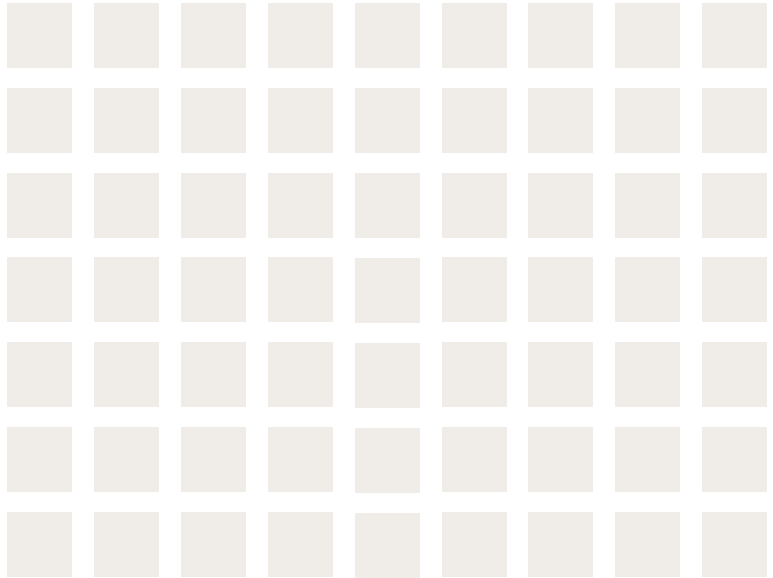


Amundi Vietnam Opportunities Fund

Explanatory Memorandum

April 2011



AMUNDI VIETNAM OPPORTUNITIES FUND

Fourth Addendum to the Explanatory Memorandum dated April 2011

Important

If you are in doubt about the contents of this Fourth Addendum, you should seek independent professional financial advice.

*This Fourth Addendum is valid only if accompanied by the Explanatory Memorandum of Amundi Vietnam Opportunities Fund dated April 2011 (as amended and supplemented from time to time) ("**Explanatory Memorandum**") and forms an integral part of the Explanatory Memorandum. This Fourth Addendum should be read in conjunction with the Explanatory Memorandum. The changes made to the Explanatory Memorandum by this Fourth Addendum shall take immediate effect.*

All capitalized terms used in this Fourth Addendum have the same meaning as in the Explanatory Memorandum, unless otherwise defined herein. Amundi Hong Kong Limited, the Manager of the Fund, accepts full responsibility for the accuracy of the information contained in this Addendum and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement in this Addendum misleading as at the date of issuance.

A. Change of means of publication of net asset value per unit and suspension of dealing announcement with effect from 14 May 2018:

The third paragraph under "Calculation and Publication of Net Asset Value" section in the Explanatory Memorandum (p.[28]) is deleted in its entirety and replaced by the following:

"The Net Asset Value per Unit of the Sub-Fund will be published at <http://www.amundi.com.hk/retail> in English and http://www.amundi.com.hk/zh_retail in Chinese. This website has not been reviewed by the SFC"

For avoidance of doubt, the Net Asset Value per unit will no longer be published in The Standard and the Hong Kong Economic Times.

B. Change of means of publication of suspension of dealing announcement with effect from 14 May 2018:

The last sentence in the first paragraph under "Miscellaneous" section of the Explanatory Memorandum (p.[36]) is deleted in its entirety and replaced by the following:

"Whenever the Manager shall declare such a suspension it shall, as soon as may be practicable after any such declaration and at least once a month during the period of such suspension, publish a notice on <http://www.amundi.com.hk/retail> in English and http://www.amundi.com.hk/zh_retail in Chinese and/or cause a notice to be given to Unitholders and to all those (whether Unitholders or not) whose applications to subscribe for or realise Units shall have been affected by such suspension stating that such declaration has been made. This website has not been reviewed by the SFC."

For avoidance of doubt, suspension notice will no longer be published in The Standard and the Hong Kong Economic Times.

C. Update of Director Information of Amundi Hong Kong Limited (the “Manager”)

The list of directors in the “Directors of the Manager” section on p.4 of the Explanatory Memorandum is deleted in its entirety and replaced by the following:

Jean-Yves Glain
Vincent Mortier
Zhong Xiao Feng
Gilles De Dumast
Christian Pellis

The brief description of each of the directors is deleted from the “Manager” section of the Explanatory Memorandum (p.20 after the second paragraph).

May 2018

This Fourth Addendum is valid only if accompanied by the Explanatory Memorandum of Amundi Vietnam Opportunities Fund dated April 2011 (the “Explanatory Memorandum”), and the First Addendum dated October 2014, the Second Addendum dated April 2017, the Third Addendum dated April 2018 and forms an integral part of the Explanatory Memorandum.

AMUNDI VIETNAM OPPORTUNITIES FUND

Third Addendum to the Explanatory Memorandum dated April 2011

Important

If you are in doubt about the contents of this Third Addendum, you should seek independent professional financial advice.

*This Third Addendum is valid only if accompanied by the Explanatory Memorandum of Amundi Vietnam Opportunities Fund dated April 2011 (as amended and supplemented from time to time) (“**Explanatory Memorandum**”) and forms an integral part of the Explanatory Memorandum. This Third Addendum should be read in conjunction with the Explanatory Memorandum. The changes made to the Explanatory Memorandum by this Third Addendum shall take immediate effect.*

All capitalized terms used in this Third Addendum have the same meaning as in the Explanatory Memorandum, unless otherwise defined herein. Amundi Hong Kong Limited, the Manager of the Fund, accepts full responsibility for the accuracy of the information contained in this Addendum and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement in this Addendum misleading as at the date of issuance.

A. Removal of Sub-Investment Manager

With effect from 28 February 2018 (the “**Effective Date**”), the Explanatory Memorandum shall be amended to reflect the removal of the appointment of Amundi Singapore Limited as the Sub-Investment Manager of the Sub-Fund, as follows:

1. The last paragraph in the Important Information Box on the cover page of the Explanatory Memorandum shall be amended in the manner as marked-up below:

“Investors should note that the Sub-Fund may invest in structured notes, participation notes and such other derivative instruments permitted under the SFC’s Code on Unit Trusts and Mutual Funds from time to time issued by companies within the Amundi, to which the Manager ~~is and the Sub-Investment Manager are~~ connected, and this could result in potential conflicts of interest. Any Performance Fee charged to the Sub-Fund will not be calculated on a unit-by-unit basis and no equalisation or series of units provisions will apply. As such, the Performance Fee payable may not reflect the individual performance of the Units in question.”

