

Information Memorandum

21 February 2025

Principal Nasdaq Equity Premium Income Fund

Manager : Principal Asset Management Berhad (199401018399 (304078-K))

Trustee : HSBC (Malaysia) Trustee Berhad (193701000084 (1281-T))

This Information Memorandum Issue No. 1 for the Principal Nasdaq Equity Premium Income Fund is dated 21 February 2025.

The Fund was constituted on 22 January 2025.

The Securities Commission Malaysia has not authorised or recognised the Fund and a copy of this Information Memorandum has not been registered with the Securities Commission Malaysia.

The lodgement of this Information Memorandum should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Information Memorandum.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Principal Asset Management Berhad who is responsible for the Fund and takes no responsibility for the contents in this Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Information Memorandum, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

SOPHISTICATED INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE INFORMATION MEMORANDUM. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

THE FUND IS A MULTI-CLASS FUND AND IS ALLOWED TO ESTABLISH NEW CLASS(ES) FROM TIME TO TIME AS MAY BE DETERMINED BY THE MANAGER.

ABOUT THIS DOCUMENT

This is an information memorandum which introduces you to Principal Malaysia and the Fund, which is a wholesale fund. This Information Memorandum outlines in general the information you need to know about the Fund and is intended for the exclusive use by prospective Sophisticated Investors (as defined herein) who should ensure that all information contained herein remains confidential. The Fund is established as a multi-class fund and has more than one (1) class.

This Information Memorandum is strictly private and confidential and solely for your own use. It is not to be circulated to any third party. No offer or invitation to purchase the units of the Fund, the subject of this Information Memorandum, may be made to anyone who is not a Sophisticated Investor.

If you have any questions about the Fund, please call our Customer Care Centre during business hour at (03) 7723 7260 or WhatsApp at +6016 299 9792 between 8:45 a.m. and 5:45 p.m. (Malaysian time) on Mondays to Fridays.

Unless otherwise indicated, any reference in this Information Memorandum to any rules, regulations, guidelines, standards, directives, notices, legislations or statutes shall be reference to those rules, regulations, guidelines, standards, directives, notices, legislations or statutes for the time being in force, as may be amended, varied, modified, updated, superseded and/or re-enacted from time to time.

Any reference to a time, day or date in this Information Memorandum shall be a reference to that time, day or date in Malaysia, unless otherwise stated. Reference to “days” in this Information Memorandum will be taken to mean calendar days unless otherwise stated.

As the base currency of the Fund is USD, please note that all references to currency amounts and NAV per unit in this Information Memorandum are in USD unless otherwise indicated.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF YOU ARE IN DOUBT, PLEASE CONSULT YOUR PROFESSIONAL ADVISERS IMMEDIATELY.

INVESTORS SHOULD BE AWARE THAT THE CAPITAL OF THE FUND WILL BE ERODED WHEN THE FUND DECLARES DISTRIBUTION OUT OF CAPITAL AS THE DISTRIBUTION IS ACHIEVED BY FORGOING THE POTENTIAL FOR FUTURE CAPITAL GROWTH AND THIS CYCLE MAY CONTINUE UNTIL ALL CAPITAL IS DEPLETED.

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Information Memorandum:

- Act - The Irish Collective Asset-management Vehicles Act 2015 and all applicable Central Bank regulations made or conditions imposed.
- Application Fee - Preliminary charge on each investment.
- AUD - Australian Dollar.
- Business Day - Mondays to Fridays when Bursa Malaysia Securities Berhad is open for trading, and/or banks in Kuala Lumpur and/or Selangor are open for business. In respect of the Target Fund, it means a day other than New Year’s Day, Good Friday, Easter Monday, May Day bank holiday, Christmas Day and the days immediately prior to and following Christmas Day.

Note: We may declare certain Business Days to be a non-Business Day if the jurisdiction of the Target Fund declares a non-business day and/or if the Target Fund Management Company declares a non-Dealing Day. This information will be communicated to you via our website at www.principal.com.my.

- Central Bank UCITS Regulations - The Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as may be amended from time to time, and any guidance issued by the Central Bank of Ireland in respect of same.
- CIMB Group - CIMB Group Sdn. Bhd.
- CIS - Collective investment scheme.
- Class - Any class of units representing similar interest in the assets of the Fund.
- Class AUD-Hedged - The Class issued by the Fund denominated in AUD that aims to minimize the effect of exchange rate fluctuations between the base currency of the Fund (i.e. USD) and AUD.
- Class JPY-Hedged - The Class issued by the Fund denominated in JPY that aims to minimize the effect of exchange rate fluctuations between the base currency of the Fund (i.e. USD) and JPY.
- Class MYR - The Class issued by the Fund denominated in MYR.
- Class MYR-Hedged - The Class issued by the Fund denominated in MYR that aims to minimize the effect of exchange rate fluctuations between the base currency of the Fund (i.e. USD) and MYR.
- Class SGD-Hedged - The Class issued by the Fund denominated in SGD that aims to minimize the effect of exchange rate fluctuations between the base currency of the Fund (i.e. USD) and SGD.
- Class USD - The Class issued by the Fund denominated in USD.
- CMSA - Capital Markets and Services Act 2007.
- Commencement Date - The next Business Day immediately following the end of the initial offer period of the respective Class.
- Dealing Day - Each Business Day will be a Dealing Day, except (i) New Year’s Eve; (ii) a day on which any exchange or market on which a substantial portion of the Target Fund’s investments is traded, is closed; and (iii) such other day or days as the directors of the ICAV may determine and notify to the administrator of the Target Fund and to shareholders of the Target Fund in advance, provided always that there shall be at least one Dealing Day per fortnight.

When dealings on any exchange or market are restricted or suspended, the Management Company may, in consideration of prevailing market conditions or other relevant factors, determine whether such Business Day shall be a Dealing Day or not.
- Deed - The principal and all supplemental deed in respect of the Fund made between us and the Trustee, in which Unit holders agree to be bound by the provisions of the Deed.
- Deposit - As per the definition of “deposit” in the Financial Services Act 2013 and “Islamic deposit” in the Islamic Financial Services Act 2013.
- Distributor(s) - Any relevant persons and bodies appointed by Principal Malaysia from time to time, who are responsible for selling units of the Fund, including Principal Distributors and IUTAs.
- FDIs - Financial derivative instruments.
- Fund or NEPI - Principal Nasdaq Equity Premium Income Fund.
- GLOLA - Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC.
- HSBC Group - HSBC Holdings plc, its subsidiaries, related bodies corporate, associated entities and undertakings and any of their branches.

ICAV	- JPMorgan ETFs (Ireland) ICAV.
IMS	- Investment Management Standards issued by the Federation of Investment Managers Malaysia.
Information Memorandum	- Refers to the information memorandum in respect of the Fund and includes any supplemental information memorandum or replacement information memorandum, as the case may be.
IUTA	- Refers to “Institutional Unit Trust Schemes Adviser”, a corporation registered with the Federation of Investment Managers Malaysia and authorised to market and distribute unit trust schemes of another party.
JPY	- Japanese Yen.
LPD	- Latest Practicable Date, i.e. 31 October 2024, in which all information provided herein, shall remain current and relevant as at such date.
Management Fee	- A percentage of the NAV of the Class that is paid to us for managing the portfolio of the Fund.
MCR	- Multi-class ratio, being the apportionment of the NAV of each Class over the Fund’s NAV based on the size of each Class. The MCR is calculated by dividing the NAV of the respective Class by the NAV of the Fund before income and expenses for the day. The apportionment is expressed as a ratio and calculated as a percentage.
MYR	- Malaysian Ringgit.
NAV	- Net Asset Value.
NAV of the Class	- The NAV of the Fund attributable to a Class at the same valuation point.
NAV of the Fund	- The value of all the Fund’s assets less the value of all the Fund’s liabilities, at the point of valuation. For the purpose of computing the annual Management Fee and annual Trustee Fee, the NAV of the Fund should be inclusive of the Management Fee and Trustee Fee for the relevant day.
NAV per unit	- The NAV attributable to a Class divided by the number of units in circulation for that Class, at the valuation point.
OTC	- Over-the-counter.
PFG	- Principal Financial Group, Inc..
Principal Distributors	- Refers to the authorised unit trust scheme consultants registered with Principal Malaysia.
Principal Malaysia, the Manager, we or us	- Principal Asset Management Berhad.
RSP	- Regular Savings Plan.
SC	- Securities Commission Malaysia.
SGD	- Singapore Dollar.
Sophisticated Investor	- Refers to investors as we determine as qualified or eligible to invest in the Fund and that fulfil any laws, rules, regulations, restrictions or requirements imposed by the respective country’s regulators where the Fund is open for sale. For investors in Malaysia, this refers to any person who: <ul style="list-style-type: none"> (i) is determined to be a sophisticated investor under the SC’s Guidelines on Categories of Sophisticated Investors, as amended from time to time; or (ii) acquires any unlisted capital market product specified under the GLOLA where the consideration is not less than MYR250,000 or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise, and/or any other category(ies) of investors as may be permitted by the SC from time to time. <p>Note: For more information, please refer to our website at www.principal.com.my for the current and/or updated definition and categories of “Sophisticated Investor”.</p>
Special Resolution	- A resolution passed by a majority of not less than three-fourth (3/4) of the Unit holders of the Fund or a Class, as the case may be, voting at a meeting of Unit holders duly convened and held in accordance with the provisions of the Deed.
Switching Fee	- A charge that may be levied when switching is done from one fund or class to another.
Target Fund	- JPMorgan ETFs (Ireland) ICAV - Nasdaq Equity Premium Income Active UCITS ETF.
Target Fund Management Company	- JPMorgan Asset Management (Europe) S.à r.l..
Target Fund Investment Manager	- J.P. Morgan Investment Management Inc..
Target Fund Prospectus	- Refers to the prospectus in respect of the Target Fund and includes any supplemental prospectus, addendum or replacement prospectus, as the case may be. The Target Fund Prospectus is available for download at www.jpmorganassetmanagement.lu .
Transfer Fee	- A nominal fee levied for each transfer of units from one Unit holder to another.
Trustee	- HSBC (Malaysia) Trustee Berhad.
Trustee Fee	- A percentage of the NAV of the Fund that is paid to the Trustee for its services rendered as trustee for the Fund.
UCITS	- An undertaking for collective investment in transferable securities within the meaning of the UCITS Regulations.

UCITS Directive	- EC Directive 2009/65 of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to UCITS, as amended from time to time.
UCITS Regulations	- The European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. 352 of 2011), as amended, and all applicable Central Bank of Ireland notices issued or conditions imposed or derogations granted thereunder.
Unit holder	- The registered holder for the time being of a unit of any Class including persons jointly registered.
US/USA	- United States of America.
USD	- United States Dollar.
Withdrawal Penalty	- A penalty levied upon withdrawal under certain terms and conditions (if applicable).

Note: Unless the context otherwise requires, words importing the singular number should include the plural number and vice versa.

TABLE OF CONTENTS

DEFINITIONS.....	ii
1. FUND INFORMATION	3
1.1. PRINCIPAL NASDAQ EQUITY PREMIUM INCOME FUND	3
1.2. PERMITTED INVESTMENTS.....	4
1.3. INVESTMENT RESTRICTIONS AND LIMITS	4
1.4. APPROVALS AND CONDITIONS.....	4
1.5. FINANCING	5
1.6. SECURITIES LENDING	5
1.7. RISK FACTORS.....	5
2. TARGET FUND INFORMATION	15
2.1. ABOUT JPMORGAN ETFS (IRELAND) ICAV - NASDAQ EQUITY PREMIUM INCOME ACTIVE UCITS ETF.....	15
2.2. INVESTMENT RESTRICTIONS AND GUIDELINES.....	17
2.3. RISK MANAGEMENT.....	20
2.4. TEMPORARY SUSPENSION OF DEALINGS	21
2.5. FEES CHARGED BY THE TARGET FUND	21
3. FEES, CHARGES AND EXPENSES	22
3.1. CHARGES	22
3.2. FEES AND EXPENSES	22
3.3. REBATES AND SOFT COMMISSIONS	24
4. TRANSACTION INFORMATION	25
4.1. VALUATION OF INVESTMENTS PERMITTED BY THE FUND	25
4.2. UNIT PRICING	25
4.3. INCORRECT PRICING.....	27
4.4. INVESTING.....	27
4.5. MINIMUM INVESTMENTS.....	28
4.6. MINIMUM WITHDRAWALS.....	29
4.7. MINIMUM BALANCE	29
4.8. COOLING-OFF PERIOD	29
4.9. SWITCHING.....	29
4.10. TRANSFER FACILITY.....	30
4.11. TEMPORARY SUSPENSION	30
4.12. DISTRIBUTION PAYMENT	30
4.13. UNCLAIMED MONEYS	31
5. ADDITIONAL INFORMATION	32
5.1. FINANCIAL YEAR-END.....	32
5.2. INFORMATION ON YOUR INVESTMENT.....	32
5.3. TERMINATION OF FUND AND/OR ANY OF THE CLASSES.....	32
5.4. RIGHTS, LIABILITIES AND LIMITATIONS OF UNIT HOLDERS.....	32
5.5. DOCUMENTS AVAILABLE FOR INSPECTION	33
5.6. POTENTIAL CONFLICTS OF INTERESTS AND RELATED-PARTY TRANSACTIONS	33
5.7. INTERESTS IN THE FUND.....	34
5.8. EMPLOYEES' SECURITIES DEALINGS.....	34
6. THE MANAGER	35

6.1. ABOUT PRINCIPAL ASSET MANAGEMENT BERHAD.....	35
7. THE TRUSTEE.....	36
7.1. ABOUT HSBC (MALAYSIA) TRUSTEE BERHAD.....	36
ANNEXURE – CLASS AUD-HEDGED	37
ANNEXURE – CLASS JPY-HEDGED.....	40
ANNEXURE – CLASS MYR.....	43
ANNEXURE – CLASS MYR-HEDGED	46
ANNEXURE – CLASS SGD-HEDGED.....	49
ANNEXURE – CLASS USD	52

1. FUND INFORMATION

1.1. PRINCIPAL NASDAQ EQUITY PREMIUM INCOME FUND

- Fund Category/Type** : Feeder fund/ Income & Growth
- Fund Objective** : The Fund aims to provide consistent income and long term capital growth through investments in one (1) CIS.
We will require your approval if there is any material change to the Fund's investment objective.
- Benchmark** : The Fund adheres to the benchmark of the Target Fund for performance comparison. Currently, the benchmark of the Target Fund is Nasdaq-100 Index.
Any changes to the Target Fund's benchmark will be updated in our website and/or the Fund's Product Highlights Sheet.
Please note that the benchmark of the Target Fund has been included as a point of reference against which the performance of the Target Fund may be measured as it reflects the main investment universe and strategy for the Target Fund. The degree to which the Target Fund may resemble the composition and risk characteristics of the Target Fund's benchmark will vary over time and its performance may be meaningfully different. Additionally, the Target Fund's overall market exposure may vary significantly from the Target Fund's benchmark as a result of its options overlay strategy.
- Distribution Policy** : The distribution policy of each of the Class may differ. Please refer to the Annexure of the respective Class for more information. You may also refer to page 30 for information on the distribution payment.

Base Currency and Classes

The base currency of the Fund is USD.

Please note that the Fund is established as a multi-class fund where the Deed allows for the establishment of more than one (1) Class with similar interests in the assets of the Fund. You should note that the Fund is allowed to establish new Class(es) from time to time without your prior consent.

Under the Deed, Unit holders of each Class shall have the same rights and obligations. Each Class may be different in terms of currency denomination, fees and charges, and hence, will have its respective NAV per unit, denominated in its respective currency taking into account the aforementioned features. Although the Fund has multiple Classes, you should note that the assets of the Fund are pooled for investment purpose.

Currently, the Classes below are available for sale. Please refer to the Annexure for further details on the Classes. You should note that we have the discretion to decide on the offering of other Classes for sale in the future. This information will be communicated to you via our website at www.principal.com.my. When in doubt, you should consult professional advisers for a better understanding of the multi-class structure before investing in the Fund.

Initial Offer Period and Initial Offer Price

Name of Class	Launch Date*	Initial offer period	Initial offer price per unit
Class AUD-Hedged	21 February 2025	Up to 14 days	AUD 1.0000
Class JPY-Hedged	21 February 2025	Up to 14 days	JPY 1.0000
Class MYR	21 February 2025	Up to 14 days	MYR 1.0000
Class MYR-Hedged	21 February 2025	Up to 14 days	MYR 1.0000
Class SGD-Hedged	21 February 2025	Up to 14 days	SGD 1.0000
Class USD	21 February 2025	Up to 14 days	USD 1.0000

* We have the discretion to determine the launch date, which shall be the same date as stated above or such other date as may be determined by us.

For more details, you may contact our Customer Care Centre or Distributors; or visit our website at www.principal.com.my.

Investment Policy and Strategy

The Fund is a feeder fund that invests at least 85% of its NAV in the Target Fund, a fund established on 29 October 2024 managed by the Target Fund Management Company. The Fund may also invest up to 15% of its NAV in liquid assets for liquidity purposes and derivatives for the sole purpose of hedging arrangement.

The Fund will be actively rebalanced from time to time to meet sales and withdrawal transactions. This is to enable a proper and efficient management of the Fund. As this is a feeder fund, we do not intend to take temporary defensive position for the Fund during adverse market, economic and/or any other conditions. This is to allow the Fund to mirror the performance of the Target Fund in either bullish or bearish market conditions. The Target Fund Investment Manager may take temporary defensive position when deemed necessary.

We do not employ risk management strategy on the portfolio of the Target Fund. However, the Target Fund Investment Manager will employ a risk management process in respect of the Target Fund that enables the Target Fund Investment Manager to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the Target Fund. Please refer to section 2 for more information on the Target Fund. We will employ risk management strategy at the Fund level, where we will continuously monitor the objective, performance and suitability of the Target Fund to ensure that it is in line with the objective of the Fund. If we are of the opinion that the Target Fund no longer meets the Fund's objective, we may, with your approval, replace the Target Fund with another CIS that is in line with the Fund's objective. In such circumstances, we will redeem our investment in the Target Fund and invest in another CIS on a staggered basis for a smooth transition, if the Target Fund imposes any conditions in relation to redemption of units or if the manager of the newly identified target fund exercises its discretion to apply anti-dilution levy* in relation to the applications for units. Thus, the time frame required to perform the transition will depend on such conditions, if any, imposed by the Target Fund as well as any conditions associated with a dilution adjustment that may be made by the newly identified target fund. Hence during the transition period, the Fund's investments may differ from the stipulated objective, investment strategies and/or investment restrictions and limits.

Currently, the Fund invests in USD Dist share class of the Target Fund, which is a share class denominated in USD launched on 29 October 2024. The Fund may change its entire investment into another class of the Target Fund (which must be denominated in the same currency) if we are of the opinion that the change is in the interest of the Unit holders. If we wish to effect such change, we will seek concurrence from the Trustee and you will be notified before implementation.

