investment Korea Fund, due to its high exposure to equities in Korea, has a high risk profile in terms of fluctuations in the value of its assets. Investors should regard the BEA Union Investment Korea Fund as a high risk investment.

APPENDIX VI

BEA UNION INVESTMENT TAIWAN FUND

Introduction

The BEA Union Investment Taiwan Fund is a country fund which invests its assets primarily in listed marketable equity securities that have an exposure to Taiwan.

Units in the BEA Union Investment Taiwan Fund are being offered to investors at the Issue Price of US\$10.00 per Unit (or such other amount as the Manager and the Trustee may agree), exclusive of the preliminary charge (if any). The Launch Period of Units in BEA Union Investment Taiwan Fund will be such date or period as may be determined by the Manager. Following the Launch Period, Units are available for issue on each Dealing Day at the prevailing offer price.

The base currency of the BEA Union Investment Taiwan Fund is US\$.

Investment Objective and Policy

The investment objective of the BEA Union Investment Taiwan Fund is to seek long-term growth of capital through a diversified portfolio of listed marketable securities of companies that derive or are expected to derive a significant portion of their revenues from goods produced or sold, investments made or services performed in Taiwan ("Taiwan securities"). The BEA Union Investment Taiwan Fund will invest at least 70% of its non-cash assets in Taiwan securities. The securities that may be invested by the Sub-Fund will be primarily equity securities and equity linked securities, including common stocks, preferred stocks, warrants, equity deposits, equity linked notes and debt securities convertible into common stocks. The Sub-Fund may also invest in money market instruments, unit trusts and cash. The BEA Union Investment Taiwan Fund will focus on active management by stock selection, timing, management of exposure and sector allocation.

The BEA Union Investment Taiwan Fund shall invest at least 70% of its total assets in equity securities. Any remaining assets may be held in cash or cash equivalents.

The Manager may acquire financial futures contracts and currency forward contracts for the BEA Union Investment Taiwan Fund for hedging purposes to reduce risk and enhance asset value, and for investment purposes consistent with the investment objective of the Sub-Fund. The net total aggregate value of contract prices in respect of futures contracts and currency forward contracts entered into other than for hedging may not exceed 20% of the total net asset value of the Sub-Fund.

Available Classes

Class A, Class B and Class I Units are currently available for issue to investors.

Subscription Details

Launch Period	The Launch Period of Units in BEA Union Investment Taiwan Fund will be such date or period as may be determined by the Manager.
Issue Price (exclusive of preliminary charge, if any)	During the Launch Period: US\$10.00 per Unit Following the Launch Period: at a price calculated with reference to the Net Asset Value per Unit of the relevant class of Units as at the Valuation Point on the relevant Valuation Day in accordance with the valuation rules (as summarised in the main section of the Explanatory Memorandum under the section headed "Valuation").
Minimum Investment Amount	For Class A and Class B Units: US\$2,000 For Class I Units: US\$1,000,000

Minimum Subsequent Investments Amounts	For Class A and Class B Unit: US\$1,000 For Class I Units: US\$500,000
Minimum Holding	For Class A and Class B Units: US\$2,000 For Class I Units: US\$1,000,000
Minimum Redemption or Conversion Amount	For Class A and Class B Units: Not applicable For Class I Units: US\$500,000

For details regarding the procedure for the subscriptions, see the main part of the Explanatory Memorandum under "Purchase of Units".