2. The information and reference to “**Sub-Investment Manager**” under the section headed “**ADMINISTRATION**” on page 4 of the Explanatory Memorandum shall be deleted in their entirety.
3. The information and reference to “**Sub-Investment Manager**” under the section headed “**SUMMARY OF KEY TERMS**” on page 5 of the Explanatory Memorandum shall be deleted in their entirety.
4. The sub-section headed “**Roles of the Manager and the Sub-Investment Manager**” under the section headed “**INVESTMENT OBJECTIVES AND POLICIES**” on pages 9 to 10 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

“Roles of the Manager and the Sub-Investment Manager

~~The Manager and the Sub-Investment Manager will cooperate in the management of the Sub-Fund. Essentially the Sub-Investment Manager will form part of the fund management team of the Manager and will be governed by the latter’s risk management parameters. The Manager has the overall responsibility for ensuring that the investment guidelines and restrictions of the Sub-Fund are observed.~~

~~The Manager has delegated day-to-day investment management of the Sub-Fund’s assets to the Sub-Investment Manager. The Manager may delegate any of its management functions in relation to all or part of the Sub-Fund’s assets and/or investment portfolios to one or more sub-investment managers from time to time subject to the Trustee’s consent and prior SFC approval. In addition, the Manager may at its discretion, with or without giving any notice, appoint sub-adviser(s) or terminate any appointment of such sub-adviser(s) from time to time.”~~

5. The first paragraph of the risk factor headed **“Connected Parties”** under the section headed **“RISK FACTORS”** on page 12 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

~~**“Connected Parties:** Investors should note that the Manager and the Sub-Investment Manager are connected persons. Therefore, investors will be subject to certain operational risks that may arise as a result of the lack of independence in the performance of the duties and obligations of the Manager and the Sub-Investment Manager. In addition, Amundi Vietnam Opportunities Fund may invest in structured notes, participation notes and such other derivative instruments permitted under the SFC’s Code on Unit Trusts and Mutual Funds from time to time issued by companies within the Amundi. The operational risks arising from such lack of independence are partly reduced by the fact that different departments within the Amundi are run as separate legal and operational units, segregated by screening procedures and are run by different management teams and regulated by different regulatory regimes. In addition, Trust Deed also provides that all transactions carried out by or on behalf of the Sub-Fund will be conducted at arm’s length. Such transactions may include the Sub-Fund’s investment in structured notes, participation notes and such other derivative instruments permitted under the SFC’s Code on Unit Trusts and Mutual Funds from time to time issued by other companies within the Amundi.”~~

6. The first paragraph of the risk factor headed **“Derivatives risk”** under the section headed **“RISK FACTORS”** on page 13 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

~~**“Derivatives risk:** A Sub-Fund may use derivative instruments in accordance with its investment policy and to the extent permitted under the SFC’s Code on Unit Trusts and Mutual Funds. A Sub-Fund’s use of derivative instruments may involve increased risks and costs. A Sub-Fund’s ability to use such instruments successfully depends on its Manager’s or Sub-Investment Manager’s ability to accurately anticipate movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Manager’s or Sub-Investment Manager’s anticipations are wrong, or if the derivatives do not work as anticipated, the Sub-Fund could suffer greater losses than if the Sub-Fund had not used the derivatives.”~~

7. The second paragraph of the risk factor headed **“Currency risk”** under the section headed **“RISK FACTORS”** on page 15 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

~~“Since the Manager and/or the Sub-Investment Manager aims to maximise returns in US dollars terms, investors whose base currency is not US dollars may be exposed to additional currency risk.”~~

8. The first paragraph of the risk factor headed **“Hedging risk”** under the section headed **“RISK FACTORS”** on page 15 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

~~“**Hedging risk:** The Manager and/or the Sub-Investment Manager are ~~is~~ permitted, but not obliged, to use hedging techniques to attempt to offset market and currency risks. There is no guarantee that hedging techniques will achieve the desired result.”~~

9. The section headed **“SUB-INVESTMENT MANAGER”** on page 23 of the Explanatory Memorandum shall be deleted in its entirety.

10. The fourth paragraph under the section headed **“CHARGES AND EXPENSES”** on page 28 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

~~“Any increase of management fee from the current level to the maximum level of 2.5% per annum as permitted under the Trust Deed will only be implemented after giving 3 months’ notice to affected Unitholders and any increase beyond the maximum level will require Unitholders’ extraordinary resolution. The Manager will be responsible for the fees payable to the Sub-Investment Manager and the sub adviser (if any).”~~

11. The fourth paragraph in the sub-section headed **“Other Charges and Expenses”** under the section headed **“CHARGES AND EXPENSES”** on page 31 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

~~“Neither the Manager nor the Sub-Investment Manager nor their ~~its~~ connected persons will receive cash or other rebates from brokers or dealers in respect of transactions for the account of the Sub-Fund. However, the Manager, the Sub-Investment Manager and their ~~its~~ connected persons may enter into soft commission arrangements with brokers or dealers for the provision to the Manager or the Sub-Investment Manager or their ~~its~~ connected persons of goods and services which are of demonstrable benefit to Unitholders. Execution of transactions for the Sub-Fund will be consistent with best execution standards.”~~

12. The sub-paragraph (c) in the last paragraph under the section headed **“MISCELLANEOUS”** on page 36 of the Explanatory Memorandum shall be deleted in its entirety.

B. Changes to Business Day and Dealing Day

With effect from the Effective Date, the Explanatory Memorandum will be amended to reflect the changes to the definitions of Business Day and Dealing Day, as follows:

1. The information relating to “Dealing Day” under the section headed **“SUMMARY OF KEY TERMS”** on page 5 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

~~“Dealing Day a Business Day in Hong Kong, New York, Singapore and Vietnam”~~

2. The definition of “Business Day” under the section headed **“DEFINITIONS”** on page 6 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

“Business Day means a day (other than a Saturday) on which banks in Hong Kong, New York, ~~Singapore~~ and Vietnam are open for normal banking business or such other day or days as the Manager and the Trustee may agree from time to time, provided that where as a result of a number 8 typhoon signal, black rainstorm warning or other similar event, the period during which banks in Hong Kong are open on any day is reduced, such day shall not be a Business Day unless the Manager and the Trustee determine otherwise”

3. The first paragraph in the sub-section headed “**Subsequent issue of Units**” under the section headed “**ISSUE AND REALISATION OF UNITS**” on page 23 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

“In relation to an application for the subsequent issue of Units in the Sub-Fund, the issue price will be the Net Asset Value per Unit of the Sub-Fund on the relevant Dealing Day. Dealing Days for the Sub-Fund are generally days on which banks in Hong Kong, New York, ~~Singapore~~ and Vietnam are open for normal banking business (except Saturdays).”

April 2018

This Third Addendum is valid only if accompanied by the Explanatory Memorandum of the Sub-Fund dated April 2011, the First Addendum dated October 2014 and the Second Addendum dated April 2017 and forms an integral part of the Explanatory Memorandum.