The Fund adopts a liquidity risk management framework which sets out the governance standards, methodology and process for the oversight and management of liquidity risk. The framework outlines the responsibilities to assess and monitor liquidity risk of the Fund, and to ensure appropriate measures are taken to mitigate the risk.

The liquidity risk management that we have put in place is as follows:

- Regular review by the designated fund manager on the Fund's investment portfolio to maintain healthy liquidity level.
- Periodic assessments are carried out on the Fund's liquidity profile (under both normal and stress market conditions) and on the concentration of Unit holders. These assessments allow the Fund to be proactively managed to mitigate liquidity concerns that may arise in the ordinary course of portfolio management as well as in relation to the Fund's ability to meet Unit holders' withdrawal requests.
- If needed, the Fund may obtain cash financing for the purpose of meeting withdrawal requests and for short-term bridging requirements.
- Suspension of withdrawal requests due to exceptional circumstances. During the suspension period, withdrawal requests will not be accepted, and in the event we had earlier accepted the withdrawal requests prior to the suspension being declared, the withdrawal requests will be dealt on the next Business Day once the suspension is lifted. The action to suspend withdrawal requests from Unit holders shall be exercised only as a last resort by the Manager.

Please refer to Section 2.4 and Section 4.11 for more information.

Note:

**Anti-dilution levy is an allowance for fiscal and other charges that is added to the NAV per unit to reflect the costs of investing application monies in underlying assets of the Target Fund or newly identified target fund.*

1.2. PERMITTED INVESTMENTS

The Fund will invest in the following investments:

- One (1) CIS (local or foreign);
- Liquid assets comprising of Deposits and money market instruments; and
- Derivative instruments, including but not limited to options, futures contracts, forward contracts and swaps for the purpose of hedging.

1.3. INVESTMENT RESTRICTIONS AND LIMITS

The Fund is subject to the following investment restrictions and limits:

CIS: The Fund must invest at least 85% of its NAV in one (1) CIS.

Liquid Assets and Derivatives: The Fund may invest up to 15% of its NAV in liquid assets and derivatives (for hedging purposes). The Fund may, with the concurrence of the Trustee, hold more than 15% of liquid assets on a temporary basis to meet withdrawal requests and to manage expenses of the Fund.

1.4. APPROVALS AND CONDITIONS

There is no exemption and/or variation to the GLOLA for the Fund.

1.5. FINANCING

The Fund may not obtain cash financing or borrow other assets in connection with its activities. However, the Fund may obtain financing for the purpose of meeting withdrawal requests for units and for short-term bridging requirements.

1.6. SECURITIES LENDING

Not applicable to the Fund.

1.7. RISK FACTORS

1.7.1 GENERAL RISKS OF INVESTING IN A FUND

Before investing, you should consider the following risk factors in addition to the other information set out in this Information Memorandum.

Returns and capital not guaranteed

The investment of the fund is subject to market fluctuations and its inherent risk. There is **NO GUARANTEE** on the investment which includes your investment capital and returns, nor any assurance that the fund's objective will be achieved. You should also note that the fund is neither a capital guaranteed fund nor a capital protected fund. However, we reduce this risk by ensuring diligent management of the assets of the fund based on a structured investment process.

Market risk

This risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the fund's NAV.

Inflation risk

This is the risk that your investment in the fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.

Manager risk

This risk refers to the day-to-day management of the fund by the manager which will impact the performance of the fund. For example, investment decisions undertaken by the manager, as a result of any non-compliance with internal policies, investment mandate, the deed, relevant laws or guidelines due to factors such as human error or weaknesses in operational processes and systems, may adversely affect the performance of the fund.

Financing risk

This risk occurs when you obtain financing to finance your investment. The inherent risk of investing with money obtained from financing includes you being unable to service the financing payments. In the event units are used as collateral and if the prices of units fall below a certain level due to market conditions, you may be required to pay additional amount on top of your existing instalment. If you fail to do so within the time prescribed, your units may be sold at an unfavourable price and the proceeds thereof will be used towards the settlement of your financing.

Please note that financing is not encouraged. The manager does not provide financing for the purchase of units of the fund.

Liquidity risk

Liquidity risk refers to the ability to sell and convert the units or shares held in the CIS into cash. This may be affected by the liquidity policy applied by the CIS (e.g. suspension of the CIS), which may negatively impact the fund and unit holders may experience delay in the withdrawal process.

1.7.2 SPECIFIC RISKS RELATED TO THE FUND

Currency risk

You should be aware that currency risk is applicable to Class(es) which is denominated in a different currency than the base currency of the Fund. The impact of the exchange rate movement between the base currency of the Fund and the currency denomination of the respective Class(es) may result in a depreciation of the value of your holdings as expressed in the currency denomination of the respective Class(es).

As for a hedged Class, the hedged Class itself provides mitigation to the currency risk arising from the difference between the currency denomination of the Class and the base currency of the Fund. While we aim to fully hedge the currency risk for a hedged Class, you should note that it may not entirely eliminate currency risk. In addition, you should note that, as a result of hedging, a hedged Class will not be able to enjoy the full benefits of the currency movement in the event of a favourable movement of the currency denomination of the hedged Class against the base currency of the Fund. You should also note that hedging incurs costs, in which will impact the NAV of a hedged Class.

Target Fund Investment Manager risk

Since the Fund invests into a CIS that is managed by another manager, the Target Fund Investment Manager has absolute discretion over the Target Fund's investment technique and knowledge, operational controls and management. In the event of mismanagement of the Target Fund, the NAV of the Fund, which invests into the Target Fund, may be affected negatively. Although the probability of such occurrence is minute, should the situation arise, subject to your approval, we reserve the right to seek for an alternative CIS that is consistent with the objective of the Fund.

Country risk

As the Fund invests in the Target Fund, which is domiciled in Ireland, the Fund's investments in the Target Fund may be affected by risks specific to the country. Such risks include adverse changes in the country's laws and regulations and foreign investments policies. These factors may have an adverse impact on the price of the Target Fund and consequently the Fund.

1.7.3 RISKS ASSOCIATED WITH INVESTMENTS IN THE TARGET FUND

As the Fund invests predominantly in the Target Fund, the Fund also assumes the risks associated with the Target Fund, which include but not limited to the following. The risk disclosure in relation to the Target Fund was excerpted from the Target Fund Prospectus.

Availability of investment opportunities

The success of the Target Fund's investment and trading activities depends on the ability of the Target Fund Management Company to successfully employ the investment strategy of the Target Fund. Identification and exploitation of the investment strategies to be pursued by the Target Fund involves a high degree of uncertainty. No assurance can be given that the Target Fund Management Company will be able to identify suitable investment opportunities in which to deploy all of the Target Fund's capital.

Balance sheet risk

Risk of accounting loss that does not directly affect income statement (profit and loss account) and cash flow statement of a firm to which the Target Fund has exposure to. For example, a risk of loss caused by the devaluation of a foreign currency asset (or from revaluation of foreign currency liabilities) shown on the firm's balance sheet. There would not be any direct impact on the Target Fund unless such a loss occurred and impacted the valuation of the firm to which the Target Fund has exposure.

Cash positions and temporary defensive positions

For liquidity and to respond to unusual market conditions, the Target Fund, in accordance with its investment policy, may invest all or most of its assets in cash and cash equivalents for temporary defensive purposes. Investments in cash and cash equivalents may result in a lower yield than other investments, which if used for temporary defensive purposes rather than an investment strategy, may prevent the Target Fund from meeting its investment objective. Cash equivalents are highly liquid, high-quality instruments with maturities of three months or less on the date they are purchased. They include, but are not limited to, securities issued by sovereign governments, their agencies and instrumentalities, reverse repurchase transactions (other than equity repurchase agreements), certificates of deposit, bankers' acceptances, commercial paper (rated in one of the two highest rating categories), and bank money market deposit accounts.

Collection account risk

The Target Fund Management Company will operate subscription and redemption accounts in the name of the ICAV (the "Collection Account"). Monies in the Collection Account, including subscription monies or cash component of an in-kind subscription received in respect of the Target Fund prior to the allotment of shares of the Target Fund, do not qualify for the protections afforded by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers. All subscription and redemption monies and dividends or cash distributions payable to or from the Target Fund will be channelled and managed through the Collection Account.

Subscriptions monies, including the cash component of an in-kind subscription, received in respect of the Target Fund in advance of the issue of shares of the Target Fund will be held in the Collection Account. Investors will be unsecured creditors of the Target Fund with respect to any cash amount subscribed and held in the Collection Account until such time as the shares of the Target Fund subscribed are issued and will not benefit from any appreciation in the net asset value of the Target Fund in respect of which the subscription request was made or any other shareholder rights (including dividend entitlement) until such time as the relevant shares of the Target Fund are issued. In the event of the insolvency of the ICAV or the Target Fund Management Company, there is no guarantee that the ICAV or the Target Fund Management Company will have sufficient funds to pay unsecured creditors in full.

Payment by the ICAV of redemption proceeds and dividends is subject to receipt by the Target Fund Management Company or its delegate, the administrator of the Target Fund, of original subscription documents and compliance with all anti-money laundering procedures. Payment of redemption proceeds or dividends to the shareholders of the Target Fund entitled to such amounts may accordingly be blocked pending compliance with the foregoing requirements to the satisfaction of the Target Fund Management Company or its delegate, the administrator of the Target Fund. Redemption and distribution amounts, including blocked redemption or distribution amounts, will, pending payment to the relevant investor or shareholder of the Target Fund, be held in the Collection Account. For as long as such amounts are held in the Collection Account, the investors / shareholders of the Target Fund entitled to such payments from the ICAV will be unsecured creditors of the ICAV with respect to those amounts and, with respect to and to the extent of their interest in such amounts, will not benefit from any appreciation in the net asset value of the Target Fund or any other shareholder rights (including further dividend entitlement). Redeeming shareholders of the Target Fund will cease to be shareholders of the Target Fund with regard to the redeemed shares of the Target Fund as and from the relevant redemption date. In the event of the insolvency of the ICAV or the Target Fund Management Company, there is no guarantee that the ICAV or the Target Fund Management Company will have sufficient funds to pay unsecured creditors in full.

Redeeming shareholders and shareholders of the Target Fund entitled to distributions should therefore ensure that any outstanding documentation and/or information required in order for them to receive such payments to their own account is provided to the Target Fund Management Company or its delegate, the administrator of the Target Fund promptly. Failure to do so is at such shareholder's own risk.

In the event of the insolvency of the Target Fund, recovery of any amounts to which other sub-funds of the ICAV are entitled, but which may have transferred to the insolvent Target Fund as a result of the operation of the Collection Account, will be subject to the principles of Irish trust law and the terms of the operational procedures for the Collection Account. There may be delays in effecting and/or disputes as to the recovery of such amounts, and the insolvent Target Fund may have insufficient funds to repay amounts due to other sub-funds of the ICAV.

The Target Fund Management Company will operate the Collection Account in accordance with the provisions of its constitutional document.

Collateral risk

Although collateral may be taken to mitigate the risk of a counterparty default, there is a risk that the collateral taken, especially where it is in the form of securities, when realised will not raise sufficient cash to settle the counterparty's liability. This may be due to factors including inaccurate pricing of collateral, adverse market movements in the value of collateral, a deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded. Please also refer to "*Liquidity Risk*" below in respect of liquidity risk which may be particularly relevant where collateral takes the form of securities.

Where the Target Fund is in turn required to post collateral with a counterparty, there is a risk that the value of the collateral the Target Fund places with the counterparty is higher than the cash or investments received by the Target Fund.

In either case, where there are delays or difficulties in recovering assets or cash, collateral posted with counterparties, or realising collateral received from counterparties, the Target Fund may encounter difficulties in meeting redemption or purchase requests or in meeting delivery or purchase obligations under other contracts.

As the Target Fund may reinvest cash collateral it receives under reverse repurchase agreements and securities lending agreements, there is a risk that the value on return of the reinvested cash collateral may not be sufficient to cover the amount required to be repaid to the counterparty. In this circumstance the Target Fund would be required to cover the shortfall.

As collateral will take the form of cash or certain financial instruments, the market risk is relevant.

Costs of buying or selling shares risk

Investors of the Target Fund buying or selling shares of the Target Fund in the secondary market may pay brokerage commissions or other charges determined and imposed by the applicable broker. Brokerage commissions are often a fixed amount and may be a significant proportional cost for investors seeking to buy or sell relatively small amounts of shares of the Target Fund. In addition, secondary market investors will incur the cost of the difference between the price that an investor is willing to pay for shares of the Target Fund (the "bid" price) and the price at which an investor is willing to sell shares of the Target Fund (the "ask" price). This difference in bid and ask prices is often referred to as the "spread" or "bid/ask spread." The bid/ask spread varies over time for shares of the Target Fund based on the underlying securities, trading volume and market liquidity and is generally lower if the Target Fund's shares have more trading volume and market liquidity and higher if the Target Fund's shares have little trading volume and market liquidity. Further, increased market volatility may cause increased bid/ask spreads. Due to the costs of buying or selling shares of the Target Fund, including bid/ask spreads, frequent trading of shares of the Target Fund may significantly reduce investment results and an investment in shares of the Target Fund may not be advisable for investors who wish to trade regularly in relatively small amounts.

Counterparty risk

In entering into transactions which involve counterparties (such as OTC derivatives, securities lending, repurchase agreements or reverse repurchase transactions), there is a risk that a counterparty will wholly or partially fail to honour its contractual obligations. In the event of a bankruptcy or insolvency of a counterparty, the Target Fund could experience delays in liquidating the position and significant losses, including declines in the value of the investment during the period in which the depositary of the Target Fund seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. The Target Fund may only be able to achieve limited or, in some circumstances, no, recovery in such circumstances.

In order to mitigate the risk of counterparty default, the counterparties to transactions may be required to provide collateral to cover their obligations to the depositary of the Target Fund. In the event of default by the counterparty, it would forfeit its collateral on the transaction. However, the taking of collateral does not always cover the exposure to the counterparty. If a transaction with a counterparty is not fully collateralised, then the Target Fund's credit exposure to the counterparty in such circumstance will be higher than if that transaction had been fully collateralised. Furthermore, there are risks associated with collateral and investors should consider the information provided under "*Collateral Risk*" above.

Further information regarding counterparty risk in the context of OTC derivative transactions is set out under "*Particular Risks of OTC Derivative Transactions*" below.

Currency risk

Since the instruments held by the Target Fund may be denominated in currencies different from its base currency, the Target Fund may be affected unfavourably by exchange control regulations or fluctuations in currency rates. For this reason, changes in currency exchange rates can affect the value of the Target Fund's portfolio and may impact the value of shares in the Target Fund.

Cyber security risk

As the use of technology has become more prevalent in the course of business, funds have become more susceptible to operational and financial risks associated with cyber security, including: theft, loss, misuse, improper release, corruption and destruction of, or unauthorised access to, confidential or highly restricted data relating to the ICAV and the shareholders of the Target Fund; and compromises or failures to systems, networks, devices and applications relating to the operations of the ICAV and its service providers. Cyber security risks may result in financial losses to the ICAV and the shareholders of the Target Fund; the inability of the ICAV to transact business with the shareholders of the Target Fund; delays or mistakes in the calculation of the net asset value or other materials provided to shareholders of the Target Fund; the inability to process transactions with shareholders of the Target Fund or other parties; violations of privacy and other laws; regulatory fines, penalties and reputational damage; and compliance and remediation costs, legal fees and other expenses. The ICAV's service providers (including, but not limited to, the Target Fund Management Company, any investment advisers, the administrator of the Target Fund and the depository of the Target Fund or their agents), financial intermediaries, companies in which the Target Fund invests and parties with which the ICAV engages in portfolio or other transactions also may be adversely impacted by cyber security risks in their own businesses, which could result in losses to the Target Fund or the shareholders of the Target Fund. While measures have been developed which are designed to reduce the risks associated with cyber security, there is no guarantee that those measures will be effective, particularly since the ICAV does not directly control the cyber security defences or plans of its service providers, financial intermediaries and companies in which the Target Fund invests or with which it does business.

Derivative risks

Correlation risk

Although the Target Fund Management Company may believe that taking exposure to underlying assets through the use of FDI will benefit shareholders of the Target Fund in certain circumstances, by reducing operational costs and creating other efficiencies, there is a risk that the performance of the Target Fund will be imperfectly correlated with the performance that would be generated by investing directly in the underlying assets.

Derivative settlement risk

Derivative markets will have different clearance and settlement procedures and in certain markets there have been times when settlements have been unable to keep pace with the volume of transactions, thereby making it difficult to conduct such transactions. Delays in settlement could result in temporary periods when assets of the Target Fund are uninvested and no return is earned thereon. The Target Fund's inability to make intended purchases due to settlement problems could cause it to miss attractive investment opportunities. Inability to dispose of portfolio securities due to settlement problems could result either in losses to the Target Fund due to subsequent declines in value of the security or, if it has entered into a contract to sell the security, it could result in a possible liability of it to the purchaser.

Futures and options

Under certain conditions, the ICAV may use options and futures on securities, indices and interest rates for efficient portfolio management or investment purposes. Also, where appropriate, the ICAV may hedge market, currency and interest rate risks using futures, options or forward foreign exchange contracts. There is no guarantee that hedging techniques will achieve the desired result.

Transactions in futures carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the investor. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

Transactions in options also carry a high degree of risk. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

Leverage risk

Due to the low margin deposits normally required in trading FDIs, an extremely high degree of leverage is typical for trading in FDIs. As a result, a relatively small price movement in a derivative contract may result in substantial losses to the investor. Investment in derivative transactions may result in losses in excess of the amount invested.

Market risk

Like most other investments, FDI are subject to the risk that the market value of the instrument will change in a way detrimental to the Target Fund's interests. While hedging strategies involving FDI can reduce the risk of loss, they can also reduce the opportunity for gain or even result in losses by offsetting favourable price movements in other portfolio investments. The Target Fund may also have to buy or sell a security at a disadvantageous time or price because it is legally required to maintain offsetting positions or asset coverage in connection with certain FDI transactions.

Selling call options risk

Selling call options will create exposure for the Target Fund, as it may have to deliver the underlying securities or their value and, should the market move unfavourably, this may result in an unlimited loss. The maximum loss for the writer of a call option is potentially unlimited if the writer does not hold the components of the index which underlies the option, although the underlying component securities of the index are not delivered if the option is exercised, as the contract is cash settled. The Target Fund's financial liability is therefore linked to the value of the underlying index.

Settlement risk

Shares of the Target Fund are normally issued upon acceptance of the subscription. This issuance is subject to the condition that cleared funds and any in-kind considerations for the subscription, are received as payment for the shares of the Target Fund from the investor of the Target Fund. This payment is required by the second Business Day after the Dealing Day, or such later date as may be determined by the ICAV and notified to shareholders of the Target Fund from time to time (the “**Settlement Deadline**”).

Allotments of shares of the Target Fund in respect of subscriptions will remain provisional until such time as subscription monies and any in-kind considerations for the subscription, are received by the ICAV and may be cancelled by the Target Fund Management Company.