Fees

Preliminary Charge (% of issue price)	Class A Units : up to 5% Class B Units : Nil Class I Units : Nil
Realisation Charge (% of realisation price)	Class A Units : 0.5%, but currently waived. *Class B Units : Between 0-4% on a sliding scale by reference to the number of years such Class B Units are held as follows:-

<u>Holding Period:</u>	<u>%</u>
less than 1 year	4%
1 year to 2 years	3%
2 years to 3 years	2%
3 years to 4 years	1%
4 years or more	Nil

***Class I Units** : 0.5% if such Class I Units are held for less than 1 year, otherwise nil

**For the purpose of determining the realisation charge payable on Class B and Class I Units, Units subscribed earlier in time will be deemed to be realised prior to Units subscribed later in time.*

Conversion Charge (% of issue price of new Units)	All classes: Up to 2.0%
Management Fee (% Net Asset Value of the BEA Union Investment Taiwan Fund)	Class A and Class B Units: 1.75% p.a. Class I Units: 1.5% p.a.
Trustee Fee (% Net Asset Value of the BEA Union Investment Taiwan Fund)	Current fee payable for all Classes: 0.175% p.a.
Registrar's Fee (% Net Asset Value of the BEA Union Investment Taiwan Fund)	0.015-0.05% p.a. depending on the number of Unitholders and the number of transactions in Units which occur during any period.
Holder's Servicing Fee (% Net Asset Value of the BEA Union Investment Taiwan Fund)	Class A and Class I Units: Nil Class B Units: 1% p.a.

Establishment Costs

The costs of establishment of the BEA Union Investment Taiwan Fund are estimated to be approximately HK\$150,000 and shall be borne by the BEA Union Investment Taiwan Fund and will be deducted during the course of the first 12 months following its launch.

Dealing Day and Dealing Deadline

Each Business Day shall be a Dealing Day.

The Dealing Deadline is 4:00 p.m. (Hong Kong time) on each Dealing Day.

In order for instructions for subscriptions, realisations, conversions and transfers to be dealt with on the same Dealing Day, such instructions must be received by the Authorised Distributor before the Dealing Deadline on the same Dealing Day. Instructions received after the Dealing Deadline or on a day which is not a Dealing Day will be carried forward and dealt with on the next Dealing Day.

Distributions

Income, if any, and net capital gains, if any, in respect of the BEA Union Investment Taiwan Fund shall be accumulated and capitalised and no distributions will be made.

Valuation

Valuation Days for the BEA Union Investment Taiwan Fund are each Dealing Day and the Valuation Point is the close of the last relevant market to close on each Valuation Day, the first Valuation Day being the third Dealing Day following the Launch Period.

Risk Factors

Investors should be aware that the BEA Union Investment Taiwan Fund invests directly in equities which are subject to the risks generally associated with equity investment, namely, the market value of the stocks may go down as well as up. Factors affecting the stock values are numerous, including but not limited to changes in investment sentiment, political environment, economic environment and the business and social conditions in Taiwan. Securities exchanges in Taiwan typically have the right to suspend or limit trading in any security traded on the relevant exchange; a suspension will render it impossible to liquidate positions and can thereby expose the BEA Union Investment Taiwan Fund to losses.

As the BEA Union Investment Taiwan Fund invests in a specific country, it is subject to country risks. Although its portfolio will be well diversified in terms of the number of holdings, investors should be aware that the BEA Union Investment Taiwan Fund is likely to be more volatile than a broad-based fund, such as an ordinary global or regional equity fund, as it is more susceptible to fluctuations in value resulting from adverse conditions in Taiwan.

The BEA Union Investment Taiwan Fund, due to its high exposure to equities in Taiwan, has a high risk profile in terms of fluctuations in the value of its assets. Investors should regard the BEA Union Investment Taiwan Fund as a high risk investment.

APPENDIX VII

BEA UNION INVESTMENT FOUR SEASONS FUND

Introduction

The BEA Union Investment Four Seasons Fund is a fund which invests its assets primarily in a dynamically allocated portfolio of marketable equity and debt securities.

Class A Units in the BEA Union Investment Four Seasons Fund are being offered to investors at the Issue Price of US\$10.00 per Unit (or such other amount as the Manager and the Trustee may agree), exclusive of the preliminary charge (if any). The Launch Period of Class A Units will be from 9:00 am (Hong Kong time) on 28 September 2009 to 4:00 pm (Hong Kong time) on

23 October 2009 (or such other date or period as may be determined by the Manager). The initial issue Class A Units will be on 28 October 2009 (or such other date or dates as may be determined by the Manager). Following the Launch Period, Units are available for issue on each Dealing Day at the prevailing offer price.