AMUNDI VIETNAM OPPORTUNITIES FUND

Second Addendum to the Explanatory Memorandum dated April 2011

Important

If you are in doubt about the contents of this Second Addendum, you should seek independent professional financial advice.

*This Second Addendum is valid only if accompanied by the Explanatory Memorandum of Amundi Vietnam Opportunities Fund dated April 2011 (as amended and supplemented from time to time) (“**Explanatory Memorandum**”) and forms an integral part of the Explanatory Memorandum. This Second Addendum should be read in conjunction with the Explanatory Memorandum. The changes made to the Explanatory Memorandum by this Second Addendum shall take immediate effect or take effect on the date indicated below.*

All capitalized terms used in this Second Addendum have the same meaning as in the Explanatory Memorandum, unless otherwise defined herein. Amundi Hong Kong Limited, the Manager of the Fund, accepts full responsibility for the accuracy of the information contained in this Addendum and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement in this Addendum misleading as at the date of issuance.

A. Change of Domicile and Change of Trustee and Registrar

With effect from 12 May 2017, the Fund will be removed from the jurisdiction of the Cayman Islands to the jurisdiction of Hong Kong and CACEIS Hong Kong Trust Company Limited will be appointed as trustee by HSBC Trustee (Cayman) Limited (the “**Retiring Trustee**”) and the Manager in place of the Retiring Trustee who shall thereupon retire.

Accordingly, the Explanatory Memorandum will be amended as follows:

1. The Table of Contents shall be amended by deleting the heading “SERVICE PROVIDER TO THE TRUSTEE”, and the sub-heading “CAYMAN ISLANDS MUTUAL FUNDS LAW”.
2. The second paragraph on page 1 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

“This Explanatory Memorandum comprises information relating to Amundi Harvest Funds which ~~is~~ was a unit trust originally established as an umbrella fund under the laws of the Cayman Islands by a trust deed dated 27 January 2004 entered into between Société Générale Asset Management S.A., the former manager, and HSBC Trustee (Cayman) Limited as trustee, as amended from time to time, and the sub-fund known as Amundi Vietnam Opportunities Fund. Société Générale Gestion S.A. has been appointed as manager with effect from 31 December 2009 which was subsequently replaced by Amundi Hong Kong Limited (the “Manager”) from 13 September 2010. Pursuant to a Deed of Removal of the Trust to Another Jurisdiction and Replacement of Trustee dated 12 May 2017, the Fund was removed from the jurisdiction of the Cayman Islands to the jurisdiction of Hong Kong and CACEIS Hong Kong Trust Company Limited was appointed as trustee in place of HSBC Trustee (Cayman) Limited with effect from 12 May 2017. The Trust Deed is currently governed by the laws of Hong Kong.”

3. The first paragraph on page 2 of the Explanatory Memorandum which states “Persons resident or domiciled in the Cayman Islands are prohibited from holding Units.” shall be deleted in its entirety.

4. The information relating to “**Trustee and Registrar**” under the section headed “**ADMINISTRATION**” on page 4 of the Explanatory Memorandum shall be amended in the manner as marked-up below and the information on the Custodian shall be inserted thereafter:

“**Trustee and Registrar:** ~~HSBC TRUSTEE (CAYMAN) LIMITED~~
~~P.O. Box 484 GT~~
~~HSBC House~~
~~68 West Bay Road~~
~~Grand Cayman~~

CACEIS HONG KONG TRUST COMPANY LIMITED
29th Floor, Two Pacific Place, 88 Queensway, Hong
Kong”

“**Custodian:** CACEIS BANK, LUXEMBOURG BRANCH
5 Allée Scheffer, L-2520 Luxembourg”

5. The information and reference to “**Service Provider to the Trustee**” headed “**ADMINISTRATION**” on page 4 of the Explanatory Memorandum shall be deleted in its entirety.

6. The information relating to “**Auditor**” under the section headed “**ADMINISTRATION**” on page 4 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

“**Auditor:** PricewaterhouseCoopers
~~Certified Public Accountants~~
~~P.O. Box 258GT~~
~~Strathvale House~~
~~Grand Cayman~~
~~British West Indies~~

21/F Edinburgh Tower
The Landmark
15 Queen’s Road Central
Hong Kong”

7. The information relating to “Dealing Deadline” under the section headed “**SUMMARY OF KEY TERMS**” on page 5 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

““Dealing Deadline” in relation to any Dealing Day, ~~4:00 p.m.~~5:00 p.m. Hong Kong time on the Business Day preceding that Dealing Day”

8. The information relating to “Legal Structure” under the section headed “**SUMMARY OF KEY TERMS**” on page 5 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

““Legal Structure” an umbrella unit trust governed by the laws of
~~established in the Cayman Islands~~ Hong Kong. This Explanatory Memorandum relates to the Amundi Vietnam Opportunities Fund”

9. The information relating to “Trustee” under the section headed “**SUMMARY OF KEY TERMS**” on page 5 of the Explanatory Memorandum shall be amended in the

manner as marked-up below and the information on the Custodian shall be inserted thereafter:

“Trustee” HSBC Trustee (Cayman) Limited
CACEIS Hong Kong Trust Company Limited

“Custodian” CACEIS Bank, Luxembourg Branch”

10. The definition of “Fund”, “Trust Deed” and “Valuation Time” under the section headed “DEFINITIONS” on page 6 and page 7, respectively of the Explanatory Memorandum shall be amended in the manner as marked-up below:

“Fund” means Amundi Harvest Funds, an umbrella ~~Cayman Islands~~ Hong Kong unit trust”

“Trust Deed” means the trust deed establishing the Fund entered into by Société Générale Asset Management S.A., the former manager, and ~~the Trustee HSBC Trustee (Cayman) Limited, the former trustee,~~ dated 27 January 2004, as amended from time to time”

“Valuation Time” means ~~at around 4:00 p.m. Hong Kong time on a Valuation Day~~ the close of business in the last relevant market to close on each Valuation Day or such other time on such Business Day as the Manager may from time to time determine”

11. The first paragraph under the section headed “**GENERAL DETAILS OF THE FUND**” on page 8 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

“AMUNDI HARVEST FUNDS (the “Fund”) ~~is~~ was originally constituted as a Cayman Islands unit trust constituted by a trust deed dated 27 January 2004 entered into between Société Générale Asset Management S.A., the former manager, and HSBC Trustee (Cayman) Limited as Trustee trustee. Société Générale Gestion S.A. has been appointed as Manager with effect from 31 December 2009 which was subsequently replaced by Amundi Hong Kong Limited from 13 September 2010. Pursuant to a Deed of Removal of the Trust to Another Jurisdiction and Replacement of Trustee dated 12 May 2017, the Fund was removed from the jurisdiction of the Cayman Islands to the jurisdiction of Hong Kong and CACEIS Hong Kong Trust Company Limited was appointed as trustee in place of HSBC Trustee (Cayman) Limited with effect from 12 May 2017. The Trust Deed is currently governed by the laws of ~~the Cayman Islands~~ Hong Kong. All Unitholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Trust Deed.”