Failure to make settlement with good value will result in the provisional allotment of the shares of the Target Fund being cancelled at the cost of the investor at any point in time after the Settlement Deadline without prior notice to the investor. Similarly, if prior to the Settlement Deadline, the ICAV or the Target Fund Management Company becomes aware of an event affecting the investor that, in the opinion of the ICAV or the Target Fund Management Company, is likely to result in a situation where the investor will not be in a position to or willing to pay the subscription price by the Settlement Deadline, the ICAV or the Target Fund Management Company may immediately cancel the provisional allotment of the shares of the Target Fund. The investor will be required to compensate the ICAV for any costs or losses incurred by the ICAV as a result of the failure by the investor to deliver the subscription monies, including any in-kind considerations for the subscription, or any delay in making such delivery. The ICAV may also deduct any costs or losses incurred by the ICAV or the Target Fund Management Company against any existing holding of the investor in the ICAV. However, in the event that the ICAV is unsuccessful in recovering such costs or losses the ICAV may suffer a loss.

The transfer or conversion of the shares of the Target Fund is not permitted and voting rights and entitlements to dividend payments are suspended until payment for the shares of the Target Fund is received from the investor.

Short selling risk

The Target Fund may take short positions on a security through the use of FDIs in the expectation that their value will fall in the open market. The possible loss from taking a short position on a security differs from the loss that could be incurred from a cash investment in the security; the former may be unlimited as there is no restriction on the price to which a security may rise, whereas the latter cannot exceed the total amount of the cash investment. The short selling of investments may also be subject to changes in regulations, which could impose restrictions that could adversely impact returns to investors.

Warrants

When the Target Fund invests in warrants, the values of these warrants are likely to fluctuate more than the prices of the underlying securities because of the greater volatility of warrant prices.

Dividends

Share classes of the Target Fund which pay dividends may distribute not only investment income, but also realised and unrealised capital gains or capital. Where capital is distributed, this will result in a corresponding reduction in the value of shares of the Target Fund, and a reduction in the potential for long-term capital growth. This may also be tax inefficient for shareholders of the Target Fund in certain countries, as distributions from capital may have different tax implications for investors relative to distributions from income. Shareholders of the Target Fund should consult their local tax advisers about their own position.

Fluctuation of net asset value and market pricing risk

The net asset value per share of the Target Fund will generally fluctuate with changes in the market value of the Target Fund's securities holdings. The market prices of shares of the Target Fund will generally fluctuate in accordance with changes in the Target Fund's net asset value and supply and demand of shares of the Target Fund on the listing stock exchange. It cannot be predicted whether shares of the Target Fund will trade below, at or above the net asset value per share of the Target Fund. Price differences may be due, in large part, to the fact that supply and demand forces at work in the secondary market for shares of the Target Fund will be closely related to, but not identical to, the same forces (including whether or not a given market is open) influencing the prices of the securities of an index trading individually or in the aggregate at any point in time. The market prices of shares of the Target Fund may deviate significantly from the net asset value per share of the Target Fund during periods of market volatility. However, given that shares of the Target Fund can be created and redeemed in large volumes, large discounts or premiums to the net asset value per share of the Target Fund should not be sustained. While the creation/redemption feature is designed to help make it likely that shares of the Target Fund normally will trade close to the net asset value per share of the Target Fund, disruptions or suspensions to creations and redemptions may result in trading prices that differ significantly from the net asset value per share of the Target Fund. Losses may be incurred, or profits reduced, if shares of the Target Fund are purchased at a time when the market price is at a premium to the net asset value per share of the Target Fund or sold at a time when the market price is at a discount to the net asset value per share of the Target Fund.

Indemnification obligations

The ICAV might be subject to certain contractual indemnification obligations (in the absence of, including but not limited to, negligence, fraud or wilful default) and potentially none of the service providers will carry any insurance for losses for which the ICAV may be ultimately subject to an indemnification obligation. Any indemnification payment with respect to the Target Fund would be borne by the Target Fund and will result in a corresponding reduction of the net asset value per share of the Target Fund.

Legal risk – OTC derivatives, reverse repurchase transactions, securities lending and re-used collateral

There is a risk that agreements and derivatives techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in tax or accounting laws. In such circumstances, the Target Fund may be required to cover any losses incurred. Furthermore, certain transactions are entered into on the basis of complex legal documents. Such documents may be difficult to enforce or may be the subject of a dispute as to interpretation in certain circumstances. Whilst the rights and obligations of the

parties to a legal document may be governed by the agreed governing law of the documents, in certain circumstances (for example insolvency proceedings) legal systems other than the governing law of the document may take priority which may affect the enforceability of existing transactions.

Liquidity risk

The Target Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment. There is a risk that investments made by the Target Fund may become less liquid in response to market developments or adverse investor perceptions. In extreme market situations, there may be few willing buyers and the investments cannot be readily sold at the desired time or price, and the Target Fund may have to accept a lower price to sell the investments or may not be able to sell the investments at all. Trading in particular securities or other instruments may be suspended or restricted by the relevant exchange or by a governmental or supervisory authority and the Target Fund may incur a loss as a result. An inability to sell a portfolio position can adversely affect the Target Fund's value or prevent Target Fund from being able to take advantage of other investment opportunities.

Liquidity risk also includes the risk that the Target Fund may be forced to sell investments at an unfavourable time and/or conditions and/or will not be able to pay redemption proceeds within the allowable time period because of unusual market conditions, an unusually high volume of redemption requests, or other uncontrollable factors. To manage redemption requests in such circumstances, the Target Fund may be forced to impose a temporary suspension in dealing (as described in the "Temporary Suspension of Dealings" section) or impose a redemption gate (as described in the "Redemption Gate Limit" section).

Investment in small and mid-capitalisation stocks will be especially subject to the risk that during certain periods, the liquidity of particular issuers or industries, or all securities within a particular investment category, will shrink or disappear suddenly and without warning as a result of adverse economic, market or political events, or adverse investor perceptions whether or not accurate.

Liquidity risk also exists when a particular FDI is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as in the case with many OTC derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

The Target Fund Management Company has implemented certain tools to manage liquidity risk including, but not limited to:

- Temporarily suspending the calculation of the net asset value or dealings in the Target Fund and/or share class of the Target Fund;
- Limiting redemptions of shares of the Target Fund on any Dealing Day to 10% of the Target Fund's net asset value; and
- Applying alternative valuation methods when it believes the interests of shareholders of the Target Fund or the Target Fund justify it.

The Target Fund Management Company has also implemented a liquidity risk management framework in order to manage liquidity risk.

Listing

Where the shares of the Target Fund are listed, the exchanges on which those shares are listed take no responsibility for the contents of the Target Fund Prospectus, make no representations as to its accuracy or completeness and expressly disclaim any liability whatsoever for any kind of loss arising from or in reliance upon any part of the contents of the Target Fund Prospectus.

The Target Fund Prospectus will include particulars given in compliance with the listing regulations of any exchange on which the shares of the Target Fund may be listed for the purpose of giving information with regard to the ICAV. The directors of the ICAV collectively and individually accept full responsibility for the accuracy of the information contained in the Target Fund Prospectus and confirm, having made all reasonable inquiries that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

Market risk

The value of the Target Fund's investments changes continually and can fall based on a wide variety of factors affecting financial markets generally or individual sectors.

Economies and financial markets throughout the world are becoming increasingly interconnected, which increases the likelihood that events or conditions in one country or region will adversely impact markets or issuers in other countries or regions. Furthermore, global events such as war, terrorism, environmental disasters, natural disasters or events, country instability, and infectious disease epidemics or pandemics may also negatively affect the value of the Target Fund's investments.

For example, an outbreak of COVID-19 has negatively affected economies, markets and individual companies throughout the world, including those in which the Target Fund may invest. The effects of this pandemic, and other epidemics and pandemics that may arise in the future, may presently and/or in the future have a significant negative impact on the value of the Target Fund's investments, increase the Target Fund's volatility, negatively impact the Target Fund's pricing, magnify pre-existing risks to the Target Fund, lead to temporary suspensions or deferrals of the calculation of the net asset value of the Target Fund and interrupt the Target Fund's operations.

The duration and extent of COVID-19 and associated economic and market conditions and uncertainty over the long-term cannot be reasonably estimated at this time. The ultimate impact of COVID-19 and the extent to which the associated conditions impact the Target Fund will also depend on future developments, which are highly uncertain, difficult to accurately predict and subject to frequent changes.

Political and/or regulatory

The ICAV is governed by European Union legislation, specifically the UCITS Directive and is an Irish domiciled UCITS. Investors should note that the regulatory protections provided by their local regulatory authorities may differ or may not apply. Investors should consult their financial or other professional adviser for further information in this area.

The ICAV qualifies as a UCITS and is subject to the investment laws, regulations and guidance set down by the European Union, the European Securities and Markets Authority and the Central Bank of Ireland. As a result of the Target Fund being managed by an affiliate of JPMorgan Chase & Co. or being or having investors in other jurisdictions, it may be subject to narrower investment restrictions which could limit its investment opportunities. Further the Target Fund could be precluded from holding or purchasing particular securities or financial instruments, even if the securities or financial instruments would otherwise meet the Target Fund's objectives.

The value of the Target Fund's assets may be affected by uncertainties such as international political developments, civil conflicts and war, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. For example, assets could be compulsorily re-acquired without adequate compensation.

Events and evolving conditions in certain economies or markets may alter the risks associated with investments in countries or regions that historically were perceived as comparatively stable becoming riskier and more volatile. These risks are magnified in countries in emerging markets.

Risks in relation to equity securities

Depository receipts

Investment into a given country may be made via direct investments into that market or by depository receipts traded on other international exchanges, including unsponsored depository receipts, in order to benefit from increased liquidity in a particular security and other advantages. A depository receipt admitted to the official listing on a recognised market or traded on a recognised market may be deemed an eligible transferable security regardless of the eligibility of the market in which the security to which it relates normally trades. Unsponsored depository receipts may not provide as much information about the underlying issuer and may not carry the same voting privileges as sponsored depository receipts

Equity securities

The price of equity securities may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements may result from factors affecting individual companies, sectors or industries selected for the Target Fund's portfolio or the securities market as a whole, such as changes in economic or political conditions. When the value of the Target Fund's securities goes down, the Fund's investment in the Target Fund decreases in value. Equity securities generally have greater price volatility than fixed income securities.

Preferred securities

There are special risks associated with investing in preferred securities. Distributions to holders of preferred securities are typically paid before any distributions are paid to holders of common stock. However, preferred securities may include provisions that permit the issuer, at its discretion, to defer paying distributions. Preferred securities may be substantially less liquid than many other securities, such as common stocks or US government securities. Preferred securities generally have no voting rights with respect to the issuing company unless preferred dividends have been in arrears for a specified number of periods. Preferred securities, in certain instances, may be redeemed by the issuer prior to a specified date, which may negatively impact the return of the security held by the Target Fund. Preferred securities may be highly sensitive to changes in long-term interest rates and/or changes in underlying issuer credit since preferred securities generally do not have a maturity date. In addition, the preferred securities the Target Fund invests in may be rated below investment grade, which could increase their risks.

Technology related companies

The Target Fund which invests in technology related companies may fluctuate in value more than other sub-funds of the ICAV because of the greater potential volatility of share prices of technology related companies.

Particular risks of exchange traded derivative transactions

Suspensions of Trading

Each securities exchange or commodities contract market typically has the right to suspend or limit trading in all securities or commodities which it lists. Such a suspension would render it impossible for the Target Fund, to liquidate positions and, accordingly, expose the ICAV to losses and delays in its ability to redeem shares of the Target Fund.

Particular risks of OTC derivative transactions

Absence of regulation; counterparty default

In general, there is less governmental regulation and supervision of transactions in the OTC markets (in which currencies, forward, spot and option contracts, credit default swaps, total return swaps and certain options on currencies are generally traded) than of transactions entered into on organised exchanges. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearinghouse, may not be available in connection with OTC transactions. Therefore, the Target 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 the Target Fund will sustain losses. The ICAV will only enter into transactions with counterparties which the Target Fund Management Company believes to be creditworthy, and may reduce the exposure incurred in connection with such transactions through the receipt of letters of credit or collateral from certain counterparties. Regardless of the measures the ICAV may seek to implement to reduce counterparty credit risk, however, there

can be no assurance that a counterparty will not default or that the ICAV and shareholders of the Target Fund will not sustain losses as a result.

Impact of margin requirements

In the context of derivative transactions entered into at the Target Fund or its share class level, the Target Fund may be required to place initial and/or variation margin with its counterparty. Consequently, the Target Fund may be required to hold a proportion of its assets in cash or other liquid assets to satisfy any applicable margin requirements for the Target Fund or the currency hedged share classes. This may have a positive or negative impact on the investment performance of the Target Fund or the currency hedged share classes.

Liquidity: requirement to perform

From time to time, the counterparties with which the ICAV effects transactions might cease making markets or quoting prices in certain of the instruments. In such instances, the ICAV might be unable to enter into a desired transaction in currencies, credit default swaps or total return swaps or to enter into an offsetting transaction with respect to an open position, which might adversely affect its performance. Further, in contrast to exchange-traded instruments, forward, spot and option contracts on currencies do not provide the Target Fund Management Company with the possibility to offset the ICAV's obligations through an equal and opposite transaction. For this reason, in entering into forward, spot or options contracts, the ICAV may be required, and must be able, to perform its obligations under the contracts.

Necessity for counterparty trading relationships

As noted above, participants in the OTC market typically enter into transactions only with those counterparties which they believe to be sufficiently creditworthy, unless the counterparty provides margin, collateral, letters of credit or other credit enhancements. The ICAV may, but does not currently intend to, enter into transactions on the basis of credit facilities established on behalf of any company within JPMorgan Chase & Co. While the ICAV and the Target Fund Management Company believe that the ICAV will be able to establish multiple counterparty business relationships to permit the ICAV to effect transactions in the OTC market and other counterparty markets (including credit default swaps, total return swaps and other swaps market as applicable), there can be no assurance that it will be able to do so. An inability to establish or maintain such relationships would potentially increase the ICAV's counterparty credit risk, limit its operations and could require the ICAV to cease investment operations or conduct a substantial portion of such operations in the futures markets. Moreover, the counterparties with which the ICAV expects to establish such relationships will not be obligated to maintain the credit lines extended to the ICAV, and such counterparties could decide to reduce or terminate such credit lines at their discretion.

Investment in Real Estate Investment Trusts ("REITs")

Investments in equity securities issued by companies which are principally engaged in the business of real estate, and REITs in particular, will subject the strategy to risks associated with the direct ownership of real estate. These risks include, among others, possible declines in the value of real estate; risks related to general and local economic conditions; possible lack of availability of mortgage funds; overbuilding; extended vacancies of properties; increases in competition; property taxes and transaction, operating and foreclosure expenses; changes in zoning laws; costs resulting from the clean-up of, and liability to third parties for damages resulting from, environmental problems; casualty or condemnation losses; uninsured damages from floods, earthquakes or other natural disasters and acts of terrorism; limitations on and variations in rents; and changes in interest rates. The underlying mortgage loans may be subject to the risks of default or of prepayments that occur earlier or later than expected, and such loans may also include so-called "sub-prime" mortgages. The value of REITs will also rise and fall in response to the management skill and creditworthiness of the issuer. In particular, the value of these securities may decline when interest rates rise and will also be affected by the real estate market and by the management of the underlying properties. REITs may be more volatile and/or more illiquid than other types of securities. The Target Fund and shareholders of the Target Fund will indirectly bear their proportionate share of expenses, including management fees, paid by each REIT in which they invest in addition to the expenses of the Target Fund.

The strategy may invest in securities of small to mid-size companies which may trade in lower volumes and be less liquid than the securities of larger, more established companies, there are therefore risks of fluctuations in value due to the greater potential volatility in share prices of smaller companies.

Secondary market trading risk

Although the shares of the Target Fund will be listed for trading on the relevant listing stock exchange(s), there can be no assurance that an active trading market for such shares will develop or be maintained. Trading in shares of the Target Fund on a listing stock exchange may be halted due to market conditions or for reasons that, in the view of the relevant listing stock exchange, make trading in shares of the Target Fund inadvisable. In addition, trading in shares of the Target Fund on a listing stock exchange is subject to trading halts caused by extraordinary market volatility pursuant to stock exchange "circuit breaker" rules. There can be no assurance that the requirements of a listing stock exchange necessary to maintain the listing of the shares of the Target Fund will continue to be met or will remain unchanged or that the shares of the Target Fund will trade with any volume, or at all, on any stock exchange. Furthermore, any securities that are listed and traded on stock exchanges can also be bought or sold by members of those exchanges to and from each other and other third parties on terms and prices that are agreed on an "over-the-counter" basis and may also be bought or sold on other multi-lateral trading facilities or platforms. The ICAV has no control over the terms on which any such trades may take place. There can be no guarantee that once the shares of the Target Fund are listed or traded on a listing stock exchange they will remain listed or traded on that listing stock exchange.

Securities lending

Securities lending involves counterparty risk, including the risk that the loaned securities may not be returned or returned in a timely manner if the borrower defaults, and that the rights to the collateral are lost if the lending agent defaults. Should the borrower of securities fail to return securities lent by the Target Fund, there is a risk that the collateral received may be realised at a value lower than the value of the securities lent out, whether due to inaccurate pricing of the collateral, adverse market movements in the value of the collateral, a deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the

market in which the collateral is traded. Delays in the return of securities on loan may restrict the ability of the Target Fund to meet delivery obligations under security sales or payment obligations arising from redemption requests.

Suspension of share dealings

Investors are reminded that in certain circumstances the Fund's right to redeem shares of the Target Fund may be suspended.

Tax risk

The tax information provided in the "Tax Information" section in the Target Fund Prospectus is based on the best knowledge of the directors of the ICAV of tax law and practice as at the date of the Target Fund Prospectus and is subject to change from time to time. Any change in the taxation legislation in Ireland or in any jurisdiction where the Target Fund is registered, listed, marketed or invested could affect the tax status of the ICAV and the Target Fund, affect the value of the Target Fund's investments in the affected jurisdiction, affect the Target Fund's ability to achieve its investment objective and/or alter the after-tax returns to investors. Where the Target Fund invests in derivative contracts, these considerations may also extend to the jurisdiction of the governing law of the derivative contract and/or the relevant counterparty and/or to the markets to which the derivative contract provides exposure. The availability and value of any tax reliefs available to investors depend on the individual circumstances of each investor. The information in the "Tax Information" section in the Target Fund Prospectus is not exhaustive and does not constitute legal or tax advice. Prospective investors should consult their tax advisors with respect to their particular tax situations and the tax effects of an investment in the Target Fund. Where the Target Fund invests in a jurisdiction where the tax regime is not fully developed or is not sufficiently certain, the ICAV, the Target Fund Management Company, the Target Fund, the depositary of the Target Fund and the administrator of the Target Fund shall not be liable to account to any investor for any payment made or suffered by the ICAV or the Target Fund in good faith to a fiscal authority for taxes or other charges of the ICAV or the Target Fund notwithstanding that it is later found that such payments need not or ought not have been made or suffered.