The base currency of the BEA Union Investment Four Seasons Fund is US\$.

Investment Objective and Policy

The investment objective of the BEA Union Investment Four Seasons Fund is to seek to achieve short term capital stability, and the potential for capital growth over the medium to long term through investing in a dynamically allocated portfolio of marketable equity and debt securities consisting of equity securities and equity linked securities, including common stocks, preferred stocks, warrants, equity deposits, equity linked notes, and debt securities issued by government or corporate entities.

Debt securities invested by the Sub-Fund may include convertible and non-convertible, exchangeable and non-exchangeable debt securities, fixed and floating rate bonds, zero coupon and discount bonds, transferable notes, commercial paper, certificates of deposits of variable or fixed interest rates listed, traded or dealt in regulated markets or exchange. These debt securities may include below investment grade debt securities. The Sub-Fund may also invest in money market instruments, collective investment schemes and cash.

The BEA Union Investment Four Seasons Fund will normally hold between 10% and 80% of its total assets (excluding cash and cash equivalents) in equity and equity linked securities. In addition, the Sub-Fund will invest between 20 % and 90% of its total assets (excluding cash and cash equivalents) in debt securities. However, the Manager may under exceptional circumstances decide at its own discretion to invest up to 100% of the Sub-Fund's total assets in debt securities and/or equity securities to achieve the investment objective of the Sub-Fund.

The Manager may acquire financial futures contracts and currency forward contracts for the BEA Union Investment Four Seasons Fund for hedging purposes to reduce risk and enhance asset value, and for investment purposes consistent with the investment objective of the Sub-Fund. The net total aggregate value of contract prices in respect of futures contracts and currency forward contracts entered into other than for hedging may not exceed 20% of the total net asset value of the Sub-Fund.

Dynamic asset allocation strategy

The Sub-Fund adopts a dynamic asset allocation strategy named "IMMUNO" which the Manager believes is more competitive than static or semi-static strategies. Asset allocation is adjusted dynamically between higher risk securities (e.g. equities) and lower risk securities (e.g. debt securities) according to risk budgets.

Through risk budgeting by using risk management systems such as the Monte Carlo methods to carry out simulations and multifactor modelling, the expected maximum losses are derived. The level of risk undertaken by the Sub-Fund is continuously reviewed and aligned to the risk budget developed according to changing market conditions.

The Manager believes that the dynamic asset allocation according to risk budgets will produce an asymmetric (i.e. convex) pay-off profile as compared to traditional static or semi-static investment strategies. With an asymmetric pay-off profile, the assets of the Sub-Fund may not be as fully invested in higher risk securities in a rising market as a fund with more traditional strategies. In such case, the Sub-Fund's performance may as a result be potentially lower than more traditional funds. On the other hand in a highly volatile market, through risk management and dynamic asset allocation in lower risk securities, the Sub-Fund's performance may potentially be higher than more traditional funds. Therefore, while the dynamic asset allocation strategy seeks to minimise the impact on Net Asset Value in poor market conditions, it may cause the Sub-Fund to under-perform relative to other more traditional products in a rising market. Through this strategy, it is intended the Sub-Fund's Net Asset Value per Unit as at a financial year end will not fall below a certain level (the "Floor"). The Floor for each financial year is determined by the Manager through risk budgeting and is currently set at 90% of the Net Asset Value per Unit of the Sub-Fund as at the previous financial year end. For the first financial year ending on 31 December 2009, the Floor is currently set at 90% of the Issue Price of the Sub-Fund (i.e. 90% of US\$10). The Manager reserves the right to adjust upwards or downward the level of the Floor.