12. The first paragraph of the risk factor headed “**US Foreign Account Tax Compliance Act (“FATCA”) risk**” under the section head “Risk Factors” shall be amended in the manner as marked-up below:

“US Foreign Account Tax Compliance Act (“FATCA”) risk

In the event an Unitholder does not provide the requested information and/or documentation in order for the Fund to fulfill the FATCA obligation, whether or not that actually leads to compliance failures by the Fund and the Sub-Fund, or a risk of the Fund or the Sub-Fund being subject to withholding tax under FATCA, the Manager on behalf of the Fund and Sub-Fund reserves the right to take any action and/or pursue all remedies at its disposal including, without limitation, (i) reporting the relevant information of such Unitholder to the relevant tax authorities to the extent

permitted by applicable laws and regulations; (ii) withholding or deducting from such Unitholder's account to the extent permitted by applicable laws and regulations, as provided under clause 17.4 of the Trust Deed and/or (iii) giving such Unitholder notice to transfer or realise all his Units in the Fund pursuant to clause 10.9 of the Trust Deed. The Manager in taking any such action or pursuing any such remedy shall act in good faith and on reasonable grounds. In any event, the Manager shall comply with personal data protection principles, and requirements as set out in the Personal Data (Privacy) Ordinance (Chapter 468 of the Laws of Hong Kong) and all other applicable regulations and rules governing personal data use in Hong Kong from time to time."

13. The section headed "**TRUSTEE**" on page 23 of the Explanatory Memorandum shall be deleted in its entirety and replaced by the following:

"TRUSTEE AND CUSTODIANS

CACEIS Hong Kong Trust Company Limited is trustee of the Fund. The Trustee was incorporated with limited liability in Hong Kong on 4 July 2008. It is part of the CACEIS Group and the ultimate holding company of the CACEIS Group is Crédit Agricole S.A.. The Trustee is CACEIS Group's solution to support asset servicing business in Asia Pacific. Under the Trust Deed, the Trustee is responsible for the safekeeping of the assets of the Sub-Fund. The Trustee may, however, appoint any person or persons to be custodian of such assets. The Trustee shall remain liable for any act or omission of such person (other than Clearstream or Cedel, S.A. or any other depositary, institution or clearing system which may from time to time be approved by the SFC) in relation any Investment deposited with such person as if the same were the act or omission of the Trustee. As at the date of the Explanatory Memorandum, the Trustee has appointed CACEIS Bank, Luxembourg Branch as custodian of the assets of the Sub-Fund.

The Trustee also acts as the registrar of the Fund."

14. The section under the section headed "**SERVICE PROVIDER TO THE TRUSTEE**" on page 23 of the Explanatory Memorandum shall be deleted in its entirety.
15. The following amendments shall be made to the section headed "**ISSUE AND REALISATION OF UNITS**":
- a. The second, third and fourth paragraphs under the sub-section headed "**Subsequent issue of Units**" on page 23 and 24 of the Explanatory Memorandum shall be respectively amended in the manner as marked-up below:

"Applications for the issue of Units in the Sub-Fund will, if accepted by the Manager prior to ~~4:00 p.m.~~ 5:00 p.m. (Hong Kong time) on the Business Day preceding a Dealing Day and, provided that the relevant application monies have been received in cleared funds on behalf of the Sub-Fund prior to the relevant Dealing Deadline (or such other time as specified by the Manager in consultation with the Trustee), be dealt with on that Dealing Day."

"Applications or application monies received after the Dealing Deadline for a particular Dealing Day will be dealt with on the next following Dealing Day. Notwithstanding the above, the Trustee ~~or Service Provider to the Trustee~~ may rely upon application orders received, even prior to receipt of application monies, and may issue Units to investors according to such orders and invest the expected application monies. If payment is not cleared within 4 Business Days of receipt of the application, the Manager reserves the right to cancel the transaction at any time thereafter. In such circumstances, an investor may

be required to settle the difference between the offer price and the bid price of the Units concerned.”

“Subject to the suspension of the determination of the Net Asset Value of the Sub-Fund (for details see the section titled “Miscellaneous”), the prices at which Units in the Sub-Fund will be issued on a Dealing Day will be the Net Asset Value per Unit of the Sub-Fund calculated by the Trustee at the Valuation Time ~~around 4:00 p.m. Hong Kong time on the Valuation Day (i.e. the following Business Day after the relevant Dealing Day) to which the application relates.~~”

- b. The first paragraph under the sub-section headed “**Application Procedure**” on page 25 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

“Applications for Units may be made by completing the application form (the “Application Form”) (available from the Manager, ~~the Service Provider to the Trustee and/or the distributor~~) and sending it to ~~the Service Provider to the Trustee~~ together with payment for the Units and the preliminary charge. ~~Alternatively applications may be made by other written application (i) stating the name of the Sub-Fund and the amount to be invested, (ii) stating how payment has been or is being made for the amount due if the application is accepted, (iii) acknowledging receipt of this Explanatory Memorandum and confirming that the application is being made on the terms thereof and subject to the Trust Deed, and (iv) indicating the full name(s) and address(es) of the applicant(s).~~ Investors shall notify the Manager or ~~the Service Provider to the Trustee~~ as soon as practicable if there is any change in the information provided by the investor in the Application Form. **No money should be paid to any intermediary in Hong Kong who is not licensed or registered to carry on the Type 1 (dealing in securities) regulated activity under Part V of the SFO or who does not fall within the statutory exemption from the requirement to be licensed or registered to carry on Type 1 regulated activities under Part V of the SFO. Receipts for subscription monies will be issued upon request.**”

- c. The second paragraph under the sub-section headed “**Realisation of Units**” on page 26 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

“A realisation request must be given in writing and must specify the number of Units in the Sub-Fund to be realised, the name(s) of the registered holder(s), and give payment instructions for the realisation proceeds. In order for realisation to take effect on a particular Dealing Day, the realisation request must be received by ~~the Service Provider to the Trustee~~ not later than the Dealing Deadline.”

- d. The fifth paragraph under the sub-section headed “**Realisation of Units**” on page 26 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

“Realisation will take place at the realisation price, being the Net Asset Value per Unit of the Sub-Fund relative to the Dealing Day on which Units are realised, rounded down to three decimal places. Realisation proceeds will not be paid to any realising Unitholder until the written realisation request duly signed by the Unitholder has been received by ~~the Service Provider to the Trustee~~. No third party payment requests will be accepted. All bank charges

incurred in making the realisation payment will be borne by the realising Unitholder.”