The ICAV may be liable to taxes (including withholding taxes) in countries other than Ireland on income earned and capital gains arising on its investments. The ICAV may not be able to benefit from a reduction in the rate of such foreign tax by virtue of the double taxation treaties between Ireland and other countries. The ICAV may not, therefore, be able to reclaim any foreign withholding tax borne by it in particular countries. If this position changes and the ICAV obtains a repayment of foreign tax, the net asset value of the Target Fund from which the relevant foreign tax was originally deducted will not be restated and the benefit will be reflected in the net asset value of the Target Fund at the time of repayment.

Underperformance risk

There is no guarantee that the investment objective of the Target Fund will be achieved.

Volcker rule

Changes to US federal banking laws and regulations are relevant to JPMorgan Chase & Co. and may be relevant to the ICAV and its investors. On 21 July 2010, the "Dodd-Frank Wall Street Reform and Consumer Protection Act" (the "**Dodd-Frank Act**") was signed into law. The Dodd-Frank Act includes certain provisions (known as the "**Volcker Rule**") that restrict the ability of a banking entity, such as JPMorgan Chase & Co., from acquiring or retaining any equity, partnership or other ownership interest in, or sponsoring, a covered fund and prohibit certain transactions between such funds and JPMorgan Chase & Co. Although JPMorgan Chase & Co. does not intend to treat the Target Fund as a covered fund under the Volcker Rule, if JPMorgan Chase & Co., together with its employees and directors, owns 25% or more of the ownership interests of the Target Fund outside of the permitted seeding time period, that Target Fund could be treated as a covered fund. Generally, the permitted seeding time period is three years from the implementation of the Target Fund's investment strategy. Because JPMorgan Chase & Co. does not intend to operate the Target Fund as a covered fund, it may be required to reduce its ownership interests in the Target Fund at a time that is sooner than would otherwise be desirable. This may require the sale of portfolio securities, which may result in losses, increased transaction costs and adverse tax consequences. In addition, in cases where JPMorgan Chase & Co. continues to hold a seed position representing a significant portion of the Target Fund's assets at the end of the permitted seeding period, the anticipated or actual redemption of shares owned by JPMorgan Chase & Co. could adversely impact the Target Fund and could result in the Target Fund's liquidation. Impacted banking entities are generally required to be in conformance with the Volcker Rule by 21 July 2015.

Sustainability risk

Sustainability risk is defined in the EU Sustainable Finance Disclosure Regulation ("SFDR") as "an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment". The Target Fund Management Company considers sustainability risk as risks that are reasonably likely to materially negatively impact the financial condition or operating performance of a company or an issuer and therefore the value of that investment.

In addition to a material negative impact on the value of the Target Fund, sustainability risk may increase the Target Fund's volatility and/or magnify pre-existing risks to the Target Fund.

Sustainability risk may be particularly acute if it occurs in an unanticipated or sudden manner and it may also cause investors to reconsider their investment in the Target Fund and create further downward pressure on the value of the Target Fund.

Evolving laws, regulations and industry norms may impact on the sustainability of many companies / issuers, particularly in respect of environmental and social factors. Any changes to such measures could have a negative impact on the relevant companies / issuers which may result in a material loss in value of an investment in them.

Sustainability risk may impact a specific country, region, company or issuer or have a broader impact regionally or globally and adversely impact markets or issuers across several countries or regions.

Assessment of sustainability risk requires subjective judgements, which may include consideration of third party data that is incomplete or inaccurate. There can be no guarantee that the Target Fund Investment Manager will correctly assess the impact of sustainability risk on the Target Fund's investments.

The Target Fund Management Company has adopted a policy in respect of the integration of sustainability risks in the investment decision-making process for all actively managed strategies, including the Target Fund, with the purpose (at a minimum and where reasonably possible / practicable) of identifying and acting to manage and mitigate these risks. Further information on this policy is available on www.jpmorganassetmanagement.lu.

The likely impacts of sustainability risks on the returns of the Target Fund are assessed in reference to the Target Fund Investment Manager's approach to sustainability risk management in the Target Fund's investment process. The results of this assessment are set out below.

- As the Target Fund has sustainability risks integrated in its investment decision-making process, sustainability risk is considered to have a moderate/higher likely impact on its returns relative to the sub-funds in the Company which have sustainable investment as their objective or promote environmental and/or social characteristics within the meaning of article 9 or 8 of the SFDR.

The above summary of risks does not purport to be an exhaustive list of all the risk factors relating to investments in the Fund and are not set out in any particular order of priority. You should be aware that investments in the Fund may be exposed to other risks from time to time. Please consult your professional advisers for a better understanding of the risks.

2. TARGET FUND INFORMATION

2.1. ABOUT JPMORGAN ETFS (IRELAND) ICAV - NASDAQ EQUITY PREMIUM INCOME ACTIVE UCITS ETF

The ICAV was registered in Ireland pursuant to the Irish Collective Asset-management Vehicles Act 2015 on 18 July 2017 under registration number C171821 and is authorised by the Central Bank of Ireland as a UCITS. The object of the ICAV is the collective investment in transferable securities and/or other liquid financial assets of capital raised from the public, operating on the principle of risk spreading in accordance with the UCITS Regulations. The ICAV has been structured as an umbrella fund, with segregated liability between sub-funds of the ICAV. The directors of the ICAV may from time to time, with the prior approval of the Central Bank of Ireland, create different series of shares effected in accordance with the requirements of the Central Bank of Ireland representing separate portfolios of assets, each such series comprising a sub-fund. Each sub-fund of the ICAV will bear its own liabilities and, under Irish law, none of the ICAV, any of the service providers appointed to the ICAV, the directors of the ICAV, any receiver, examiner or liquidator, nor any other person will have access to the assets of a sub-fund of the ICAV in satisfaction of a liability of any other sub-fund of the ICAV. The ICAV is promoted by JPMorgan Asset Management (Europe) S.à r.l., a Luxembourg based company. The ICAV is incorporated in Ireland and is therefore subject to the Act and is required to comply with the corporate governance requirements of the UCITS Regulations. The directors of the ICAV have committed to maintain a high standard of corporate governance and will seek to comply with the Act, the UCITS Regulations and the Central Bank of Ireland's requirements for UCITS.

The ICAV has appointed JPMorgan Asset Management (Europe) S.à r.l. as its management company pursuant to the agreement signed on 28 September 2017 between the ICAV and the Target Fund Management Company (the "**Management Agreement**"). The Target Fund Management Company is a company incorporated under Luxembourg law with registered office situated at 6, route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg. The Target Fund Management Company was incorporated as a "Société Anonyme" in Luxembourg on 20 April 1988 under the name of Fleming Fund Management (Luxembourg) S.A. The Target Fund Management Company became a "Société à responsabilité limitée" (S.à r.l.) on 28 July 2000, amended its name to J. P. Morgan Fleming Asset Management (Europe) S.à r.l. on 22 February 2001 and amended it to JPMorgan Asset Management (Europe) S.à r.l. on 3 May 2005. JPMorgan Asset Management (Europe) S.à r.l. is regulated by the Commission de Surveillance du Secteur Financier in Luxembourg and authorised to act as a management company to UCITS and as an Alternative Investment Fund Manager and supervises the activities of JPMorgan's Luxembourg and French domiciled mutual fund ranges, as well as the ICAV. The corporate object of JPMorgan Asset Management (Europe) S.à r.l. is to provide investment management, distribution, administrative, operational and client servicing capabilities and services to CIS.

The JPMorgan Asset Management (Europe) S.à r.l. has appointed J.P. Morgan Investment Management Inc. as the investment manager of the Target Fund. The Target Fund Investment Manager shall manage the investments of the Target Fund in accordance with stated investment objectives and restrictions and, on a discretionary basis, acquire and dispose of securities of the Target Fund.

Jurisdiction	:	Grand Duchy of Luxembourg
Name of Regulator	:	Central Bank of Ireland
Target Fund Management Company	:	JPMorgan Asset Management (Europe) S.à r.l.
Depository	:	Brown Brothers Harriman Trustee Services (Ireland) Limited

Share Class

The Target Fund offers different types of share classes. The Fund will be investing in USD Dist of the Target Fund.

Inception Date:	29 October 2024
Base Currency:	USD

Investment objective and policy of the Target Fund

The objective of the Target Fund is to provide income and long-term capital growth.

The Target Fund aims to (i) invest in a portfolio of equity securities comprising primarily of companies that are domiciled in, or carrying out the main part of their economic activity in the USA, and (ii) sell equity call options and/or equity index call options, to generate an income through the associated dividends and options premiums.

(i) Equity Portfolio

The Target Fund aims to invest at least 67% of its assets (excluding assets held for ancillary liquidity purposes) in equity securities issued by companies that are domiciled in, or carrying out the main part of their economic activity in the USA. The Target Fund may also invest in equity securities issued by companies from any other country. For the avoidance of doubt, investors should note that the Target Fund will not seek to track the performance of or replicate the benchmark of the Target Fund, rather the Target Fund will hold a portfolio of equity securities (which may include but will not be limited to Benchmark Securities (as defined hereinbelow)) which is actively selected and managed with the aim of contributing to the Target Fund's objective of providing an income. The Target Fund also seeks a lower volatility than the benchmark of the Target Fund.

In managing the equity portfolio, the Target Fund Investment Manager employs a data science driven investment approach that combines research, data insights and risk management. The Target Fund Investment Manager utilises proprietary techniques to process, analyse and combine data sources such as, its proprietary fundamental research, company fundamentals, industry

research, economic activity and company specific news. The Target Fund Investment Manager combines insights derived from these sources to forecast the financial prospects of each security. These forecasts are used to identify securities with attractive valuations that are priced favourably relative to their associated levels of risk. Security-level forecasts are then combined through a proprietary security selection process, constructing a portfolio that maximises expected future financial performance while controlling for key risks to the underlying companies' businesses identified by the Target Fund Investment Manager as part of its analysis.

(ii) Equity Call Options / Equity Index Call Options

The Target Fund Investment Manager seeks additional income through employing a FDI overlay strategy which will be implemented by systematically selling equity call options and/or equity index call options which will typically have exposure to indices comprised of Benchmark Securities (as defined hereinbelow). The income provided from the option premiums is an important source of the Target Fund's return and may also reduce the Target Fund's volatility, the income generated from the option premiums may help offset any losses from the equity portfolio. However, investors should also note that the losses from the sale of equity call options and/or equity index call options may also offset the Target Fund's profits from increases in the value of the equity portfolio.

In a call writing strategy, the Target Fund (as the seller of the option) receives premiums from the purchaser of the option in exchange for providing the purchaser with the right to buy a certain amount of exposure to the performance of the underlying equity index from the Target Fund at a specific price, known as the exercise or strike price, during a specified period of time. If the value of the index underlying the option is less than the strike price, the option will generally not be exercised by the purchaser and the Target Fund will earn the full premium on the expiration of the option, or a portion of the premium if the option is terminated early. By contrast if the value of the index underlying the option exceeds the strike price, the option will generally be exercised and the Target Fund will have to pay the purchaser the difference between the value of the index and the strike price.

The Target Fund Investment Manager will select option investments based on its estimate of market volatility levels, index valuations and market risks. The Target Fund Investment Manager will draw upon the resources of its internal team of analysts as well as external sources of market data to determine these estimates. Further, the Target Fund Investment Manager will evaluate relative option premiums in determining preferred option contract terms, such as exercise prices and expiration dates.

The Target Fund will typically invest in assets denominated in USD. For any non-USD denominated assets, the currency exposure may be hedged back to USD.

The Target Fund Investment Manager also integrates financially material environmental, social and governance ("ESG") issues¹ as part of the Target Fund's investment process ("ESG Integration"). ESG Integration is the systematic inclusion of ESG issues in investment analysis and investment decisions with the goals of managing risk and improving long-term returns. ESG Integration by itself focuses on financial materiality and is therefore only part of a broader investment process. It is only one of the factors alongside other factors that the Target Fund Investment Manager considers in portfolio construction, including buying and selling securities.

ESG issues are non-financial considerations that may positively or negatively affect a company's revenues, costs, cash flows, value of assets and/or liabilities. While the Target Fund Investment Manager includes financially material ESG issues, alongside other relevant factors, in the portfolio construction process, ESG determinations may not be conclusive and securities of individual companies / issuers may be purchased, retained and sold without limit, by the Target Fund Investment Manager as investment decisions are discretionary regardless of ESG considerations and potential ESG impact.

The Target Fund Investment Manager considers information to inform its view on sustainability risks (which may change over time) which incorporates multiple data inputs across environmental, social and governance matters such as such as greenhouse gas emissions / emissions impact, product safety and executive remuneration.

The Target Fund Investment Manager considers the information in terms of how it may impact the commercial viability of a company. Sustainability risk may have a negative impact on a company's operational effectiveness or reputation, for example, which in turn may negatively impact its profitability or capital growth opportunities. The Target Fund Investment Manager can also use active ownership as a means to address identified sustainability risks. Active ownership is the process of exercising voting rights attached to securities and/or communicating with issuers on ESG issues, with a view to monitor or influence ESG outcomes within the issuer.

Please note that sustainability risk would not by itself prohibit an investment. Instead, sustainability risk forms part of the overall risk management processes, and is one of many risks which may, depending on the specific investment opportunity, be relevant to a determination of overall risk.

The investments underlying the Target Fund do not take into account the European Union criteria for environmentally sustainable economic activities.

¹ Environmental issues relate to the quality and functioning of the natural environment and natural systems, such as carbon emissions, environmental regulations, water stress and waste. Social issues relate to the rights, wellbeing and interests of people and communities, such as labour management and health and safety. Governance issues relate to the management and oversight of companies and other investee entities, such as board, ownership and pay.

The Target Fund will primarily invest in equity securities issued by large capitalisation companies across any industrial sector, which may include common stocks, preferred stocks and depositary receipts. The Target Fund will invest primarily in securities listed or traded on recognised markets in the USA. The Target Fund may also invest in units of REITs.

In normal circumstances the Target Fund may hold up to 10% of its net asset value in ancillary liquid assets (deposits, certificates of deposit, commercial paper, fixed rate bonds issued by governments which are rated investment grade and money market funds) in accordance with the UCITS Regulations. Subject to the following paragraph, the Target Fund may hold a higher percentage of its net asset value in such ancillary liquid assets following large cash flows into or out of the Target Fund, as it may be inefficient and contrary to the shareholders of the Target Fund's best interests to seek to invest cash received as subscriptions, or realise assets to meet large redemptions, solely on the relevant Dealing Day. The Target Fund will seek to reduce the percentage of its net asset value held as ancillary liquid assets to below 10% of net asset value of the Target Fund as quickly as practicable, acting in the best interests of shareholders of the Target Fund.

The Target Fund will not invest more than 10% of its net asset value in other regulated, open-ended CIS, including exchange-traded funds and money market funds.

In addition, the Target Fund may, for efficient portfolio management and investment purposes, use FDI to gain exposure to UCITS eligible equity indices of the type described above, to hedge specific risks, and/or to manage the cash flows and trading across multiple time-zones. Any use of FDI by the Target Fund shall be limited to (i) options in respect of UCITS-eligible equity indices, as described above; (ii) futures in respect of the other assets in which the Sub-Fund may invest, as described above; (iii) forward foreign exchange contracts (including non-deliverable forwards) and (iv) warrants (subject to a maximum of 5% of net asset value of the Target Fund). The details of the equity indices to which exposure is taken will be disclosed in the annual financial statements of the ICAV.

The global exposure of the Target Fund is measured by the Relative Value-at-Risk methodology, the reference portfolio being the benchmark of the Target Fund.

The Target Fund's expected level of leverage is 200% of its net asset value, although it is possible that leverage might exceed this level from time to time. In this context, leverage is calculated as the sum of notional exposure of the FDI used, as defined in the "Risk Management" section of the Target Fund Prospectus.

The Target Fund intends to qualify as an "Equity Fund" in accordance with the partial exemption regime and will invest more than 50% of its net asset value on a continuous basis directly in equities as defined in the German Investment Tax Act.

Benchmark of the Target Fund

The benchmark of the Target Fund consists of large capitalisation stocks issued by companies in the USA ("Benchmark Securities"). The benchmark of the Target Fund tracks the performance of 100 of the largest non-financial companies listed on the Nasdaq Stock Market®, encompassing a diverse range of industries and sectors. Further details on the benchmark of the Target Fund, including its components and performance, are available at www.nasdaq.com/docs/nasdaq-100-index-product-guide.

The benchmark of the Target Fund has been included as a point of reference against which the performance of the Target Fund may be measured and as it reflects the main investment universe and strategy for the Target Fund. The degree to which the Target Fund may resemble the composition and risk characteristics of the benchmark of the Target Fund will vary over time and its performance may be meaningfully different. Additionally, the Target Fund's overall market exposure may vary significantly from the benchmark of the Target Fund as a result of its options overlay strategy.

Base Currency of the Target Fund

USD

Distribution Policy of the Target Fund

The Fund invests in USD Dist share class of the Target Fund which will pay monthly dividend distributions based on the net income (income, typically, in the form of dividends from stocks and realised capital gains from underwriting of equity call options, less expenses) attributable to the share class.

2.2. INVESTMENT RESTRICTIONS AND GUIDELINES

The investment restrictions below are applicable to the ICAV as a whole and must be complied with by the Target Fund.

The assets of the Target Fund will be invested in accordance with the investment restrictions contained in the UCITS Regulations which are summarised below. If you need more information, kindly visit the website of the Target Fund Management Company at www.jpmorganassetmanagement.lu.

1. PERMITTED INVESTMENTS

- 1.1. Investments of the Target Fund are confined to:
Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a member state or non-member state or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a member state or non-member state.

- 1.2. Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
- 1.3. Money market instruments other than those dealt on a regulated market.
- 1.4. Units of UCITS.
- 1.5. Units of alternative investment funds.
- 1.6. Deposits with credit institutions.
- 1.7. FDIs.

2. INVESTMENT RESTRICTIONS

- 2.1. The Target Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
- 2.2. The Target Fund shall not invest any more than 10% of assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by the Target Fund in US securities known as Rule 144A securities provided that:
 - the relevant securities have been issued with an undertaking to register the securities with the US Securities and Exchanges Commission within one year of issue; and
 - the securities are not illiquid securities i.e. they may be realised by the Target Fund within seven days at the price, or approximately at the price, which they are valued by the Target Fund.
- 2.3. The Target Fund may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
- 2.4. Subject to the prior approval of the Central Bank of Ireland, the limit of 10% (in paragraph 2.3) may be raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a member state and is subject by law to special public supervision designed to protect bond-holders. If the Target Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments across all issuers may not exceed 80% of the net asset value of the Target Fund.
- 2.5. The limit of 10% (in paragraph 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a member state or its local authorities or by a non-member state or public international body of which one or more member states are members.
- 2.6. The transferable securities and money market instruments referred to in paragraphs 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in paragraph 2.3.
- 2.7. Cash booked in accounts with any single credit institution and held as ancillary liquidity shall not exceed 20% of the net assets of the Target Fund.
- 2.8. The risk exposure of the Target Fund to a counterparty to an OTC derivative may not exceed 5% of net assets. This limit is raised to 10% in the case of a credit institution authorised in the European Economic Area; a credit institution authorised within a signatory state (other than an European Economic Area member state) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
- 2.9. Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:
 - investments in transferable securities or money market instruments;
 - deposits, and/or
 - counterparty risk exposures arising from OTC derivatives transactions.
- 2.10. The limits referred to in paragraphs 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined and consequently exposure to a single body shall not exceed 35% of net assets.
- 2.11. Group companies are regarded as a single issuer for the purposes of paragraphs 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.
- 2.12. The Target Fund may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any member state, its local authorities, non-member states or public international body of which one or more member states are members.