The dynamic asset allocation strategy set out above describes the investment strategy that the Sub-Fund intends to adopt. Investors should note that the Sub-Fund is not a guaranteed fund and there is no assurance that the investment objective of the Sub-Fund will be achieved, and there is no guarantee that the strategy will achieve its desired results or operate to limit losses.

Available Classes

Currently only Class A Units are available for issue to investors.

Subscription Details

Launch Period	The Launch Period of Class A Units will be from 9:00 am (Hong Kong time) on 28 September 2009 to 4:00 pm (Hong Kong time) on 23 October 2009 (or such other date or period as may be determined by the Manager).
Issue Price (exclusive of preliminary charge, if any)	During the Launch Period: US\$10.00 per Unit Following the Launch Period: at a price calculated with reference to the Net Asset Value per Unit of the relevant class of Units as at the Valuation Point on the relevant Valuation Day in accordance with the valuation rules (as summarised in the main section of the Explanatory Memorandum under the section headed "Valuation").
Minimum Investment Amount	For Class A Units: US\$2,000
Minimum Subsequent Investments Amounts	For Class A Units: US\$1,000
Minimum Holding	For Class A Units: US\$2,000
Minimum Redemption or Conversion Amount	For Class A Units: Not applicable

For details regarding the procedure for the subscriptions, see the main part of the Explanatory Memorandum under "Purchase of Units".

Fees

Preliminary Charge (% of issue price)	Class A Units : up to 5%
Realisation Charge (% of realisation price)	Class A Units : 0.5%, but currently waived.
Conversion Charge (% of issue price of new Units)	Class A Units : Up to 2.0%
Management Fee (% Net Asset Value of the BEA Union Investment Four Seasons Fund)	Class A Units : 1.75% p.a.
Investment Advisory Fee	The investment advisory fee payable to Union Investment Institutional GmbH will be borne by the Manager

Trustee Fee (% Net Asset Value of the BEA Union Investment Four Seasons Fund)	Current fee payable for Class A Units: 0.175% p.a.
Registrar's Fee (% Net Asset Value of the BEA Union Investment Four Seasons Fund)	0.015-0.05% p.a. depending on the number of Unitholders and the number of transactions in Units which occur during any period.
Holders Servicing Fee (% Net Asset Value of the BEA Union Investment Four Seasons Fund)	Class A Units: Nil
Distribution Policy	Class A Units: no distributions

Establishment Costs

The costs of establishment of the BEA Union Investment Four Seasons Fund are estimated to be approximately HK\$150,000 and shall be borne by the BEA Union Investment Four Seasons Fund and will be deducted during the course of the first 12 months following its launch.

Dealing Day and Dealing Deadline

Each Business Day shall be a Dealing Day.

The Dealing Deadline is 4:00 p.m. (Hong Kong time) on each Dealing Day.

In order for instructions for subscriptions, realisations, conversions and transfers to be dealt with on the same Dealing Day, such instructions must be received by the Authorised Distributor before the Dealing Deadline on the same Dealing Day. Instructions received after the Dealing Deadline or on a day which is not a Dealing Day will be carried forward and dealt with on the next Dealing Day.

Valuation

Valuation Days for the BEA Union Investment Four Seasons Fund are each Dealing Day and the Valuation Point is the close of the last relevant market to close on each Valuation Day, the first Valuation Day being the third Dealing Day following the Launch Period.

Risk Factors

Investors should be aware that the BEA Union Investment Four Seasons Fund invests directly in equities which are subject to the risks generally associated with equity investment, namely, the market value of the stocks may go down as well as up. Factors affecting the stock values are numerous, including but not limited to changes in investment sentiment, political environment, economic environment and business and social conditions. Securities exchanges typically have the right to suspend or limit trading in any security traded on the relevant exchange; a suspension will render it impossible to liquidate positions and can thereby expose the BEA Union Investment Four Seasons Fund to losses. In addition, the BEA Union Investment Four Seasons Fund may invest in below investment grade debt securities. Such debt securities are generally subject to more risk and volatility than higher-rated securities because of reduced credit worthiness, liquidity and greater chance of default and can thereby expose the BEA Union Investment Four Seasons Fund to losses.