16. The second paragraph under the sub-section headed “**Trustee**” under the section headed “**CHARGES AND EXPENSES**” on page 30 of the Explanatory Memorandum shall be deleted in its entirety.

17. The third paragraph under the sub-section headed “**Other Charges and Expenses**” under the section headed “**CHARGES AND EXPENSES**” on page 30 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

“The costs and expenses incurred by the Manager and HSBC Trustee (Cayman) Limited, the former trustee of the Trust the Trustee in establishing the Sub-Fund (which are estimated to be approximately US\$65,000) will be borne by the Sub-Fund and will be amortised by no later than the fifth financial year end commencing from the close of the initial offer period of the Sub-Fund have been fully amortized.”

18. The first paragraph under the section headed “**TAXATION AND REGULATORY REQUIREMENTS**” on page 31 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

“Investors should consult their professional advisers on the consequences to them of acquiring, holding, realising, transferring or selling Units under the relevant laws of the jurisdictions to which they are subject, including the tax consequences and any exchange control requirements. These consequences, including the availability of, and the value of, tax relief to investors will vary with the law and practice of the investors’ country of citizenship, residence, domicile or incorporation and their personal circumstances. The following statements regarding taxation are based on advice received by the Fund regarding the law and practice in force in Hong Kong, and Vietnam and the Cayman Islands at the date of this Explanatory Memorandum. Investors should be aware that levels and bases of taxation are subject to change and that the value of any relief from taxation depends upon the individual circumstances of the taxpayer.”

19. The section under the section headed “**TAXATION AND REGULATORY REQUIREMENTS – Cayman Islands**” on page 31 of the Explanatory Memorandum shall be deleted in its entirety.

20. The section headed “**TAXATION AND REGULATORY REQUIREMENTS – Vietnam**” on pages 31 and 32 of the Explanatory Memorandum shall be amended in the manner as marked up below:

Under the tax regulations, the Sub-Fund is likely to be classified as a foreign investment fund established under the laws of a foreign country and not physically present in Vietnam but opening a securities investment account in Vietnam. Assuming the Sub-Fund does not have a Resident Establishment in Vietnam, under the Foreign Contractor Tax (“FCT”) regulations, it will be subject to Corporate Income Tax (“CIT”) on a “deemed taxation” basis as follows:

It is the intention of the Sub-Fund that its business activities will not be carried out in Vietnam through a Permanent Establishment, rather a securities investment account will be opened in Vietnam. Consequently, as a foreign investment fund established under the laws of a foreign country, the Sub-Fund should not be considered to be a resident of Vietnam for corporate income tax purpose and, therefore, the Sub-Fund should not be liable to Vietnamese corporate tax on income and gains derived from non-Vietnamese investments.

On the transfer of securities (including shares, investment fund certificates, bonds, except for tax-free-bonds in Vietnam), Corporate Income Tax (“CIT”) is imposed on the gross value of securities sold on each transaction. This is a “deemed profits” tax, equivalent to 0.1%. of the value of the sale transaction. No relief is allowed for transaction costs, and no allowance is taken for the cost of investments.

On interest earned from bonds (except for tax-free-bonds), deemed CIT is imposed and calculated at 0.1%. of the total value of the bonds which is determined at nominal value stated in the bond certificate plus the interest received. The tax is payable on a payments basis.

Dividends received from tax-paid profits due to investment in shares and investment fund certificates are not subject to further CIT in the hands of the Sub-Fund.

In case where taxes are applicable, CIT is withheld by the relevant securities company or commercial bank which remits the legal remaining income, ~~including dividends~~, to foreign investors for remittance offshore. Interest paid to the Sub-Fund over any deposit at accounts opened in Vietnam (if any) may also be subject to a ~~405%~~ withholding tax under the Foreign Contractor Tax (“FCT”) regulations. The Sub-Fund is not required to declare and pay Value Added Tax for securities dealing activities in Vietnam.

~~On the basis that the Sub-Fund does not have a Resident Establishment in Vietnam, it will not be subject to Vietnamese taxes on its income derived outside Vietnam or capital gains derived from the sale or other disposal of any non-Vietnamese investments.~~

Unitholders who are resident outside Vietnam are not liable to Vietnamese tax on distributions received from the Sub-Fund, nor on gains derived from the disposal of their interests in the Sub-Fund.

21. The section under the section headed **“TAXATION AND REGULATORY REQUIREMENTS – Cayman Islands Mutual Funds Law”** on page 32 of the Explanatory Memorandum shall be deleted in its entirety.
22. The sub-section headed **“US Foreign Account Tax Compliance Act (“FATCA”)** under the section headed **“TAXATION AND REGULATORY REQUIREMENTS”** shall be deleted in its entirety and replaced by the following:

“US Foreign Account Tax Compliance Act (“FATCA”):

The coming into force of the U.S. Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act aims to reinforce the fight against U.S. tax avoidance by the “U.S. Persons”¹ holding accounts in foreign countries. Pursuant to FATCA, any non-U.S. financial institution (foreign financial institution or “FFI”), e.g. banks, management companies, investment funds etc., either has certain reporting obligations with respect to certain incomes of U.S. Persons or is required to withhold tax at the rate of 30 per cent on (i) certain U.S. source income (including, among other types of income, dividends and interests), (ii) gross proceeds from the sale or disposition of U.S. assets of a type that produce dividends and interest, (iii) foreign

¹ Tax “U.S. Person” under the U.S. Internal Revenue Code means a U.S. citizen or resident individual, a partnership or corporation organized in the United States or under the laws of the United States or any State thereof; or a trust if one or more U.S. Persons have the authority to control all substantial decisions of the trust and a court within the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding the administration of the trust, or an estate of a decedent that is a citizen or resident of the United States.

passthru payments made to certain FFIs, that do not comply with FATCA and to any investor (unless otherwise exempt from FATCA) that does not provide identification information with respect interests used by a participating FFI always subject to forthcoming clarification and additional guidance by IRS on rules that potentially require withholding on foreign passthru payments. Otherwise the non-compliant FFIs will be subject to a 30% withholding tax on relevant US-sourced payments to them.

The Hong Kong government has announced on May 9, 2014 that Hong Kong will enter into a "Model 2" intergovernmental agreement with the US ("IGA") for the implementation of FATCA. Hong Kong and the US signed the IGA on 13 November 2014, and according to the terms of Model 2 intergovernmental agreement ("IGA"), any Hong-Kong FFIs is required to register with the IRS (the U.S. Internal Revenue Service) by July 1, 2014 at the latest, and agree to comply with the requirements of an FFI Agreement, including with respect to due diligence, reporting, and withholding to be qualified as a "Reporting Model 2 FFI". Thus, it is expected that Hong Kong Financial Institutions will not, under certain circumstances, be subject to the above described withholding under FATCA. In view of the above, as at the date hereof, the Fund has been registered with the FATCA status of Reporting Model 2 FFI.