The individual issuers must be listed in the Target Fund Prospectus and may be drawn from the following list:

Organisation for Economic Co-Operation and Development Governments (provided the relevant issues are investment grade), Government of the People's Republic of China, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter-American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC.

The Target Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.

3. Investment in CIS

- 3.1. The Target Fund may not invest more than 20% of net assets in any one CIS.
- 3.2. Investment in alternative investment funds may not, in aggregate, exceed 30% of net assets.
- 3.3. The CIS are prohibited from investing more than 10% of net assets in other open-ended CIS.
- 3.4. When the Target Fund invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the Target Fund Management Company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the Target Fund investment in the units of such other CIS.
- 3.5. Where by virtue of investment in the units of another CIS, the responsible person, an investment manager or an investment advisor receives a commission on behalf of the Target Fund (including a rebated commission), the responsible person shall ensure that the relevant commission is paid into the property of the Target Fund.

4. General Provisions

- 4.1. An investment company, or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- 4.2. The Target Fund may acquire no more than:
 - (i) 10% of the non-voting shares of any single issuing body;
 - (ii) 10% of the debt securities of any single issuing body;
 - (iii) 25% of the units of any single CIS;
 - (iv) 10% of the money market instruments of any single issuing body.NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.
- 4.3. Paragraphs 4.1 and 4.2 shall not be applicable to:
 - (i) transferable securities and money market instruments issued or guaranteed by a member state or its local authorities;
 - (ii) transferable securities and money market instruments issued or guaranteed by a non-member state;
 - (iii) transferable securities and money market instruments issued by public international bodies of which one or more member states are members;
 - (iv) shares held by the Target Fund in the capital of a company incorporated in a non-member state which invests its assets mainly in the securities of issuing bodies having their registered offices in that state, where under the legislation of that state such a holding represents the only way in which the Target Fund can invest in the securities of issuing bodies of that state. This waiver is applicable only if in its investment policies the company from the non-member state complies with the limits laid down in paragraphs 2.3 to 2.11, 3.1, 3.2, 4.1, 4.2, 4.4, 4.5 and 4.6, and provided that where these limits are exceeded, paragraphs 4.5 and 4.6 below are observed.
 - (v) shares held by an investment company or investment companies in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.
- 4.4. The Target Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.
- 4.5. The Central Bank of Ireland may allow the Target Fund to derogate from the provisions of paragraphs 2.3 to 2.12, 3.1 and 3.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.

- 4.6. If the limits laid down herein are exceeded for reasons beyond the control of the Target Fund, or as a result of the exercise of subscription rights, the Target Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its unitholders.
- 4.7. Neither an investment company, nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered short sales of:
- transferable securities;
 - money market instruments;
 - units of CIS; or
 - FDIs.
- 4.8. The Target Fund may hold ancillary liquid assets.

5. FDIs

- 5.1. The Target Fund's global exposure relating to FDI must not exceed its total net asset value.
- 5.2. Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations.)
- 5.3. The Target Fund may invest in FDIs dealt in OTC provided that the counterparties to OTC transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank of Ireland.
- 5.4. Investment in FDIs are subject to the conditions and limits laid down by the Central Bank of Ireland.

The ICAV shall not acquire commodities, precious metals or certificates representing them.

2.3. RISK MANAGEMENT

The global exposure relating to FDI may be calculated through the commitment approach or Value-at-Risk (VaR) methodology.

VaR is a means of measuring the potential loss to the Target Fund due to market risk and is expressed as the maximum potential loss measured at a 99% one-tailed confidence level over a one month time horizon. The holding period for the purpose of calculating global exposure, is one month.

The expected level of leverage of the Target Fund is 200% of its net asset value. This is an indicative level and is not a regulatory limit.

The Target Fund's actual level of leverage might significantly exceed the expected level from time to time however the use of FDI will remain consistent with the Target Fund's investment objective and risk profile and comply with its VaR limit. In this context, leverage is a measure of the aggregate derivative usage and is calculated as the sum of the notional exposure of the FDI used, without the use of netting arrangements. As the calculation neither takes into account whether a particular FDI increases or decreases investment risk, nor takes into account the varying sensitivities of the notional exposure of the FDI to market movements, this may not be representative of the level of investment risk within the Target Fund.

The global exposure of the Target Fund is measured by the relative VAR methodology, the reference portfolio being the benchmark.

Relative VaR

The relative VaR approach is used for the Target Fund where a derivative free benchmark or reference portfolio is defined reflecting the investment strategy which the Target Fund is pursuing. The relative VaR of the Target Fund (including derivatives) is expressed as a multiple of the VaR of a benchmark or reference portfolio and is limited to no more than twice the VaR on the comparable benchmark or reference portfolio. The reference portfolio for VaR purposes, as amended from time to time, may be different from the benchmark as stated in the supplement prospectus of the Target Fund.

The Target Fund Management Company has a risk management process in respect of the Target Fund which enables it to accurately measure, monitor and manage the various risks associated with FDI, the use of efficient portfolio management techniques and the management of collateral. The Target Fund Management Company will only employ FDI that are covered by the risk management process, as amended from time to time. A statement of this risk management process has been submitted to and cleared by the Central Bank of Ireland. In the event of the Target Fund proposing to use additional types of FDI, the risk management process and supplement prospectus of the Target Fund will be amended to reflect this intention and the Target Fund will not utilise such FDI until such time as the risk management process providing for its use has been submitted to the Central Bank of Ireland.

The creation of leveraged exposure to an index via FDI, for the inclusion of a leverage feature in an index, shall be taken into account in assessing compliance with the Target Fund Prospectus disclosure requirements of Regulation 53(4) of the Central Bank UCITS Regulations.

2.4. TEMPORARY SUSPENSION OF DEALINGS

The directors of the ICAV may at any time, with prior notification to the depositary of the Target Fund and the Target Fund Management Company, temporarily suspend the issue, valuation, sale, purchase, redemption or conversion of shares of the Target Fund, or the payment of redemption proceeds:

- (i) while any transfer of funds involved in the realisation, acquisition or disposal of investments or payments due on sale of such investments by the ICAV cannot, in the opinion of the directors of the ICAV, be effected at normal prices or rates of exchange or be effected without seriously prejudicing the interests of the shareholders or the ICAV; or
- (ii) during any breakdown in the communications normally employed in valuing any of the ICAV's assets, or when, for any reason, the price or value of any of the ICAV's assets cannot be promptly and accurately ascertained; or
- (iii) if the ICAV, or the Target Fund is being, or may be, wound-up on or following the date on which notice is given of the meeting of shareholders at which a resolution to wind up the ICAV or the Target Fund is proposed; or
- (iv) during the existence of any state of affairs which, in the view of the directors of the ICAV, constitutes an emergency as a result of which disposal or valuation of investments of the Target Fund by the Target Fund Management Company is impracticable; or
- (v) if the directors of the ICAV have determined that there has been a material change in the valuation of a substantial proportion of the investments of the ICAV attributable to the Target Fund and the directors of the ICAV have decided, in order to safeguard the interest of the shareholders and the ICAV, to delay the preparation or use of a valuation or carry out a later or subsequent valuation; or
- (vi) while the value of any subsidiary of the ICAV may not be determined accurately; or
- (vii) during any other circumstance or circumstances where a failure to do so might result in the ICAV or its shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment to which the ICAV or its shareholders might not otherwise have suffered.

The suspension of the calculation of the net asset value of the Target Fund or share class of the Target Fund shall not affect the valuation of other sub-funds or share classes of ICAV, unless these sub-funds or share classes are also affected.

2.5. REDEMPTION GATE LIMIT

If redemption requests on any Dealing Day represent 10% or more of the net asset value of the Target Fund, the Target Fund Management Company may, in its discretion, refuse to redeem any shares of the Target Fund in excess of 10% (at any time including after the cut-off time on the Dealing Day). Any request for redemption on such Dealing Day shall be reduced rateably and the redemption requests shall be treated as if they were received on each subsequent Dealing Day until all shares of the Target Fund to which the original request related have been redeemed.

2.6. FEES CHARGED BY THE TARGET FUND

FEES/EXPENSES	
Total expense ratio	Up to 0.35% per annum of the net asset value of the Target Fund. Note: <i>The total expense ratio charged by the Target Fund will be paid out of the Management Fee charged by us at the Fund level. You will incur a Management fee at the Fund's level only and there is no double charging of management fee.</i>

3. FEES, CHARGES AND EXPENSES

3.1. CHARGES

The following describes the charges that you may **directly** incur when you buy or withdraw units.

3.1.1. Application Fee

When applying for units of a Class, you may be charged an Application Fee based on the NAV per unit of the respective Class. Please refer to the Annexure of the respective Class for further information.

Below is an illustration on how the Application Fee is calculated:-

	Class ABC (Denominated in USD)	Class XYZ (Denominated in MYR)
Investment amount	USD 10,000	MYR 10,000
NAV per unit	USD 1.0000	MYR 1.0000
Application Fee (NAV per unit)	3.00%	3.00%
Units issued to Unit holder = $\frac{\text{Investment amount}}{\text{NAV per unit}}$	= $\frac{\text{USD 10,000.00}}{\text{USD 1.0000}}$ = 10,000 units	= $\frac{\text{MYR 10,000.00}}{\text{MYR 1.0000}}$ = 10,000 units
Application Fee per unit = NAV per unit x Application Fee (%)	= USD 1.0000 x 3.00% = USD 0.0300	= MYR 1.0000 x 3.00% = MYR 0.0300
Total Application Fee	= 10,000 units x USD 0.0300 = USD 300.00	= 10,000 units x MYR 0.0300 = MYR 300.00

Note: Please note that the above example is for illustration purpose only. Please refer to the Annexure of the respective Class for the Application Fee applicable to the Class. The Application Fee imposed will be rounded to two (2) decimal places.

3.1.2. Withdrawal Penalty

Withdrawal Penalty is chargeable if a withdrawal is made within three (3) months from the Commencement Date. Thereafter, no Withdrawal Penalty will be charged. All Withdrawal Penalty will be retained by the Fund. Please refer to the Annexure of the respective Class for further information.

3.1.3. Dilution Fee

Nil.

3.1.4. Switching Fee

Switching is treated as a withdrawal from a Class and an investment into another Class or Principal Malaysia's fund (or its class(es)). You may be charged a Switching Fee equal to the difference (if any) between the Application Fee of the Class and the Application Fee of the other Class or Principal Malaysia's fund (or its class(es)). Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class(es)) to be switched into has a lower Application Fee. In addition, you may be charged administrative fee for each switch. Please refer to the Annexure of the respective Class for further information.

3.1.5. Transfer Fee

You may be charged a Transfer Fee for each transfer. Please refer to the Annexure of the respective Class for further information.

3.2. FEES AND EXPENSES

All fees and expenses of the Fund will generally be apportioned to each Class currently available for sale based on the MCR except for Management Fee and those that are related to the specific Class only, such as, the cost and/or benefits from currency hedging of the respective Class(es) and the cost of Unit holders' meeting held in relation to the respective Class. If in doubt, you should consult professional advisers for a better understanding.

The following describes the fees that you may **indirectly** incur when you invest in a Class.

3.2.1. Management Fee

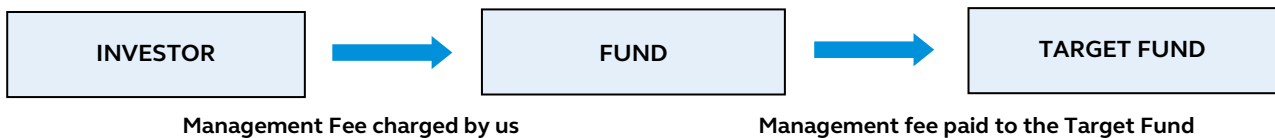
Please note that the Management Fee is charged to the respective Class at the Class level, based on the NAV of the Class. Please refer to the Annexure of the respective Class for further information. The Management Fee shall be accrued daily and paid monthly.

Below is an illustration on how the Management Fee is calculated, assuming the below Management Fee of 1.20% per annum and the NAV of USD 150 million each for both Class ABC and Class XYZ:-

	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
Management Fee	1.20% per annum	1.20% per annum
NAV of the class	USD 150 million	USD 150 million
Management Fee for the day = NAV of the class x Management Fee rate for the class (%) / 365 days	= USD 150 million x 1.20% / 365 = USD 4,931.51	= USD 150 million x 1.20% / 365 = USD 4,931.51

Note: In the event of a leap year, the computation will be based on 366 calendar days.

Please note that although at least 85% of the Fund's NAV will be invested in another CIS, no additional management fee will be charged to the investor.



Note: The Management Fee will only be charged once at the Fund level. The management fee charged by the Target Fund will be paid out of the Management Fee charged at the Fund level. There will not be double charging of the Management Fee. Please refer to "Fees charged by the Target Fund" section at page 21 for details on the Target Fund's management fee.

3.2.2. Trustee Fee

Please note that the Trustee Fee (including local custodian fee but excluding foreign sub-custodian fees and charges) charged to the Fund is based on the NAV of the Fund. The Trustee Fee shall be accrued daily and paid monthly.

The Trustee Fee is up to 0.03% per annum for the Fund.

Below is an illustration on how the Trustee Fee is calculated, assuming the NAV of the Fund is USD 300 million:-

Trustee Fee for the Fund = 0.03% per annum
 Trustee Fee for the day = NAV of the Fund x annual Trustee Fee rate for the Fund (%) / 365 days
 = USD 300 million x 0.03% / 365
 = USD 246.58

Note: In the event of a leap year, the computation will be based on 366 calendar days.

3.2.3. Other costs of investing in a feeder fund

As the Fund will invest in shares of the Target Fund, there are other fees and expenses incurred by the Target Fund which is set out in detail under "Fees charged by the Target Fund" section at page 21.

3.2.4. Other expenses

The Deed also provides for payment of other expenses. Other expenses which are directly related and necessary to the operation and administration of the Fund may be charged to the Fund. These would include (but are not limited to) the following:

- commissions or fees paid to brokers or dealers (if any) in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes or difference account;
- taxes and other duties charged on the Fund by the government and other authorities (if any) and bank fees;
- fees and other expenses properly incurred by the auditor and tax agent of the Fund;
- fees incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent;
- costs incurred for the modification of the Deed otherwise than for our benefit or the Trustee's;
- costs incurred for any meeting of the Unit holders other than those convened for our benefit or the Trustee's;
- the sale, purchase, insurance and any other dealing of investment including commissions or fees paid to brokers;
- costs involved with external specialist approved by the Trustee in investigating or evaluating any proposed investment;
- the engagement of valuer, adviser or contractor of all kinds;
- preparation and audit of the taxation returns and accounts of the Fund;
- termination of the Fund or Class and the retirement or removal of the Trustee or the Manager and the appointment of a new trustee or manager;

- any proceedings, arbitration or other dispute concerning the Fund, Class or any asset, including proceedings against the Trustee or the Manager, or commenced by either of them for the benefit of the Fund or that Class (except to the extent that legal costs incurred for the defence of either of them are ordered by the court not to be reimbursed out of the Fund);
- remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function of the Fund, unless we decide to bear the same;
- expenses incurred in the printing of and postage of the annual and quarterly (if any) reports, including the purchase of stationery;
- (where the custodial function is delegated by the Trustee to a foreign sub-custodian), charges or fees paid to the foreign sub-custodian;
- all costs and/or expenses associated with the distributions and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or distribution warrant or telegraphic transfer;
- cost of obtaining experts opinion by the Trustee and us for the benefit of the Fund or Class;
- costs, fees and expenses incurred in relation to the subscription, renewal and/or licensing of the performance benchmark for the Fund; and
- costs of printing and dispatching to Unit holders the accounts of the Fund, tax certificates, distribution warrants, notices of meeting of Unit holders, newspaper advertisement and such other similar costs as may be approved by the Trustee.

Expenses not authorised by the Deed must be borne by us or the Trustee, if incurred for our own benefit.

- 3.2.5.** We and the Trustee are required to ensure that any fees or charges payable are reasonable and in accordance with the Deed which stipulates the maximum rate in percentage terms that can be charged. We will ensure that there is no double charging of management fee. All expenses of the Fund will generally be apportioned to each Class based on the MCR except for those that are related to the specific Class only, such as, the costs and/or benefits from currency hedging of the respective Classes and the costs of Unit holders meeting held in relation to the respective Class. If in doubt, you should consult professional advisers for a better understanding.

Subject always to the provisions of the Deed and GLOLA, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or Class or payable by any other investors to the Fund.

You should note that we may, for any reason at any time, where applicable, waive or reduce the amount of any fees (except the Trustee Fee) or other charges payable by you in respect of the Fund, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor, a group of Sophisticated Investors or investments made via any digital platform) and for any period or periods of time at our absolute discretion.

3.3. REBATES AND SOFT COMMISSIONS

We and the Trustee will not retain any form of rebate from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission will be directed to the account of the Fund.

We may retain goods and services (soft commission) provided by any broker or dealer if the following conditions are met:

- (a) the soft commission brings direct benefit or advantage to the management of the Fund and may include research and advisory related services;
- (b) any dealings with the broker or dealer is executed on terms which are the most favourable for the Fund; and
- (c) the availability of soft commission is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and we will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commission.

There are fees and charges involved and you are advised to consider them before investing in the Fund.

All fees and charges payable by you and/or the Fund are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in this Information Memorandum.

As this is a feeder fund, you are advised that you will be subjected to higher fees arising from the layered investment structure.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees, charges, expenses and/or transaction information from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee, communicate to you and/or seek your approval on the amendments to the fees, charges, expenses and/or transaction information.