The BEA Union Investment Four Seasons Fund, due to its exposure to equities and possible exposure to below investment grade debt securities, has a high risk profile in terms of fluctuations in the value of its assets. Investors should regard the BEA Union Investment Four Seasons Fund as a high risk investment.

APPENDIX VIII

BEA UNION INVESTMENT CHINA PHOENIX FUND

Introduction

The BEA Union Investment China Phoenix Fund invests its assets primarily in marketable equity securities that have exposure to the economic growth of China.

Units in the BEA Union Investment China Phoenix Fund will be offered to investors at the Issue Price of US\$10.00 per Unit (or such other amount as the Manager and the Trustee may agree), exclusive of the preliminary charge (if any). The Launch Period of Units in BEA Union Investment China Phoenix Fund will be such date or period as may be determined by the Manager. Following the Launch Period, Units are available for issue on each Dealing Day at the prevailing offer price.

The base currency of the BEA Union Investment China Phoenix Fund is US\$.

Investment Objective and Policy

The investment objective of the BEA Union Investment China Phoenix Fund is to seek long-term capital appreciation through investing in listed securities of companies that are expected to benefit from or have exposure to the economic growth of mainland China. At least 70% of the Sub-Fund's non-cash assets will be invested in securities listed, traded or dealt with on the stock exchanges in Hong Kong and China. The securities that may be invested by the Sub-Fund will be primarily equity securities and equity linked securities, including common stocks, preferred stocks, warrants, equity deposits, equity linked notes and debt securities convertible into common stocks. The Sub-Fund may also invest in money market instruments, unit trusts and cash. The BEA Union Investment China Phoenix Fund will focus on active management by stock selection, timing, management of exposure and sector allocation.

The BEA Union Investment China Phoenix Fund shall invest at least 70% of its total assets in equity securities. Any remaining assets may be held in cash or cash equivalents.

The Manager may acquire financial futures contracts and currency forward contracts for the BEA Union Investment China Phoenix Fund for hedging purposes to reduce risk and enhance asset value, and for investment purposes consistent with the investment objective of the Sub-Fund. The net total aggregate value of contract prices in respect of futures contracts and currency forward contracts entered into other than for hedging may not exceed 20% of the total net asset value of the Sub-Fund.

As at the date of issue of this document, equity exposure to securities listed in China will be achieved through China B-Shares but this may change subject to the Sub-Fund obtaining access to directly investing in China A-Shares through QFII. The Sub-Fund currently is not expected to obtain any direct access to China A-Shares through QFII. The Sub-Fund's investment in China A-Shares and China B-Shares in aggregate is not expected to exceed 35% of the Sub-Fund's total net asset value.

Available Classes

Class A, Class B and Class I Units are currently available for issue to investors.

Subscription Details

Launch Period	The Launch Period of Units in BEA Union Investment China Phoenix Fund will be such date or period as may be determined by the Manager.
Issue Price (exclusive of preliminary charge, if any)	During the Launch Period: US\$10.00 per Unit

Following the Launch Period:
 at a price calculated with reference to the Net Asset Value per Unit of the relevant class of Units as at the Valuation Point on the relevant Valuation Day in accordance with the valuation rules (as summarised in the main section of the Explanatory Memorandum under the section headed "Valuation").

Minimum Investment Amount	For Class A and Class B Units: US\$2,000 For Class I Units: US\$1,000,000
Minimum Subsequent Investments Amounts	For Class A and Class B Unit: US\$1,000 For Class I Units: US\$500,000
Minimum Holding	For Class A and Class B Units: US\$2,000 For Class I Units: US\$1,000,000
Minimum Redemption or Conversion Amount	For Class A and Class B Units: Not applicable For Class I Units: US\$500,000

For details regarding the procedure for the subscriptions, see the main part of the Explanatory Memorandum under "Purchase of Units".