Therefore, investors shall acknowledge that:

- (i). the Fund (or any entity appointed by the Fund to proceed with the FATCA obligations on its behalf) is required to determine the FATCA status of each holder of an account maintained by the participating FFI and to identify each account that is a U.S. account, non-U.S. account, account held by a recalcitrant account holder, or account held by a non-participating FFI ("NPFFI"). If the Fund (or any entity appointed by the Fund to proceed with the FATCA obligations on its behalf) is unable to reliably associate valid documentation with an account holder to determine the FATCA status of such account holder under such required procedures, it must apply the presumption rules of section 3.04 as provided under the FFI Agreement to treat the account holder as a non-consenting account or a NPFFI;
- (ii). in subscribing to the Fund's units or holding units of the Fund, the investors recognize that their personal data can be requested, registered, kept, transferred, treated and analyzed by the Fund (or by any entity appointed by the Fund to proceed with the FATCA obligations on its behalf) and exchanged for the purposes of the FATCA legislation and will provide the Fund (or any entity appointed by the Fund to proceed with the FATCA obligations on its behalf) an express consent for it to proceed with the FATCA obligations, to transfer the personal data required to be exchanged under the FATCA legislation and Model 2 IGA when the investor meets the conditions for being considered as having a US account in the Fund under the meaning of FATCA, or being a non-participating FFI;
- (iii). with respect to a new account, to provide the Fund, the Manager, the Trustee and Registrar, or any entity appointed by the Fund to proceed with the FATCA obligations on its behalf, as a condition of account opening, the consent required under Hong Kong legal principles (such as, for instance the Personal Data (Privacy) Ordinance) in order for the Fund (or any entity appointed by the Fund to proceed with the FATCA obligations on its behalf) to report the account as required under FATCA legislation and Model 2 IGA. If the consent is not provided by the investor, the Fund must refuse the opening;
- (iv). If such a consent is not provided to the Fund, the Manager, the Trustee and Registrar, or any entity appointed by the Fund to proceed with the FATCA

obligations on its behalf, the investor acknowledges that the Fund may treat the investor as a non-consenting U.S. account, report the account in an aggregated way (i.e. a report of certain aggregate information) and may have, under some circumstances, to withhold a 30% tax on withholdable payment made to this non-consenting U.S. account;

- (v). the Fund (or any entity appointed by the Fund to proceed with the FATCA obligations on its behalf) might be required (in particular if and when withholding would apply on “Foreign Passthru Payments”) to withhold on certain payments, to the extent permitted by applicable laws and regulations, made to the investor qualifying as NPFFI; the Fund and/or the Manager in taking any such action shall act in good faith and on reasonable grounds; and
- (vi). in order to avoid the potential future issue that could arise from the “Foreign Passthru payment” mechanism that could apply as from 2019, January 1st and prevent any withholding tax on such payments, the Fund, Amundi Hong Kong Limited or its delegated entity reserves the right to prohibit for sale the units or shares, as from this date, to any NPFFI, particularly whenever it is considered legitimate and justified by the protection of the general interests of the investors in the Fund.

The foregoing does not purport to be a complete analysis of all relevant tax rules and considerations, nor does it purport to be a complete listing of all potential tax risks inherent in purchasing or holding Units of the Fund or tax advice. Each investor should consult its own professional advisors on the possible tax and other consequences of buying, holding, selling or redeeming Units under the laws of the jurisdictions to which it is subject, including with regard to the applicability of FATCA and any other reporting and withholding regime to their investments in the Fund and Sub-Funds.”

- 23. The fifth paragraph under the section headed “**TAXATION AND REGULATORY REQUIREMENTS – Anti-Money Laundering Regulations**” on page 33 of the Explanatory Memorandum shall be deleted in its entirety.
- 24. The first paragraph under the section headed “**TERMINATION OF FUND**” on page 35 of the Explanatory Memorandum shall be amended in the manner as marked-up below:

“The Fund shall continue until it is terminated in one of the following ways set out below provided that the Fund will automatically terminate on the date falling ~~450~~ 80 years after ~~the date of the Trust Deed~~ 27 January 2004.”

B. Update of Director Information of Amundi Hong Kong Limited (the “Manager”)

Mr. Ayaz Hatim Ebrahim resigned as director of the Manager, and all references to him are removed from the Explanatory Memorandum accordingly.

C. Respective corporate name change of Amundi and Amundi Group

All references to “Amundi” / “Amundi S.A.” are changed to “Amundi Asset Management” in the following sections of the Explanatory Memorandum:

- First Addendum to Explanatory Memorandum dated April 2011 (p.4 under “Update of Director Information of Amundi Hong Kong Limited (the “Manager”))
- Manager (p.20-21)

All references to “Amundi Group” are changed to “Amundi” in the following sections of the Explanatory Memorandum:

- Inside Cover (Important Information Box)
- Risk Factors (p.12 under “Connected Parties”, p.16 under Risk relating to structured products”)
- Manager (p.20)
- Sub-Investment Manager (p.23)

D. Automatic Exchange of Financial Account Information

The following sub-section headed “**Automatic Exchange of Financial Account Information**” shall be inserted immediately after the sub-section headed “**US Foreign Account Tax Compliance Act (“FATCA”)**” under the section headed “**TAXATION AND REGULATORY REQUIREMENTS**”:

“Automatic Exchange of Financial Account Information:

The Organisation for Economic Cooperation and Development (“OECD”) released in July 2014 the standard on automatic exchange of information (“AEOI”), calling on governments to collect from financial institutions (“FIs”) financial account information of overseas tax residents and exchange the information with jurisdictions of residence of the relevant account holders on an annual basis. Hong Kong indicated in the Global Forum on Transparency and Exchange of Information for Tax Purposes in September 2014 its commitment for implementing AEOI, with a view to commencing the first information exchanges by the end of 2018.

Under the OECD standard for AEOI (comprising among others, model Competent Authority Agreement (“CAA”) and Common Reporting Standard (“CRS”)), an FI is required to conduct due diligence procedures, so as to identify reportable accounts held by tax residents of reportable jurisdictions (i.e. in the context of Hong Kong, non-Hong Kong tax residents who are liable to tax by reason of residence in the AEOI partner jurisdictions with which Hong Kong has entered into an AEOI arrangement), and collect the reportable information in respect of these relevant accounts. FIs are also required to report such information to the tax authority in a specified format. Upon receipt of the information from FIs, the tax authority will exchange the relevant information with their counterparts in the reportable jurisdictions concerned on an annual basis.