4. TRANSACTION INFORMATION

4.1. VALUATION OF INVESTMENTS PERMITTED BY THE FUND

We will ensure that all the assets of the Fund are valued in a fair manner. The assets of the Fund are valued as follows:

- **Listed CIS**
The value of any CIS, which are quoted on an exchange, shall be calculated daily by reference to the last exchange closing prices. If the last transacted price does not represent the fair value of the CIS, then the CIS shall be valued at fair price as determined in good faith by us, based on the methods or bases approved by the Trustee after appropriate technical consultation, such as the mean of bid and offer prices at the close of trading. Suspended CIS will be valued at their last done price unless there is conclusive evidence to show that the value has gone below the suspended price or where the quotation of the CIS has been suspended for a period exceeding fourteen (14) days or such shorter period as agreed by the Trustee, then the CIS should be valued at fair value as determined in good faith by us based on the methods or bases approved by the Trustee after appropriate technical consultation.
- **Deposits**
The value of Deposits shall be determined each day by reference to the principal value of such Deposits and its accrued income thereon for the relevant period.
- **Money market instruments**
Investment in money market instruments such as negotiable instrument of deposits and commercial papers are valued each day by reference to the value of such investments and the interests accrued thereon for the relevant period. Instruments such as MYR-denominated commercial papers are valued on a daily basis using the fair value prices quoted by a Bond Pricing Agency registered with the SC.
- **Derivative**
For unlisted derivative instruments, we shall ensure that the valuation of the investment is valued daily at fair value as determined in good faith by us, based on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

If the value of the Fund's assets is denominated in a currency other than USD, the assets are translated on a daily basis to USD based on the bid foreign exchange rate quoted by either Bloomberg or Refinitiv, at United Kingdom time 4:00 p.m. on the same day (Malaysian time 11:00 p.m. or 12:00 a.m.), or such other time as stipulated in the IMS.

4.2. UNIT PRICING

We adopt a single pricing method for any transactions (i.e. applications, withdrawals, switches and/or transfers) based on forward prices. This means that we will process your transactions request based on the NAV per unit at the next valuation point after we receive the completed relevant application from you.

If the transactions are made by 4:00 p.m. on a Business Day, we will process the transactions using the NAV per unit on the same Business Day. For transactions made after 4:00 p.m. on a Business Day, we will process the transactions using the NAV per unit on the next Business Day.

We will carry out the valuation for the Classes for a Business Day on the next Business Day (T+1) by 4:00 p.m. This is to cater for the currency translation of the foreign securities or instruments to the Fund's base currency based on the bid exchange rate quoted by Bloomberg or Refinitiv at United Kingdom time 4:00 p.m. on the same day (Malaysian time 11:00 p.m. or 12:00 a.m.), or such other time as stipulated in the IMS. The NAV per unit for a Business Day is available on our website at www.principal.com.my after 5:30 p.m. on the following Business Day (T+1).

After the initial offer period, the Fund must be valued at least once every Business Day. The method of determining NAV per unit of the Class is calculated as follows:

$$\text{NAV per unit of the Class} = \frac{\text{NAV of the Class}}{\text{Number of units in issue of the Class}}$$

The NAV of the Fund is the sum of the value of all investments and cash held by the Fund (calculated in accordance with the Deed) including income derived by the Fund which has not been distributed to you, less all amounts owing or payable in respect of the Fund which also includes any provisions that may be made by us and the Trustee. For example, a provision may be made for possible future losses on an investment which cannot be fairly determined.

The valuation of the Fund is in the base currency i.e. USD. As such, all the assets and liabilities of each Class will be translated into USD for valuation purposes. The foreign exchange rate used for this purpose shall be the bid exchange rate quoted by Bloomberg or Refinitiv at United Kingdom time 4:00 p.m. (Malaysian time 11:00 p.m. or 12:00 a.m.), or such other time as stipulated in the

IMS. The NAV per unit of each Class will be the NAV of the Fund attributable to each Class divided by the number of units in circulation of that Class, at the same valuation point.

4.2.1. Multi-class Ratio (MCR)

MCR is the apportionment of the NAV of each Class over the Fund's NAV based on the size of each Class. The MCR is calculated by dividing the NAV (in USD) of the respective Class by the NAV of the Fund before income and expenses for the day. The apportionment is expressed as a ratio and calculated as a percentage.

Below is an illustration on computation of the NAV of the Fund:

	Fund (USD)	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
NAV of the Fund before income and expenses	185,942,897.00	173,342,897.00	12,600,000.00
% MCR	100%	⁽¹⁾ 93.22%	⁽¹⁾ 6.78%
Add: Income	30,000.00	⁽²⁾ 27,967.12	⁽²⁾ 2,032.88
Less: Expenses	(10,000.00)	⁽²⁾ (9,322.37)	⁽²⁾ (677.63)
Benefits or costs of hedging (if any)	900.00	-	900.00
NAV of the Fund before Management Fee and Trustee Fee	185,963,797.00	173,361,541.75	12,602,255.25
Less: Management Fee	(6,113.88)	1.20% p.a. (5,699.56)	1.20% p.a. (414.32)
Less: Trustee fee	(152.85)	0.03% p.a. (142.49)	(10.36)
NAV of the Fund	185,957,530.27	173,355,699.70	12,601,830.57
Units in circulation	200,000,000.00 units	170,000,000.00 units	30,000,000.00 units
NAV per unit		1.0197	0.4201
Currency exchange rate		N/A	(USD/MYR) 0.3000
NAV per unit		USD 1.0197	MYR 1.4002

	Fund (USD)	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
NAV of the Fund before creation of units for the day	185,957,530.27	173,355,699.70	12,601,830.57
⁽³⁾ Net subscription amount	1,300,000.00	1,000,000.00	300,000.00
Closing NAV	187,257,530.27	174,355,699.70	12,901,830.57
Units in circulation	201,694,824.65 units	170,980,642.69 units	30,714,181.96 units
NAV per unit		1.0197	0.4201
Currency exchange rate		N/A	(USD/MYR) 0.3000
NAV per unit		USD 1.0197	MYR 1.4002

Note :

⁽¹⁾ MCR computation

	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
<u>NAV of the Class x 100</u>	<u>173,342,897 x 100</u>	<u>12,600,000 x 100</u>
NAV of the Fund before income and expenses	185,942,897.00	185,942,897
	= 93.22%	= 6.78%

⁽²⁾Apportionment based on MCR is as follows:

	(USD)	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
Add: Income	30,000.00	MCR x Income = Income for Class ABC = 93.22% x USD 30,000.00 = USD 27,967.12	MCR x Income = Income for Class XYZ = 6.78% x USD 30,000.00 = USD 2,032.88
Less: Expenses	(10,000.00)	MCR x Expenses = Expenses for Class ABC = 93.22% x USD 10,000.00 = USD 9,322.37	MCR x Expenses = Expenses for Class XYZ = 6.78% x USD 10,000.00 = USD 677.63

⁽³⁾ Net subscription amount

	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
Net subscription amount	USD 1,000,000.00	MYR 1,000,000.00
NAV per unit	USD 1.0197	MYR 1.4002
Number of units	980,642.69 units	714,181.96 units
Currency exchange rate	N/A	(USD/MYR) 0.3000
Net subscription amount*	USD 1,000,000	USD 300,000

*Subscription amount net of any withdrawal amount.

Note: Please note that the above is for illustration purpose only. NAV per unit is truncated to four (4) decimal places.

4.3. INCORRECT PRICING

We shall take immediate remedial action to rectify any incorrect valuation and/or pricing of the Class. Where such error has occurred, we shall reimburse the money in the following manner:

- a) in the event of over valuation and/or pricing, we shall reimburse:
 - (i) the Class for any withdrawal of units; and/or
 - (ii) you, if you have purchased units of the Class at a higher price; or
- b) in the event of under valuation and/or pricing, we shall reimburse:
 - (i) the Class for any subscription of units; and/or
 - (ii) you, if you have withdrawn units of the Class at a lower price.

Notwithstanding the above, unless the Trustee otherwise directs, we shall make the reimbursement only where an incorrect pricing:

- a) is equal to or more than 0.50% of the NAV per unit; and
- b) results in a sum total of MYR10.00 (or in the case of a foreign currency Class, 10.00 denominated in the foreign currency denomination of the Class) or more to be reimbursed to a Unit holder for each sale or withdrawal transaction.

We shall have the right to amend, vary or revise the aforesaid limits from time to time, subject to any regulatory or governing body's requirements.

4.4. INVESTING

4.4.1. Who can invest?

You are eligible to invest in the Fund if you are a Sophisticated Investor who is:

- an individual who is at least eighteen (18) years of age and not an undischarged bankrupt with a bank account (or foreign currency bank account, as the case may be) in the currency of the Class applied for (e.g. Class USD investors are required to have a USD bank account). As an individual investor, you may also opt to invest in joint names (i.e. as a joint Unit holder and both applicants must be at least eighteen (18) years of age).
- an institution including a company, corporation, co-operative, trust or pension fund with a bank account (or foreign currency bank account, as the case may be) in the currency of the Class applied for (e.g. Class USD investors are required to have a USD bank account).

Notwithstanding the above, we have the right to accept or reject an application in whole or in part thereof without assigning any reason in respect thereof.

Further, if we become aware of a USA person (i.e. someone who has a USA address (permanent or mailing) or contact number) or USA entity (i.e. a corporation, trust, partnership or other entity created or organised in or under the laws of the USA or any state thereof or any estate or trust the income of which is subject to United States Federal Income Tax regardless of source) holding units in the Fund, we will issue a notice to that Unit holder requiring him/her to, within thirty (30) days, either withdraw the units or transfer the units to a non-USA person or non-USA entity.

We also have the right to withdraw all units held by you in the event we are of the opinion that such withdrawal is necessary to ensure that we comply with any relevant laws, regulations and guidelines. We will first notify you before making any such compulsory withdrawal of your units.

4.4.2. How to invest?

You may invest through any of our Distributors or Principal Malaysia's offices after completing the relevant application and attaching a copy of your identity card, passport or any other identification document (where applicable). We may request for additional supporting document(s) or information from you. Your application should indicate clearly the amount you wish to invest in the Fund. We may introduce other mode of investment from time to time, subject to the approval of the relevant authorities.

You may make a payment:

- by crossed cheque (made payable as advised by us or our Distributors as the case may be). You will have to bear the applicable bank fees and charges, if any;
- directly from your bank account (or foreign currency bank account, as the case may be) held with us or our Distributors, where applicable; or
- by such other mode of payment that we and/or the relevant authorities may approve from time to time. Any charges, fees and expenses incurred in facilitating such mode of payment shall be borne by you. Such mode of payment is subject to further limit(s), restriction(s) and/or terms and conditions that we and/or the relevant authorities may impose from time to time.

4.4.3. Regular Savings Plan ("RSP")

RSP may be made available for certain Class. Please refer to the Annexure of the respective Class for further information. Where available, the RSP allows you to make regular monthly investments, directly from your account held with a bank approved by us or our Distributors. We will process the monthly investments made via the RSP when we receive your application and/or your monthly contribution. You can also arrange a standing instruction with us or our Distributors to invest a pre-determined amount in the Class each month. You may cancel your RSP at any time by providing written instructions to us or our Distributors to cancel your standing instruction.

4.4.4. Can the units be registered in the name of more than one (1) Unit holder?

We may register units in the name of more than one (1) Unit holder but we have the discretion not to allow registration of more than two (2) joint Unit holders. All applicants must be at least eighteen (18) years of age and are Sophisticated Investor.

In the event of the demise of a joint Unit holder, whether Muslim or non-Muslim, only the surviving joint Unit holder will be recognized as the rightful owner. His/her units will be dealt with in accordance with the Deed and applicable laws and regulations.

You should not make any payment directly or indirectly to any individual agent or employee of the Manager or issue a cheque in the name of an individual agent or employee of the Manager when purchasing this Fund.

Please take note that if your investments are made through an IUTA via a nominee system of ownership, you would not be deemed as a Unit holder under the Deed and as a result, you may not exercise all the rights ordinarily conferred to a Unit holder (e.g. the right to call for Unit holders' meetings and the right to vote at a Unit holders' meeting).

4.5. MINIMUM INVESTMENTS

The minimum initial and additional investment for each Class may differ and may be determined by us from time to time. Please refer to the Annexure of the respective Class for further information.

4.5.1. Processing an application

If we receive and accepted a complete application by 4:00 p.m. on a Business Day, we will process it using the NAV per unit for that Business Day. If we receive and accepted the application after 4:00 p.m. on a Business Day, we will process it using the NAV per unit for the next Business Day. We will only process the complete applications, i.e. when we have received all the necessary and required information and/or documentations. The number of units you receive will be rounded to two (2) decimal places.

4.6. MINIMUM WITHDRAWALS

The minimum withdrawal amount for each Class may differ and may be determined by us from time to time, unless you are withdrawing your entire investment. Please refer to the Annexure of the respective Class for further information. You may withdraw by completing a withdrawal application and submit it to the relevant Distributor or Principal Malaysia's offices. There is no restriction on the frequency of withdrawals. We will transfer the withdrawal proceeds to your bank account (or foreign currency bank account, as the case may be) provided by you.

4.6.1. Processing a withdrawal

If we receive a complete withdrawal request by 4:00 p.m. on a Business Day, we will process it using the NAV per unit for that Business Day. If we receive the withdrawal request after 4:00 p.m. on a Business Day, we will process it using the NAV per unit for the next Business Day. The amount that you will receive is calculated by the withdrawal value less the Withdrawal Penalty, if any.

Under normal circumstances, you will be paid in the currency of the Class (e.g. Class USD Unit holders will be paid in USD) within seven (7) Business Days upon our receipt of the complete withdrawal request. You will have to bear the applicable bank fees and charges, if any.

You should note that the time taken to pay the withdrawal proceeds to you (i.e. seven (7) Business Days) may be extended/delayed if:

- (i) There is temporary suspension of dealings at the Target Fund ^{Note 1};
- (ii) The dealings of the Fund are temporarily suspended by us ^{Note 2}; or
- (iii) There are any unforeseen circumstances that caused a delay in us receiving redemption proceeds from the Target Fund, subject to concurrence from the Trustee.

Should any of the above events occur, we may not be able to pay the withdrawal proceeds to you within seven (7) Business Days. However, we will pay the withdrawal proceeds to you within five (5) Business Days subsequent to our receipt of redemption proceeds from the Target Fund.

Note 1: *The dealings of the Target Fund may be suspended under the circumstances as described under "Temporary suspension of dealings" section on page 21.*

Note 2: *We may temporarily suspend the dealing in units of the Classes or Fund, subject to the GLOLA and/or the Deed as described under "Temporary Suspension" section on page 30.*

Please refer to the respective sections for more information. Please consult your professional advisers for better understanding.

4.7. MINIMUM BALANCE

The minimum balance that must be maintained in your account for each Class may differ and may be determined by us from time to time. Please refer to the Annexure of the respective Class for further information. If the balance (i.e. number of units) of an investment drops below the minimum balance units, further investment will be required until the balance of the investment is restored to at least the stipulated minimum balance. Otherwise, we can withdraw your entire investment and forward the proceeds to you.

4.8. COOLING-OFF PERIOD

Individual Sophisticated Investors have six (6) Business Days after your initial investment (i.e. the date the complete application is received and accepted by us or our Distributors) to reconsider its appropriateness and suitability for your investment needs. Within this period, you may withdraw your investment at the same NAV per unit when the units were purchased or prevailing NAV per unit at the point of cooling-off (whichever is lower) ("Refund amount"). We will pay the Refund amount including the Application Fee (if any) to you in the currency of the respective Class within seven (7) Business Days from the date we receive the completed documentations. If there are unforeseen circumstances that caused a delay in receiving the cooling-off proceeds from the Target Fund, we will pay to you the Refund amount within five (5) Business Days of the receipt of the Refund amount from the Target Fund. Please note that the cooling-off right is only given to first time investor investing with us or our Distributors. However, Principal Malaysia's staff or a person registered with a body approved by the SC to deal in unit trust funds are not entitled to the cooling-off right.

4.9. SWITCHING

We process a switch between the Classes of the Fund or between a Class and other Principal Malaysia's fund (or its classes), which should be denominated in the same currency. You may contact our Customer Care Centre for more information on the availability of switching. For information on the availability of switching, please refer to the Annexure of the respective Class.

To switch, simply complete a switch application and send to our Distributors or Principal Malaysia's offices. Currently, there is no restriction on the frequency of switches. However, we have the discretion to allow or to reject any switching into (or out of) the Fund or Class and other Principal Malaysia's funds (or its classes).

4.9.1. Processing a switch

We process a switch as a withdrawal from one fund or class and an investment into another fund or class within Principal Malaysia's funds. If we receive a complete switch request by 4:00 p.m. on a Business Day, we will process the switch-out using the NAV per unit for that Business Day. If we receive the request after 4:00 p.m. on a Business Day, the switch-out will be processed using the NAV per unit for the next Business Day.

However, you should note that switch-in may be processed at a later Business Day, generally within one (1) Business Day to four (4) Business Days.

4.10. TRANSFER FACILITY

You may transfer your units to another eligible Sophisticated Investor subject to terms and conditions as may be stipulated in the Deed. However, we may refuse to register any transfer of unit at our absolute discretion. You may be charged a Transfer Fee for each transfer. Please refer to the Annexure of the respective Class for further information.

4.11. TEMPORARY SUSPENSION

We may temporarily suspend the dealing in units of the Classes or Fund, subject to the GLOLA and/or the Deed. Please note that during the suspension period, there will be no NAV per unit available and hence, we will not accept any transactions for the applications, withdrawals, switches and/or transfers of units. If we have earlier accepted your request for withdrawals and switches of units, please note that there may be delay in processing those transactions and you will be notified accordingly. You will also be notified once the suspension is lifted.

4.12. DISTRIBUTION PAYMENT

Depending on the distribution policy of the respective Class, distribution (if any) will be made at the end of each distribution period to the Classes according to its distribution policy. Each unit of the Class will receive the same distribution for a distribution period regardless of when those units were purchased. The distribution amount you will receive is calculated by multiplying the total number of units held by you in the Class with the distribution amount in cent per unit. On the distribution date, the NAV per unit will adjust accordingly. For information on the distribution policy of each Class, please see Annexure of the respective Class.

All distributions (if any) will be automatically reinvested into additional units in the Class at the NAV per unit on the distribution date (the number of units will be rounded to two (2) decimal places), unless written instructions to the contrary are communicated to us, in which you should have first furnished us with details of your valid and active bank account in the currency denomination of that Class, that all distribution payment shall be paid into (the cost and expense will be borne by you). No Application Fee is payable for the reinvestment.

If units are issued as a result of the reinvestment of a distribution or other circumstance after you have withdrawn your investment from the Class, those additional units will then be withdrawn and the proceeds will be paid to you. You should note that distribution payments, if any, will be made in the respective currency for the Class(es). As such, the distribution amount may be different for each Class as a result of exchange rate movement between the base currency of the Fund and the denominated currency of the Class(es). The distribution will be paid into your bank account (which shall be in the respective currency of the Class(es)) in our records (at your cost and expense).

The Fund may distribute from realised income, realised capital gains, unrealised income, unrealised capital gains, capital or a combination of any of the above. Distributions are at our discretion and are not guaranteed, and the making of any distribution does not imply that further distributions will be made and we reserve the right to vary the frequency and/or amount of distributions. Distribution out of capital is to allow the Fund the ability to distribute income according to the Fund's defined frequency or to pursue the investment objective of the Fund. The effects of making distribution out of capital has a risk of eroding the capital of the Fund.

Distribution out of capital represent a return or withdrawal of part of the amount of your original investment and/or capital gains attributable to the original investment and will result in a reduction in the NAV per unit of the Classes and reduce the capital available for future investment and capital growth. Future capital growth may therefore be constrained and the value of future returns would be diminished.