Fees

Preliminary Charge (% of issue price)	Class A Units : up to 5% Class B Units : Nil Class I Units : Nil
Realisation Charge (% of realisation price)	Class A Units : 0.5%, but currently waived. *Class B Units : Between 0-4% on a sliding scale by reference to the number of years such Class B Units are held as follows:-

<u>Holding Period:</u>	<u>%</u>
less than 1 year	4%
1 year to 2 years	3%
2 years to 3 years	2%
3 years to 4 years	1%
4 years or more	Nil

***Class I Units** : 0.5% if such Class I Units are held for less than 1 year, otherwise nil

**For the purpose of determining the realisation charge payable on Class B and Class I Units, Units subscribed earlier in time will be deemed to be realised prior to Units subscribed later in time.*

Conversion Charge
(% of issue price of new Units)

All classes: Up to 2.0%

Management Fee
(% Net Asset Value of the BEA Union Investment China Phoenix Fund)

Class A and Class B Units: 1.75% p.a.
Class I Units: 1.5% p.a.

Trustee Fee
(% Net Asset Value of the BEA Union Investment China Phoenix Fund)

Current fee payable for all Classes: 0.175% p.a.

Registrar's Fee
(% Net Asset Value of the
BEA Union Investment
China Phoenix Fund) 0.015-0.05% p.a. depending on the number of Unitholders
and the number of transactions in Units which occur during
any period.

Holders Servicing Fee
(% Net Asset Value of the
BEA Union Investment
China Phoenix Fund) **Class A and Class I Units:** Nil
Class B Units: 1% p.a.

Establishment Costs

The costs of establishment of the BEA Union Investment China Phoenix Fund are estimated to be approximately HK\$150,000 and shall be borne by the BEA Union Investment China Phoenix Fund and will be deducted during the course of the first 12 months following its launch.

Dealing Day and Dealing Deadline

Each Business Day shall be a Dealing Day.

The Dealing Deadline is 4:00 p.m. (Hong Kong time) on each Dealing Day.

In order for instructions for subscriptions, realisations, conversions and transfers to be dealt with on the same Dealing Day, such instructions must be received by the Authorised Distributor before the Dealing Deadline on the same Dealing Day. Instructions received after the Dealing Deadline or on a day which is not a Dealing Day will be carried forward and dealt with on the next Dealing Day.

Distributions

Income, if any, and net capital gains, if any, in respect of the BEA Union Investment China Phoenix Fund shall be accumulated and capitalised and no distributions will be made.

Valuation

Valuation Days for the BEA Union Investment China Phoenix Fund are each Dealing Day and the Valuation Point is the close of the last relevant market to close on each Valuation Day, the first Valuation Day being the third Dealing Day following the Launch Period.

Risk Factors

Investors should be aware that the BEA Union Investment China Phoenix Fund invests directly in equities which are subject to the risks generally associated with equity investment, namely, the market value of the stocks may go down as well as up. Factors affecting the stock values are numerous, including but not limited to changes in investment sentiment, political environment, economic environment and the business and social conditions in China. Securities exchanges in China typically have the right to suspend or limit trading in any security traded on the relevant exchange; a suspension will render it impossible to liquidate positions and can thereby expose the BEA Union Investment China Phoenix Fund to losses.

As the BEA Union Investment China Phoenix Fund invests in securities specifically exposed to China, it is subject to country-specific risks. Although its portfolio will be well diversified in terms of the number of holdings, investors should be aware that the BEA Union Investment China Phoenix Fund is likely to be more volatile than a broad-based fund, such as an ordinary global or regional equity fund, as it is more susceptible to fluctuations in value resulting from adverse conditions in China.