To provide a legislative framework for the implementation of AEOI in Hong Kong, the Inland Revenue (Amendment) (No. 3) Ordinance 2016 (“IRAO”) was gazetted on 30 June 2016 to amend the Inland Revenue Ordinance (Cap. 112) to incorporate the essential requirements of the AEOI standard, namely key provisions of CAA and due diligence requirements as laid down in CRS. In addition, the Hong Kong Inland Revenue Department published guidance for FIs to assist them in complying with the CRS obligations on 9 September 2016.

Hong Kong has indicated that it would conduct AEOI only with jurisdictions which Hong Kong has signed comprehensive avoidance of double taxation agreement (“CDTA”) or tax information exchange agreement (“TIEA”) on a bilateral basis. To effect AEOI, the Hong Kong tax authority may also sign a CAA, which sets out the modalities of transfer of information collected pursuant to the AEOI standard, with the tax authority of CDTA/ TIEA partners concerned.

Under the IRAO and the guidance published, details of the Unitholders (i.e. financial account holders), including but not limited to their name, address, tax residence, account details, account balance/value and income/sale or redemption proceeds may be reported to the Hong Kong tax authority and exchanged to the respective tax authorities of the jurisdictions of their tax residency to the extent that the Unitholders are tax residents of a jurisdiction with which Hong Kong has an in-force CDTA/ TIEA.

Unitholders should consult their professional advisors on the possible tax and other consequences with respect to the implementation of the AEOI.”

April 2017

This Second Addendum is valid only if accompanied by the Explanatory Memorandum of the Sub-Fund dated April 2011 and forms an integral part of the Explanatory Memorandum.

AMUNDI VIETNAM OPPORTUNITIES FUND

(a sub-fund of Amundi Harvest Funds)

First Addendum to the Explanatory Memorandum dated April 2011

1. Addition of the US Foreign Account Tax Compliance Act (“FATCA”) disclosure

The following disclosure is added to the “Taxation and Regulatory Requirements” section (after the description of “Cayman Islands Mutual Funds Law” on p.32) of the Explanatory Memorandum:

“US Foreign Account Tax Compliance Act (“FATCA”):

The coming into force of the U.S. Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act aims to reinforce the fight against U.S. tax avoidance by the Tax “U.S. Persons”¹ holding accounts in foreign countries. Pursuant to FATCA, any non-U.S. financial institution (foreign financial institution or “FFI”), e.g. banks, management companies, investment funds etc., either has certain reporting obligations with respect to certain incomes of Tax U.S. Persons or is required to withhold tax at the rate of 30 per cent on (i) certain U.S. source income (including, among other types of income, dividends and interests), (ii) gross proceeds from the sale or disposition of U.S. assets of a type that produce dividends and interest, (iii) foreign passthru payments made to certain FFIs, that do not comply with FATCA and to any investor (unless otherwise exempt from FATCA) that does not provide identification information with respect interests maintained by a participating FFI. Otherwise the non-compliant FFIs will be subject to a 30% withholding tax on relevant US-sourced payments to them.

The Cayman Islands Government has signed a FATCA Model 1 intergovernmental agreement with the United States (“Cayman IGA”) on 29th November 2013. The Cayman IGA requires the Cayman Islands Government to enact laws requiring the identification and reporting of information about US accounts to the standards set out therein. Unless there is an available exemption, FFIs subject to the Cayman IGA will be required to identify US accounts and report specified information about those US accounts to the Cayman Islands Tax Information Authority (the “Cayman TIA”). The Cayman TIA would then pass this information on to the US tax authority, the Internal Revenue Service (the “IRS”) on an automatic basis annually.

FFIs that comply with the laws implemented pursuant to the Cayman IGA will be treated as satisfying the due diligence and reporting requirements of FATCA. As such, those FFIs will be 'deemed compliant' with the requirements of FATCA. In order to protect its Unitholders from the penalty of any penalty withholding, the Fund and Sub-Funds intend to comply with the relevant due diligence and reporting requirements relating to certain US Shareholders to ensure that none of its income is subject to FATCA withholding. The Fund is registered with the FATCA status of Reporting Model 1 FFI.

By investing (or continuing to invest) in the Fund, investors shall be deemed to acknowledge that:

- (i) the Fund is registered with the U.S. Internal Revenue Service and is a Reporting Model 1 FFI, for FATCA compliance purposes;
- (ii) in order to comply with applicable tax provisions, the Fund’s FATCA status requires additional identification information from its investors with regard to their own current status under FATCA. Any Investor should self-certify its FATCA status to the Fund, its delegated entity, the Manager or the distributor and would do so in the forms prescribed by the FATCA regulations in force in

¹Tax “U.S. Person” under the U.S. Internal Revenue Code means a U.S. citizen or resident individual, a partnership or corporation organized in the United States or under the laws of the United States or any State thereof; or a trust if one or more U.S. Persons have the authority to control all substantial decisions of the trust and a court within the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding the administration of the trust, or an estate of a decedent that is a citizen or resident of the United States.

the relevant jurisdiction (in particular through the W8, W9 or equivalent filing forms) to be renewed regularly or provide the Fund with its GIIN number if the investor is a FFI. The investors will inform the Fund, its delegated entity, the Manager or the distributor of a change of circumstances in their FATCA status immediately in writing;

- (iii) as part of its reporting obligations, the Manager and/ or the Fund (or any entity appointed by the Fund to proceed with the FATCA obligations on its behalf) may be required to disclose certain confidential information (including, but not limited to, the investor's name, address, tax identification number, if any, and certain information relating to the investor's investment in the Fund, self-certification, GIIN number or other documentation) that they have received from (or concerning) their investors and automatically exchange information as outlined above with the Cayman Islands taxing authorities or other authorized authorities as necessary to comply with FATCA, related IGA or other applicable law or regulation. The investors are also informed that the Fund will respect the aggregation rule as prescribed by the applicable IGA;
- (iv) those investors that either have not properly documented their FATCA status as requested or have refused to disclose such a FATCA status within the legally prescribed timeframe may be classified as U.S. reportable accounts in case of U.S. indicia exist, or Non-Participating FFI ("NPFFI") for investors qualifying as financial unitholders and be subject to a reporting by the Manager and/ or the Fund (or any entity appointed by the Fund to proceed with the FATCA obligations on its behalf) towards tax or governmental authorities above; and
- (v) in order to avoid the potential future issue that could arise from the "Foreign Passthru payment" mechanism that could apply as from 2017, January 1st and prevent any withholding tax on such payments, the Fund, the Manager, or its delegated entity reserves the right to prohibit for sale the Units, as from this date, to any Non-Participating FFI ("NPFFI"), particularly whenever it is considered legitimate and justified by the protection of the general interests of the investors in the Fund."

The foregoing does not purport to be a complete analysis of all relevant tax rules and considerations, nor does it purport to be a complete listing of all potential tax risks inherent in purchasing or holding Units of the Fund or tax advice. Each investor should consult its own professional advisors on the possible tax and other consequences of buying, holding, selling or redeeming Units under the laws of the jurisdictions to which it is subject, including with regard to the applicability of FATCA and any other reporting and withholding regime to their investments in the Fund and Sub-Fund.