Note: Please note that for Class(es) that provide distribution, we have the right to make provisions for reserves in respect of distribution of the Class. If the income available is too small or insignificant, any distribution may not be of benefit to you as the total cost to be incurred in any such distribution may be higher than the amount for distribution. We have the discretion to decide on the amount to be distributed to you. We also have the discretion to make income distribution on an ad-hoc basis, taking into consideration the level of its realised income, realised gains and/or capital, as well as the performance of the Fund.

4.13. UNCLAIMED MONEYS

Any moneys payable to you which remain unclaimed after two (2) years as prescribed by the Unclaimed Moneys Act 1965 (“UMA”), will be surrendered to the Registrar of Unclaimed Moneys by us in accordance with the requirements of the UMA. Thereafter, all claims need to be made by you with the Registrar of Unclaimed Moneys.

For income distribution payout to you by bank transfer, if any which remained unsuccessful and unclaimed for six (6) months, it will be reinvested into the Class within thirty (30) Business Days after the six (6) months period based on the prevailing NAV per unit on the day of the reinvestment provided that you still hold units of the Class. No Application Fee is payable for the reinvestment. In the event that you no longer hold any unit in the Class, the distribution money would be subject to the same treatment mentioned in the above paragraph as prescribed by the UMA.

Unit prices and distributions payable, if any, may go down as well as up.

We have the discretion to amend the amount, rate and/or terms and conditions of the transaction information herein, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the transaction information.

5. ADDITIONAL INFORMATION

5.1. FINANCIAL YEAR-END

31 October.

5.2. INFORMATION ON YOUR INVESTMENT

We will send you the following:

- Monthly statement of your account showing details of transactions and distributions (if any); and
- Quarterly report and audited annual report showing snapshots of the Fund and details of the portfolio for the respective period reported. Both the quarterly report and the audited annual report will be sent to you within two (2) months of the end of the period reported.

The Fund's annual report is available upon request.

You may obtain up-to-date fund information and NAV per unit from our monthly fund fact sheets and our website at www.principal.com.my.

Please take note that if your investments are made through the IUTA via a nominee system of ownership, you would not be deemed to be a Unit holder under the Deed. As such, you may obtain the above information from the IUTA.

5.3. TERMINATION OF FUND AND/OR ANY OF THE CLASSES

Subject to the provision set out below, the Fund and/or any of the Classes may be terminated or wound-up without the need to seek Unit holders' prior approval as proposed by us with the consent of the Trustee (whose consent shall not be unreasonably withheld) upon the occurrence of any of the following events, by giving not less than one (1) month' notice in writing to the Unit holders as hereinafter provided (i) if any law shall be passed which renders it illegal or (ii) if in our reasonable opinion it is impracticable or inadvisable to continue the Fund and/or Class. A Class may be terminated by Unit holders if a Special Resolution is passed at a Unit holders' meeting of that Class to terminate or wind-up that Class provided always that such termination or winding-up of that Class does not materially prejudice the interest of any other Class in that Fund.

5.4. RIGHTS, LIABILITIES AND LIMITATIONS OF UNIT HOLDERS

The money you have invested in the Fund will purchase a certain number of units, which represents your interest in the Fund. Each unit held by you in the Fund represents an equal undivided beneficial interest in the assets of the Fund. However, the unit does not give you an interest in any particular part of the Fund or a right to participate in the management or operation of the Fund (other than through Unit holders' meetings).

You will be recognised as a registered Unit holder in the Fund on the Business Day the details are entered onto the register of Unit holders.

Please take note that if your investments are made through the Distributor (i.e. the IUTA via a nominee system of ownership), you would not be deemed to be a Unit holder under the Deed and as a result, may not exercise all the rights ordinarily conferred to a Unit holder (e.g. the right to call for Unit holders' meetings and the right to vote at a Unit holders' meeting).

Rights

As a Unit holder, you have the right, among others, to:

- inspect the register, free of charge, at any time at our registered office, and obtain such information pertaining to its units as permitted under the Deed and GLOLA;
- receive the distribution of the Class (if any), participate in any increase in the value of the units and to other rights and privileges as set out in the Deed;
- call for Unit holders' meetings under the following circumstances:
 - (i) to consider the most recent audited financial statements of the Fund;
 - (ii) to require the retirement or removal of the Manager or the Trustee;
 - (iii) to give to the Trustee such directions as the meeting thinks proper; or
 - (iv) to consider any other matter in relation to the Deed.
- vote for the removal of the Trustee or the Manager through a Special Resolution;
- receive annual and quarterly reports of the Fund; and
- exercise cooling-off right.

Unit holders' rights may be varied by changes to the Deed, the GLOLA or judicial decisions or interpretation.

Liabilities

- Your liability is limited to the purchase price paid or agreed to be paid for a unit. You do not need to indemnify the Trustee or us in the event that the liabilities incurred by us and/or the Trustee in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the assets of the Fund.
- Any right of indemnity of us and/or the Trustee shall be limited to recourse to the Fund.

Limitations

You cannot:

- interfere with or question the exercise by the Trustee, or us on its behalf, of the rights of the Trustee as the registered owner of the assets of the Fund;
- claim any interest in the asset of the Fund; or
- require the asset of the Fund to be transferred to you.

Note: You may refer to the Deed for full details of your rights.

5.5. DOCUMENTS AVAILABLE FOR INSPECTION

You may inspect the following documents or copies thereof in relation to the Fund (upon request) at our principal place of business and/or the business address of the Trustee (where applicable) without charge:

- The Deed, if any;
- This Information Memorandum and supplementary or replacement information memorandum, if any;
- The latest annual and quarterly reports of the Fund, which includes the audited financial statements of the Fund (where available) for the current financial year and for the last three (3) financial years or if less than three (3) years, from the date of launch of the Fund; and
- Material contracts or documents disclosed in this Information Memorandum; and
- The audited financial statements of the Manager for the current financial year and for the last three (3) financial years or if less than three (3) years, from the date of incorporation or commencement.

5.6. POTENTIAL CONFLICTS OF INTERESTS AND RELATED-PARTY TRANSACTIONS

We (including our directors) will at all times act in your best interests and will not conduct ourselves in any manner that will result in a conflict of interest or potential conflict of interest. In the unlikely event that any conflict of interest arises, such conflict shall be resolved such that the Fund is not disadvantaged. In the unlikely event that we face conflicts in respect of our duties as the manager to the Fund and to other Principal Malaysia's funds that we manage, we are obliged to act in the best interests of our investors and will seek to resolve any conflicts fairly and in accordance with the Deed.

We shall not act as principal in the sale and purchase of any securities or investments to and from the Fund. We shall not make any investment for the Fund in any securities, properties or assets in which we or our officer has financial interest in or from which we or our officer derives a benefit, unless with the prior approval of the Trustee. We (including our directors) who hold substantial shareholdings or directorships in public companies shall refrain from any decision making relating to that particular investment of the Fund.

The Fund may maintain Deposits with CIMB Bank Berhad, CIMB Islamic Bank Berhad and CIMB Investment Bank Berhad. We may enter into transactions with other companies within PFG and CIMB Group provided that the transactions are effected at market prices and are conducted at arm's lengths.

We generally discourage cross trades and prohibit any transactions between client(s) accounts and fund accounts. Any cross trade activity require prior approval with the relevant supporting justification(s) to ensure the trades are executed in the best interest of both funds and such transactions were executed at arm's length. Cross trades will be reported to the person(s) or members of a committee undertaking the oversight function of the Fund to ensure compliance to the relevant regulatory requirements.

Distributors may be our related party. We will ensure that any arrangement made with the Distributors will be at arm's length.

The Trustee

As the trustee and service provider for the Fund, there may be related party transactions involving or in connection with the Fund in the following events:

- (1) where the Fund invests in instrument(s) offered by the related party of the Trustee (e.g. placement of monies, transferable securities, etc);
- (2) where the Fund is being distributed by the related party of the Trustee as IUTA;

- (3) where the assets of the Fund are being custodised by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (i.e. Trustee's delegate); and
- (4) where the Fund obtains financing as permitted under the SC's guidelines, from the related party of the Trustee.

The Trustee has in place policies and procedures to deal with any conflict of interest situation. The Trustee will not make improper use of its position as the owner of the Fund's assets to gain, directly or indirectly, any advantage or cause detriment to the interests of Unit holders. Any related party transaction is to be made on terms which are best available to the Fund and which are not less favourable to the Fund than an arms-length transaction between independent parties.

Subject to the above and any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unit holder or enter into any contract or transaction with each other, the Fund or any Unit holder or retain for its own benefit any profits or benefits derived from any such contract or transaction or act in the same or similar capacity in relation to any other scheme.

5.7. INTERESTS IN THE FUND

Subject to any legal requirement, we or any of our related corporation, or any of our officers or directors, may invest in the Fund. Our directors will receive no payments from the Fund other than distributions that they may receive as a result of investment in the Fund. No fees other than the ones set out in this Information Memorandum have been paid to any promoter of the Fund, or the Trustee (either to become a trustee or for other services in connection with the Fund), or us for any purpose.

5.8. EMPLOYEES' SECURITIES DEALINGS

We have in place a policy contained in our Personal Account Dealing Policy, which regulates our employees' securities dealings. All of our employees are required to declare their securities trading annually to ensure that there is no potential conflict of interest between the employees' securities trading and the execution of the employees' duties to us and our customers.

6. THE MANAGER

6.1. ABOUT PRINCIPAL ASSET MANAGEMENT BERHAD

Principal Malaysia was incorporated on 13 June 1994 and is a joint venture between PFG and CIMB Group. Principal Malaysia has experience operating unit trust funds since 1994.

The primary roles, duties and responsibilities of Principal Malaysia as the manager of the Fund include:

- maintaining a register of Unit holders;
- implementing the appropriate investment strategies to achieve the Fund's investment objective;
- ensuring that the Fund has sufficient holdings in liquid assets;
- arranging for the sale and withdrawal of units;
- calculating the amount of income to be distributed to Unit holders, if any; and
- maintaining proper records of the Fund.

As at LPD, there is no litigation or arbitration proceeding current, pending or threatened against or initiated by Principal Malaysia nor are there any facts likely to give rise to any proceedings which might materially affect the business/financial position of Principal Malaysia.

6.1.1. Designated person responsible for fund management function

Name:	Lee Chun Hong
Designation:	Chief Investment Officer, Equities – Malaysia
Experience:	Chun Hong has more than 19 years of experience in fund management and equity research. He joined Principal Malaysia in 2017 to manage unit trust funds and institutional mandates covering Malaysian and ASEAN markets. Before that, he was attached to Libra Invest Berhad managing and supervising Unit Trust and Research divisions that covered ASEAN and China-Hong Kong markets. He commenced his career in fund management industry at Public Mutual Berhad. He had research responsibilities for regional plantation and consumer sectors, as well as research country coverage of ASEAN markets. Subsequently, he moved on to portfolio management specialising on ASEAN markets. He started covering ASEAN markets in 2010. He was also previously with PricewaterhouseCoopers as an auditor.
Qualifications:	<ul style="list-style-type: none">▪ Bachelor of Commerce (Accounting & Finance) - Monash University, Clayton Campus.▪ A CFA Charterholder.▪ Ex-member of CPA Australia.

Note: For more information and/or updated information, please refer to our website at www.principal.com.my.

7. THE TRUSTEE

7.1. ABOUT HSBC (MALAYSIA) TRUSTEE BERHAD

HSBC (Malaysia) Trustee Berhad (the “Trustee”) is a company incorporated in Malaysia since 1937 and registered as a trust company under the Trust Companies Act 1949, with its registered address at Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur.

Since 1993, the Trustee has acquired experience in the administration of unit trusts and has been appointed as trustee for unit trust funds, exchange-traded funds, wholesale funds and funds under private retirement scheme.

Duties and Responsibilities of the Trustee

The Trustee’s main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit holders. In performing these functions, the Trustee has to exercise all due care, diligence and vigilance and is required to act in accordance with the provisions of the Deed, the CMSA and the GLOLA. Apart from being the legal owner of the Fund’s assets, the Trustee is also responsible for ensuring that the Manager performs its duties and obligations in accordance with the provisions of the Deed, the CMSA and the GLOLA. In respect of monies paid by an investor for the application of units, the Trustee’s responsibility arises when the monies are received in the relevant account of the Trustee for the Fund and in respect of redemption, the Trustee’s responsibility is discharged once it has paid the redemption amount to the Manager.

The Trustee has in place anti-money laundering and anti-terrorism financing policies and procedures across the HSBC Group, which may exceed local regulations. Subject to any local regulations, the Trustee shall not be liable for any loss resulting from compliance of such policies, except in the case of negligence, wilful default or fraud of the Trustee.

The Trustee is not liable for doing or failing to do any act for the purpose of complying with law, regulation or court orders.

The Trustee shall be entitled to process, transfer, release and disclose from time to time any information relating to the Fund, Manager and Unit holders (including personal data of the Unit holders, where applicable) for the purposes of performing its duties and obligations in accordance to the Deed, the CMSA, the GLOLA and any other legal and/or regulatory obligations such as conducting financial crime risk management, to the Trustee’s parent company, subsidiaries, associate companies, affiliates, delegates, service providers, agents and any governing or regulatory authority, whether within or outside Malaysia (who may also subsequently process, transfer, release and disclose such information for any of the above mentioned purposes) on the basis that the recipients shall continue to maintain the confidentiality of information disclosed, as required by law, regulation or directive, or in relation to any legal action, or to any court, regulatory agency, government body or authority.

Trustee’s Delegate

The Trustee has appointed The Hongkong and Shanghai Banking Corporation Ltd as custodian of both the local and foreign assets of the Fund. For quoted and unquoted local investments of the Fund, the assets are held through HSBC Bank Malaysia Berhad and/or HSBC Nominees (Tempatan) Sdn Bhd. The Hongkong and Shanghai Banking Corporation Ltd is a wholly owned subsidiary of HSBC Holdings Plc, the holding company of the HSBC Group. The custodian’s comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing. All investments are registered in the name of the Trustee or to the order of the Trustee. The custodian acts only in accordance with instructions from the Trustee.

The Trustee shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.

However, the Trustee is not liable for the acts, omissions or failure of third party depository including central securities depositories or clearing and/or settlement systems in any circumstances.

Trustee’s Disclosure of Material Litigation

As at LPD, the Trustee is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee.

Trustee’s Statement of Responsibility

The Trustee has given its willingness to assume the position as trustee of the Fund and all the obligations in accordance with the Deed, all relevant laws and rules of law. The Trustee shall be entitled to be indemnified out of the Fund against all losses, damages or expenses incurred by the Trustee in performing any of its duties or exercising any of its powers under the Deed. The right to indemnity shall not extend to loss occasioned by breach of trust, wilful default, negligence, fraud or failure to show the degree of care and diligence required of the Trustee having regard to the provisions of the Deed.

ANNEXURE – CLASS AUD-HEDGED

This section is only a summary of the salient information about Class AUD-Hedged. You should read and understand the entire Information Memorandum before investing and keep the Information Memorandum for your records. In determining which investment is right for you, we recommend you speak to professional advisers. Principal Malaysia, member companies of the PFG, CIMB Group and the Trustee do not guarantee the repayment of your capital.

CLASS INFORMATION

	Class AUD-Hedged	Page
Currency denomination	AUD	
Distribution policy	Depending on the level of income (if any), the Class will distribute part or all of its distributable income on a monthly basis. Note: The Fund may distribute income from realised income, realised capital gains, unrealised income, unrealised capital gains, capital and/or a combination of any of the above. We reserve the right to vary the frequency and/or amount of distributions.	30

FEES & CHARGES

This table describes the charges that you may **directly** incur when you buy or withdraw units of the Class.

Charges	Class AUD-Hedged	Page
Application Fee	Up to 3.00% of the NAV per unit.	22
Withdrawal Penalty	Up to 1.00% of the NAV per unit. Withdrawal Penalty is chargeable if a withdrawal is made within three (3) months from the Commencement Date. Thereafter, no Withdrawal Penalty will be charged. All Withdrawal Penalty will be retained by the Fund.	22
Switching Fee	Switching is treated as a withdrawal from the Class and an investment into another Class or Principal Malaysia's fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of the Class and the Application Fee of the other Class or Principal Malaysia's fund (or its class). Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose AUD35 as the administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fee with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fee.	22
Transfer Fee	A maximum of AUD15 may be charged for each transfer.	22
Other charges payable directly by you when purchasing or withdrawing units	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.	

This table describes the fees that you may **indirectly** incur when you invest in the Class.

Fees	Class AUD-Hedged	Page
Management Fee	Up to 1.20% per annum of the NAV of the Class.	23
Trustee Fee	Up to 0.03% per annum of the NAV of the Fund (including local custodian fees but excluding foreign sub-custodian fees and charges).	23
Fund expenses	Only expenses that are directly related to the Fund or Class can be charged to the Fund or Class. Examples of relevant expenses are audit fee and tax agent's fee.	23
Other fees payable indirectly by you when investing in the Fund	Other fees indirectly incurred by a feeder fund such as dilution adjustment, annual depositary fees and transaction fees of the Target Fund. As such, you are indirectly bearing the dilution adjustment, depositary fees and transaction fees charged at the Target Fund level.	23

Note: Subject always to the provisions of the Deed and GLOLA, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.

TRANSACTION INFORMATION

	Class AUD-Hedged	Page
Minimum initial investment	AUD1,000 or such other amount as we may decide from time to time.	28
Minimum additional investment	AUD100 or such other amount as we may decide from time to time.	28
Minimum withdrawal	100 units or such other number of units as we may decide from time to time.	28
Minimum balance	100 units or such other number of units as we may decide from time to time.	29
Regular Savings Plan	Currently, RSP is not available for this Class.	28
Switching	<p>Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to:</p> <ul style="list-style-type: none"> ▪ for switching out of the Class: <ul style="list-style-type: none"> ○ the minimum withdrawal applicable to the Class; ○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and ○ the Withdrawal Penalty of the Class (if any); ▪ for switching into the Class: <ul style="list-style-type: none"> ○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and ○ the Switching Fee applicable for the proposed switch (if any). <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	29
Transfer facility	We may, at our absolute discretion, allow or refuse transfer of units subject to such terms and conditions as may be stipulated in the Deed.	30

Note: We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/or (ii) the minimum balance. For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Fund; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

There are fees and charges involved and you are advised to consider them before investing in the Fund.

All fees and charges payable by you and/or the Fund are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by you and/or the Fund as disclosed or illustrated in the Information Memorandum.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees, charges, expenses and/or transaction information from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you and/or seek your approval on the amendments to the fees, charges, expenses and/or transaction information.

ANNEXURE – CLASS JPY-HEDGED

This section is only a summary of the salient information about Class JPY-Hedged. You should read and understand the entire Information Memorandum before investing and keep the Information Memorandum for your records. In determining which investment is right for you, we recommend you speak to professional advisers. Principal Malaysia, member companies of the PFG, CIMB Group and the Trustee do not guarantee the repayment of your capital.