For further details relating to the above and other risks, please refer to the section headed "**Risk Factors**".

The BEA Union Investment China Phoenix Fund, due to its high exposure to equities exposed to China, has a high risk profile in terms of fluctuations in the value of its assets. Investors should regard the BEA Union Investment China Phoenix Fund as a high risk investment.

SUMMARY OF EXPENSES AND CHARGES

	Management Fee			Trustee Fee			Holders Servicing Fee		
	Class A	Class B	Class I	Class A	Class B	Class I	Class A	Class B	Class I
BEA Union Investment Japan Growth Fund*	1.50% p.a.	1.50% p.a.	1.125% p.a.	0.125% p.a.	0.125% p.a.	0.125% p.a.	Nil	1.0% p.a.	Nil
BEA Union Investment Global Themes Fund	1.50% p.a.	1.50% p.a.	1.125% p.a.	0.175% p.a.	0.175% p.a.	0.175% p.a.	Nil	1.0% p.a.	Nil
BEA Union Investment Global Resources Fund	1.50% p.a.	1.50% p.a.	1.125% p.a.	0.175% p.a.	0.175% p.a.	0.175% p.a.	Nil	1.0% p.a.	Nil
BEA Union Investment Asia Bond and Currency Fund	0.75% p.a.	0.85% p.a.	0.50% p.a.	0.125% p.a.	0.125% p.a.	0.125% p.a.	Nil	1.0% p.a.	Nil
BEA Union Investment Korea Fund	1.75% p.a.	1.75% p.a.	1.50% p.a.	0.175% p.a.	0.175% p.a.	0.175% p.a.	Nil	1.0% p.a.	Nil
BEA Union Investment Taiwan Fund	1.75% p.a.	1.75% p.a.	1.50% p.a.	0.175% p.a.	0.175% p.a.	0.175% p.a.	Nil	1.0% p.a.	Nil
BEA Union Investment Four Seasons Fund	1.75% p.a.	N/A	N/A	0.175% p.a.	N/A	N/A	Nil	N/A	N/A
BEA Union Investment China Phoenix Fund	1.75% p.a.	1.75% p.a.	1.50% p.a.	0.175% p.a.	0.175% p.a.	0.175% p.a.	Nil	1.0% p.a.	Nil
<p>Notes: (1) The rate of the management fee in respect of Class A, Class B and/or Class I Units may be increased up to or towards a maximum rate of 2.0% p.a. on giving not less than one month's notice (or such other notice as may be approved by the SFC) to affected Unitholders.</p> <p>(2) The rate of the trustee fee in respect of Class A, Class B and/or Class I Units may be increased up to or towards a maximum rate of 1.0% p.a. on giving not less than one month's notice (or such other notice as may be approved by the SFC) to affected Unitholders.</p> <p>(3) The rate of the holders servicing fee in respect of Class B Units may be increased up to or towards a maximum rate of 2.0% p.a. on giving not less than one month's notice (or such other notice as may be approved by the SFC) to affected Unitholders.</p> <p>(4) BEA Union Investment Four Seasons Fund currently only has Class A Units</p> <p>*It is the Manager's present intention that the aggregate of the management fees payable to the Manager and the manager of the Underlying Fund will not, in the case of Class A and Class B Units, exceed 1.50% p.a. and, in the case of Class I Units, exceed 1.25% per annum, based on the Net Asset Value of the BEA Union Investment Japan Growth Fund. It is the Trustee's present intention that the aggregate of the trustee fees payable to the Trustee and the trustee of the Underlying Fund will not exceed 0.625% p.a. of the Net Asset Value of the BEA Union Investment Japan Growth Fund. In addition, the trustee of the Underlying Fund is currently entitled to receive a servicing fee of up to 0.2% p.a. of the net asset value of the Underlying Fund. Further details in respect of the fees and charges of the Underlying Fund are summarised under section headed "Fees of the Underlying Fund of the BEA Union Investment Japan Growth Fund" in Appendix I to the Explanatory Memorandum.</p>									
Registrar's Fee	0.015 - 0.05% p.a. of the net asset value of each Sub-Fund. Such fee will depend on the number of Unitholders and the number of transactions in Units which occur during any period.								
Preliminary Charge	For Class A Units — up to 5% of the issue price of such Units For Class B Units — Nil For Class I Units — Nil								
Realisation Charge	<p>For each of the Sub-Funds:</p> <p>For Class A Units — 0.5% of the realisation price of such Units, but currently waived.</p> <p>For Class B Units — 4% of the realisation price of such Units for holding period of less than 1 year; 3% of the realisation price of such Units for holding period of 1 year or more but less than 2 years; 2% for holding period of 2 years or more but less than 3 years; 1% of the realisation price of such Units for holding period of 3 years or more but less than 4 years; and nil for holding period of 4 years or more.</p> <p>*For Class I Units — 1% of the realisation price of such Units for holding period of less than 1 year; and nil for holding period of 1 year or more.</p>								

Charges on converting between Sub-Funds	For Class A, Class B — currently, the aggregate of the realisation charge and preliminary charge payable on a conversion from one Sub-Fund to another Sub-Fund will not exceed 2% of the issue price of the new Units.	and Class I Units	
Operating Expenses	The Sub-Funds will bear the operating expenses of the Fund in proportion to their respective net asset values or in such other manner as the Manager with the approval of the Trustee shall consider fair. Such expenses are summarised under the section headed "Expenses and Charges" and include audit and legal fees and regulatory fees.		
Establishment Costs	Each Sub-Fund will bear the costs and expenses incurred by the Manager and Trustee in its establishment.		
	The approximate establishment costs of each Sub-Fund are as follows:		
		Establishment Costs	Treatment of Establishment Costs
	BEA Union Investment Japan Growth Fund	The Sub-Fund, Class A and Class B: amounted to approximately HK\$400,000; Class I: amounted to approximately HK\$10,000	HK\$400,000 deducted during the course of the first 12 months following launch of fund; HK\$10,000 to be deducted during the course of the first 12 months following launch of Class I Units.
	BEA Union Investment Global Themes Fund	The Sub-Fund, Class A and Class B: amounted to approximately HK\$275,000; Class I: amounted to approximately HK\$10,000	HK\$275,000 deducted during the course of the first 12 months following launch of fund; HK\$10,000 to be deducted during the course of the first 12 months following launch of Class I Units.
	BEA Union Investment Global Resources Fund	The Sub-Fund, Class A and Class B: amounted to approximately HK\$375,000; Class I: amounted to approximately HK\$10,000	HK\$375,000 deducted during the course of the first 12 months following launch of fund; HK\$10,000 to be deducted during the course of the first 12 months following launch of Class I Units.
	BEA Union Investment Asian Bond and Currency Fund	Amounted to HK\$230,000	HK\$230,000 deducted during the course of the first 12 months following launch of fund.
	BEA Union Investment Korea Fund	The Sub-Fund, Class A, Class B and Class I: estimated to be approximately HK\$150,000	To be deducted during the course of the first 12 months following launch.
	BEA Union Investment Taiwan Fund	The Sub-Fund, Class A, Class B and Class I: estimated to be approximately HK\$150,000	To be deducted during the course of the first 12 months following launch.
	BEA Union Investment Four Seasons Fund	The Sub-Fund and Class A: estimated to be approximately HK\$150,000	To be deducted during the course of the first 12 months following launch.
BEA Union Investment China Phoenix Fund	The Sub-Fund, Class A, Class B and Class I: estimated to be approximately HK\$150,000	To be deducted during the course of the first 12 months following launch.	

Further details in respect of the costs and expenses incurred in the establishment of the Fund and Sub-Funds are summarised in the section headed "Expenses and Charges".