CLASS INFORMATION

	Class JPY-Hedged	Page
Currency denomination	JPY	
Distribution policy	Depending on the level of income (if any), the Class will distribute part or all of its distributable income on a monthly basis. Note: The Fund may distribute income from realised income, realised capital gains, unrealised income, unrealised capital gains, capital and/or a combination of any of the above. We reserve the right to vary the frequency and/or amount of distributions.	30

FEES & CHARGES

This table describes the charges that you may **directly** incur when you buy or withdraw units of the Class.

Charges	Class JPY-Hedged	Page
Application Fee	Up to 3.00% of the NAV per unit.	22
Withdrawal Penalty	Up to 1.00% of the NAV per unit. Withdrawal Penalty is chargeable if a withdrawal is made within three (3) months from the Commencement Date. Thereafter, no Withdrawal Penalty will be charged. All Withdrawal Penalty will be retained by the Fund.	22
Switching Fee	Switching is treated as a withdrawal from the Class and an investment into another Class or Principal Malaysia's fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of the Class and the Application Fee of the other Class or Principal Malaysia's fund (or its class). Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose JPY3,500 as the administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fee with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fee.	22
Transfer Fee	A maximum of JPY2,000 may be charged for each transfer.	22
Other charges payable directly by you when purchasing or withdrawing units	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.	

This table describes the fees that you may **indirectly** incur when you invest in the Class.

Fees	Class JPY-Hedged	Page
Management Fee	Up to 1.20% per annum of the NAV of the Class.	23
Trustee Fee	Up to 0.03% per annum of the NAV of the Fund (including local custodian fees but excluding foreign sub-custodian fees and charges).	23
Fund expenses	Only expenses that are directly related to the Fund or Class can be charged to the Fund or Class. Examples of relevant expenses are audit fee and tax agent's fee.	23
Other fees payable indirectly by you when investing in the Fund	Other fees indirectly incurred by a feeder fund such as dilution adjustment, annual depositary fees and transaction fees of the Target Fund. As such, you are indirectly bearing the dilution adjustment, depositary fees and transaction fees charged at the Target Fund level.	23

Note: Subject always to the provisions of the Deed and GLOLA, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.

TRANSACTION INFORMATION

	Class JPY-Hedged	Page
Minimum investment initial	JPY5,000 or such other amount as we may decide from time to time.	28
Minimum investment additional	JPY3,500 or such other amount as we may decide from time to time.	28
Minimum withdrawal	3,500 units or such other number of units as we may decide from time to time.	29
Minimum balance	3,500 units or such other number of units as we may decide from time to time.	29
Regular Savings Plan	Currently, RSP is not available for this Class.	28
Switching	Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to: <ul style="list-style-type: none"> ▪ for switching out of the Class: <ul style="list-style-type: none"> ○ the minimum withdrawal applicable to the Class; ○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and ○ the Withdrawal Penalty of the Class (if any); ▪ for switching into the Class: <ul style="list-style-type: none"> ○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and ○ the Switching Fee applicable for the proposed switch (if any). <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	29
Transfer facility	We may, at our absolute discretion, allow or refuse transfer of units subject to such terms and conditions as may be stipulated in the Deed.	30

Note: We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/or (ii) the minimum balance. For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Fund; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

There are fees and charges involved and you are advised to consider them before investing in the Fund.

All fees and charges payable by you and/or the Fund are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by you and/or the Fund as disclosed or illustrated in the Information Memorandum.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees, charges, expenses and/or transaction information from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you and/or seek your approval on the amendments to the fees, charges, expenses and/or transaction information.

ANNEXURE – CLASS MYR

This section is only a summary of the salient information about Class MYR. You should read and understand the entire Information Memorandum before investing and keep the Information Memorandum for your records. In determining which investment is right for you, we recommend you speak to professional advisers. Principal Malaysia, member companies of the PFG, CIMB Group and the Trustee do not guarantee the repayment of your capital.

CLASS INFORMATION

	Class MYR	Page
Currency denomination	MYR	
Distribution policy	Depending on the level of income (if any), the Class will distribute part or all of its distributable income on a monthly basis. Note: The Fund may distribute income from realised income, realised capital gains, unrealised income, unrealised capital gains, capital and/or a combination of any of the above. We reserve the right to vary the frequency and/or amount of distributions.	30

FEES & CHARGES

This table describes the charges that you may **directly** incur when you buy or withdraw units of the Class.

Charges	Class MYR	Page
Application Fee	Up to 3.00% of the NAV per unit.	22
Withdrawal Penalty	Up to 1.00% of the NAV per unit. Withdrawal Penalty is chargeable if a withdrawal is made within three (3) months from the Commencement Date. Thereafter, no Withdrawal Penalty will be charged. All Withdrawal Penalty will be retained by the Fund.	22
Switching Fee	Switching is treated as a withdrawal from the Class and an investment into another Class or Principal Malaysia's fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of the Class and the Application Fee of the other Class or Principal Malaysia's fund (or its class). Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose MYR100 as the administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fee with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fee.	22
Transfer Fee	A maximum of MYR50 may be charged for each transfer.	22
Other charges payable directly by you when purchasing or withdrawing units	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.	

This table describes the fees that you may **indirectly** incur when you invest in the Class.

Fees	Class MYR	Page
Management Fee	Up to 1.20% per annum of the NAV of the Class.	23
Trustee Fee	Up to 0.03% per annum of the NAV of the Fund (including local custodian fees but excluding foreign sub-custodian fees and charges).	23
Fund expenses	Only expenses that are directly related to the Fund or Class can be charged to the Fund or Class. Examples of relevant expenses are audit fee and tax agent's fee.	23
Other fees payable indirectly by you when investing in the Fund	Other fees indirectly incurred by a feeder fund such as dilution adjustment, annual depositary fees and transaction fees of the Target Fund. As such, you are indirectly bearing the dilution adjustment, depositary fees and transaction fees charged at the Target Fund level.	23

Note: Subject always to the provisions of the Deed and GLOLA, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.

TRANSACTION INFORMATION

	Class MYR	Page
Minimum initial investment	MYR1,000 or such other amount as we may decide from time to time.	28
Minimum additional investment	MYR100 or such other amount as we may decide from time to time.	28
Minimum withdrawal	100 units or such other number of units as we may decide from time to time.	28
Minimum balance	100 units or such other number of units as we may decide from time to time.	29
Regular Savings Plan	RSP is available. The RSP allows you to make regular monthly investments of MYR100 or more, directly from your account held with a bank approved by us or our Distributors. The minimum initial investment for the RSP is MYR1,000 or such other amount as we may decide from time to time.	28
Switching	Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to: <ul style="list-style-type: none"> ▪ for switching out of the Class: <ul style="list-style-type: none"> ○ the minimum withdrawal applicable to the Class; ○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and ○ the Withdrawal Penalty of the Class (if any); ▪ for switching into the Class: <ul style="list-style-type: none"> ○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and ○ the Switching Fee applicable for the proposed switch (if any). <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	29
Transfer facility	We may, at our absolute discretion, allow or refuse transfer of units subject to such terms and conditions as may be stipulated in the Deed.	30

Note: We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/or (ii) the minimum balance. For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Fund; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

There are fees and charges involved and you are advised to consider them before investing in the Fund.

All fees and charges payable by you and/or the Fund are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by you and/or the Fund as disclosed or illustrated in the Information Memorandum.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees, charges, expenses and/or transaction information from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you and/or seek your approval on the amendments to the fees, charges, expenses and/or transaction information.

ANNEXURE – CLASS MYR-HEDGED

This section is only a summary of the salient information about Class MYR-Hedged. You should read and understand the entire Information Memorandum before investing and keep the Information Memorandum for your records. In determining which investment is right for you, we recommend you speak to professional advisers. Principal Malaysia, member companies of the PFG, CIMB Group and the Trustee do not guarantee the repayment of your capital.

CLASS INFORMATION

	Class MYR-Hedged	Page
Currency denomination	MYR	
Distribution policy	Depending on the level of income (if any), the Class will distribute part or all of its distributable income on a monthly basis. Note: The Fund may distribute income from realised income, realised capital gains, unrealised income, unrealised capital gains, capital and/or a combination of any of the above. We reserve the right to vary the frequency and/or amount of distributions.	30

FEES & CHARGES

This table describes the charges that you may **directly** incur when you buy or withdraw units of the Class.

Charges	Class MYR-Hedged	Page
Application Fee	Up to 3.00% of the NAV per unit.	22
Withdrawal Penalty	Up to 1.00% of the NAV per unit. Withdrawal Penalty is chargeable if a withdrawal is made within three (3) months from the Commencement Date. Thereafter, no Withdrawal Penalty will be charged. All Withdrawal Penalty will be retained by the Fund.	22
Switching Fee	Switching is treated as a withdrawal from the Class and an investment into another Class or Principal Malaysia's fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of the Class and the Application Fee of the other Class or Principal Malaysia's fund (or its class). Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose MYR100 as the administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fee with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fee.	22
Transfer Fee	A maximum of MYR50 may be charged for each transfer.	22
Other charges payable directly by you when purchasing or withdrawing units	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.	

This table describes the fees that you may **indirectly** incur when you invest in the Class.

Fees	Class MYR-Hedged	Page
Management Fee	Up to 1.20% per annum of the NAV of the Class.	23
Trustee Fee	Up to 0.03% per annum of the NAV of the Fund (including local custodian fees but excluding foreign sub-custodian fees and charges).	23
Fund expenses	Only expenses that are directly related to the Fund or Class can be charged to the Fund or Class. Examples of relevant expenses are audit fee and tax agent's fee.	23
Other fees payable indirectly by you when investing in the Fund	Other fees indirectly incurred by a feeder fund such as dilution adjustment, annual depositary fees and transaction fees of the Target Fund. As such, you are indirectly bearing the dilution adjustment, depositary fees and transaction fees charged at the Target Fund level.	23

Note: Subject always to the provisions of the Deed and GLOLA, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.

TRANSACTION INFORMATION

	Class MYR-Hedged	Page
Minimum initial investment	MYR1,000 or such other amount as we may decide from time to time.	28
Minimum additional investment	MYR100 or such other amount as we may decide from time to time.	28
Minimum withdrawal	100 units or such other number of units as we may decide from time to time.	29
Minimum balance	100 units or such other number of units as we may decide from time to time.	29
Regular Savings Plan	RSP is available. The RSP allows you to make regular monthly investments of MYR100 or more, directly from your account held with a bank approved by us or our Distributors. The minimum initial investment for the RSP is MYR1,000 or such other amount as we may decide from time to time.	28
Switching	Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to: <ul style="list-style-type: none"> ▪ for switching out of the Class: <ul style="list-style-type: none"> ○ the minimum withdrawal applicable to the Class; ○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and ○ the Withdrawal Penalty of the Class (if any); ▪ for switching into the Class: <ul style="list-style-type: none"> ○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and ○ the Switching Fee applicable for the proposed switch (if any). <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	29
Transfer facility	We may, at our absolute discretion, allow or refuse transfer of units subject to such terms and conditions as may be stipulated in the Deed.	30

Note: We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/or (ii) the minimum balance. For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Fund; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

There are fees and charges involved and you are advised to consider them before investing in the Fund.

All fees and charges payable by you and/or the Fund are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by you and/or the Fund as disclosed or illustrated in the Information Memorandum.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees, charges, expenses and/or transaction information from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you and/or seek your approval on the amendments to the fees, charges, expenses and/or transaction information.

ANNEXURE – CLASS SGD-HEDGED

This section is only a summary of the salient information about Class SGD-Hedged. You should read and understand the entire Information Memorandum before investing and keep the Information Memorandum for your records. In determining which investment is right for you, we recommend you speak to professional advisers. Principal Malaysia, member companies of the PFG, CIMB Group and the Trustee do not guarantee the repayment of your capital.

CLASS INFORMATION

	Class SGD-Hedged	Page
Currency denomination	SGD	
Distribution policy	Depending on the level of income (if any), the Class will distribute part or all of its distributable income on a monthly basis. Note: The Fund may distribute income from realised income, realised capital gains, unrealised income, unrealised capital gains, capital and/or a combination of any of the above. We reserve the right to vary the frequency and/or amount of distributions.	30

FEES & CHARGES

This table describes the charges that you may **directly** incur when you buy or withdraw units of the Class.

Charges	Class SGD-Hedged	Page
Application Fee	Up to 3.00% of the NAV per unit.	22
Withdrawal Penalty	Up to 1.00% of the NAV per unit. Withdrawal Penalty is chargeable if a withdrawal is made within three (3) months from the Commencement Date. Thereafter, no Withdrawal Penalty will be charged. All Withdrawal Penalty will be retained by the Fund.	22
Switching Fee	Switching is treated as a withdrawal from the Class and an investment into another Class or Principal Malaysia's fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of the Class and the Application Fee of the other Class or Principal Malaysia's fund (or its class). Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose SGD35 as the administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fees with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fees.	22
Transfer Fee	A maximum of SGD15 may be charged for each transfer.	22
Other charges payable directly by you when purchasing or withdrawing units	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.	

This table describes the fees that you may **indirectly** incur when you invest in the Class.

Fees	Class SGD-Hedged	Page
Management Fee	Up to 1.20% per annum of the NAV of the Class.	23
Trustee Fee	Up to 0.03% per annum of the NAV of the Fund (including local custodian fees but excluding foreign sub-custodian fees and charges).	23
Fund expenses	Only expenses that are directly related to the Fund or Class can be charged to the Fund or Class. Examples of relevant expenses are audit fee and tax agent's fee.	23
Other fees payable indirectly by you when investing in the Fund	Other fees indirectly incurred by a feeder fund such as dilution adjustment, annual depositary fees and transaction fees of the Target Fund. As such, you are indirectly bearing the dilution adjustment, depositary fees and transaction fees charged at the Target Fund level.	23

Note: Subject always to the provisions of the Deed and GLOLA, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.

TRANSACTION INFORMATION

	Class SGD-Hedged	Page
Minimum initial investment	SGD1,000 or such other amount as we may decide from time to time.	28
Minimum additional investment	SGD100 or such other amount as we may decide from time to time.	28
Minimum withdrawal	100 units or such other number of units as we may decide from time to time.	29
Minimum balance	100 units or such other number of units as we may decide from time to time.	29
Regular Savings Plan	Currently, RSP is not available for this Class.	28
Switching	<p>Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to:</p> <ul style="list-style-type: none"> ▪ for switching out of the Class: <ul style="list-style-type: none"> ○ the minimum withdrawal applicable to the Class; ○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and ○ the Withdrawal Penalty of the Class (if any); ▪ for switching into the Class: <ul style="list-style-type: none"> ○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and ○ the Switching Fee applicable for the proposed switch (if any). <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	29
Transfer facility	We may, at our absolute discretion, allow or refuse transfer of units subject to such terms and conditions as may be stipulated in the Deed.	30

Note: We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/or (ii) the minimum balance. For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Fund; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

There are fees and charges involved and you are advised to consider them before investing in the Fund.

All fees and charges payable by you and/or the Fund are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by you and/or the Fund as disclosed or illustrated in the Information Memorandum.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees, charges, expenses and/or transaction information from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you and/or seek your approval on the amendments to the fees, charges, expenses and/or transaction information.

ANNEXURE – CLASS USD

This section is only a summary of the salient information about Class USD. You should read and understand the entire Information Memorandum before investing and keep the Information Memorandum for your records. In determining which investment is right for you, we recommend you speak to professional advisers. Principal Malaysia, member companies of the PFG, CIMB Group and the Trustee do not guarantee the repayment of your capital.

CLASS INFORMATION

	Class USD	Page
Currency denomination	USD	
Distribution policy	Depending on the level of income (if any), the Class will distribute part or all of its distributable income on a monthly basis. Note: The Fund may distribute income from realised income, realised capital gains, unrealised income, unrealised capital gains, capital and/or a combination of any of the above. We reserve the right to vary the frequency and/or amount of distributions.	30

FEES & CHARGES

This table describes the charges that you may **directly** incur when you buy or withdraw units of the Class.

Charges	Class USD	Page
Application Fee	Up to 3.00% of the NAV per unit.	22
Withdrawal Penalty	Up to 1.00% of the NAV per unit. Withdrawal Penalty is chargeable if a withdrawal is made within three (3) months from the Commencement Date. Thereafter, no Withdrawal Penalty will be charged. All Withdrawal Penalty will be retained by the Fund.	22
Switching Fee	Switching is treated as a withdrawal from the Class and an investment into another Class or Principal Malaysia's fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of the Class and the Application Fee of the other Class or Principal Malaysia's fund (or its class). Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose USD35 as the administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fee with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fee.	22
Transfer Fee	A maximum of USD15 may be charged for each transfer.	22
Other charges payable directly by you when purchasing or withdrawing units	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.	

This table describes the fees that you may **indirectly** incur when you invest in the Class.

Fees	Class USD	Page
Management Fee	Up to 1.20% per annum of the NAV of the Class.	23
Trustee Fee	Up to 0.03% per annum of the NAV of the Fund (including local custodian fees but excluding foreign sub-custodian fees and charges).	23
Fund expenses	Only expenses that are directly related to the Fund or Class can be charged to the Fund or Class. Examples of relevant expenses are audit fee and tax agent's fee.	23
Other fees payable indirectly by you when investing in the Fund	Other fees indirectly incurred by a feeder fund such as dilution adjustment, annual depositary fees and transaction fees of the Target Fund. As such, you are indirectly bearing the dilution adjustment, depositary fees and transaction fees charged at the Target Fund level.	23

Note: Subject always to the provisions of the Deed and GLOLA, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.

TRANSACTION INFORMATION

	Class USD	Page
Minimum initial investment	USD1,000 or such other amount as we may decide from time to time.	28
Minimum additional investment	USD100 or such other amount as we may decide from time to time.	28
Minimum withdrawal	100 units or such other number of units as we may decide from time to time.	29
Minimum balance	100 units or such other number of units as we may decide from time to time.	29
Regular Savings Plan	Currently, RSP is not available for this Class.	28
Switching	<p>Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to:</p> <ul style="list-style-type: none"> ▪ for switching out of the Class: <ul style="list-style-type: none"> ○ the minimum withdrawal applicable to the Class; ○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and ○ the Withdrawal Penalty of the Class (if any); ▪ for switching into the Class: <ul style="list-style-type: none"> ○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and ○ the Switching Fee applicable for the proposed switch (if any). <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	29
Transfer facility	We may, at our absolute discretion, allow or refuse transfer of units subject to such terms and conditions as may be stipulated in the Deed.	30

Note: We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/or (ii) the minimum balance. For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Fund; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

There are fees and charges involved and you are advised to consider them before investing in the Fund.

All fees and charges payable by you and/or the Fund are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by you and/or the Fund as disclosed or illustrated in the Information Memorandum.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees, charges, expenses and/or transaction information from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you and/or seek your approval on the amendments to the fees, charges, expenses and/or transaction information.

Principal Asset Management Berhad (199401018399 (304078-K))

Enquiries:

Customer Care Centre **+603 7723 7260**

Email **myservice@principal.com**

Website **www.principal.com.my**