The following risk disclosure will be added to the "Risk Factors" section of the Explanatory Memorandum (after "Changes in Applicable Law" risk on p.19):

"US Foreign Account Tax Compliance Act ("FATCA") risk

In the event an Unitholder does not provide the requested information and/or documentation in order for the Fund to fulfill the FATCA obligation, whether or not that actually leads to compliance failures by the Fund and the Sub-Fund, or a risk of the Fund or the Sub-Fund being subject to withholding tax under FATCA, the Manager on behalf of the Fund and Sub-Fund reserves the right to take any action and/or pursue all remedies at its disposal including, without limitation, (i) reporting the relevant information of such Unitholder to the relevant tax authorities to the extent permitted by applicable laws and regulations; (ii) withholding or deducting from such Unitholder's account to the extent permitted by applicable laws and regulations, as provided under clause 17.4 of the Trust Deed dated 27 January 2004 and/or (iii) giving such Unitholder notice to transfer or realise all his Units in the Fund pursuant to clause 10.9 of the Trust Deed dated 27 January 2004. The Manager in taking any such action or pursuing any such remedy shall act in good faith and on reasonable grounds.

Although the Fund will attempt to satisfy any obligations imposed on it to avoid the imposition of this withholding tax, no assurance can be given that the Fund will be able to satisfy these obligations, nor that a FFI not complying with FATCA could indirectly affect the Fund, even if the Fund satisfies its FATCA

obligations. If the Fund becomes subject to a withholding tax as a result of FATCA, the value of the units held by unitholders may suffer material loss.”

2. Precision on US investors restrictions

The following US investor restriction description is added after the last paragraph in the “Important Information” section (p.1) of the Explanatory Memorandum:

“The units of this Fund cannot be offered or sold, directly or indirectly, in the United States of America (including its territories and possessions), to or for the benefit of a “U.S. Person”, as defined in the U.S. “Regulation S” adopted by the Securities and Exchange Commission (“SEC”).

Investors are required to certify in written, prior to the acquisition of the units, that they are not “U.S. Persons”. Investors are required to notify immediately the Manager in the event that they become “U.S. Persons” .

The Manager may impose restrictions on the unitholders by any “U.S. Person” and operate (i) compulsory redemption of units or (ii) transfer of units held by such “U.S. Person”.

Such power covers any person (a) who appears to be directly or indirectly in breach of the laws or regulations of any country or governmental authority, or (b) in the opinion of the Manager, might result in the Fund suffering any disadvantage which the Fund might not otherwise have incurred or suffered.

“U.S. Person” means: (a) any natural person resident in the U.S.; (b) any partnership or corporation organised or incorporated under the laws of the U.S.; (c) any estate of which any executor or administrator is a U.S. Person; (d) any trust of which any trustee is a U.S. Person; (e) any agency or branch of a non-U.S. entity located in the U.S.; (f) any non-discretionary or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person; (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the U.S.; and (h) any partnership or corporation if (i) organised or incorporated under the laws of any non-U.S. jurisdiction and (ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act of 1933, as amended, unless it is organised or incorporated, and owned, by accredited investors (as defined under Rule 501(a) under the U.S. Securities Act of 1933, as amended) who are not natural persons, estates or trusts.”

3. Update of Director Information of Amundi Hong Kong Limited (the “Manager”)

Mr. Xiaofeng Zhong, Mr. Ayaz Ebrahim, and Mr. Laurent Bertiau was appointed as directors of the Manager. A brief description of them is set out below and will be added to the “Manager” section of the Explanatory Memorandum (p.22 after the last paragraph):-

Mr. Xiaofeng Zhong

Mr. Xiaofeng Zhong joined Amundi Hong Kong Limited in November 2011 as Deputy Chief Executive Officer, Sales and Marketing, and was appointed Chief Executive Officer, North Asia in September 2012. He is responsible for promoting Amundi Group’s expertise to institutional clients and third-party distributors in North Asia (mainly Mainland China, Hong Kong, Taiwan and South Korea) as well as the management of Asian Equity and Asian Balanced expertise for all clients of the Amundi Group.

Prior to joining Amundi, Mr. Zhong worked at Groupe Crédit Agricole from 1996, holding various positions in France and Greater China mainly within the investment banking arm. His most recent role prior to joining Amundi was Managing Director of CA-CIB Beijing branch.

Mr. Zhong has a PhD in Political Studies from the Institut d’Etudes Politiques de Paris, a DEAs (Postgraduate Diploma) in Political Studies and International Relations, from the Institut d’ Etudes Politiques de Paris, France and an MA (French Language & Literature) from Sun Yat-Sen University in Guangzhou, China.

Mr. Ayaz Ebrahim

Mr. Ayaz Ebrahim joined Amundi Hong Kong Limited in May 2011 as CIO Asia ex-Japan Equities and Deputy Chief Executive Officer. Prior to joining the company, he was the Chief Investment Officer, Asia Pacific, for both HSBC Global Asset Management and Deutsche Asset Management. From 1991 to 2002, he worked at Crédit Agricole Asset Management Hong Kong (now named Amundi Hong Kong Limited), initially as an investment manager and subsequently as Chief Investment Officer for Asia. Prior to that, he was an analyst at Hoare Govett (1990-1991) and at Barclays De Zoete Wedd (1989-1990). He began his career as an executive in the Listing Division of the Hong Kong Stock Exchange.

He graduated in accountancy from the University of East Anglia (Norfolk). He is Vice Chairman of the Indian Chamber of Commerce.

Mr. Laurent Bertiau

Mr. Bertiau is currently the Deputy Head of the Institutional Investment Division in charge of Marketing and Development at Amundi S.A. Laurent Bertiau has been Global Head of Sales and Marketing at SGAM since April 2008, and was appointed Deputy CEO on 10 July 2009. Prior to that, he was successively CEO of SGAM Asia (2004-March 2008), SGAM Japan (2001-2004) and SGAM Singapore in charge of Asia (1997-2001). In 1993, he created and chaired Société Générale FIMAT Trading Management in Chicago (USA) where he was in charge of the selection of funds of hedge funds and CTAs and worldwide product marketing. Between 1986 and 1993, he was a manager and broker in institutional sales in the fixed income department at SGAM. Laurent Bertiau has worked for Société Générale since 1981.

Laurent Bertiau is a graduate of CESB (Centre d'Etudes Supérieures de Banque) and of economics.

Mr. Thierry Mequillet, Mr. Jean-Paul Mazoyer, Mr. Jean-Francois Pincon, Mr. Denys de Campigneulles, Mr. Ray Jovanovich, and Ms. Ada Mak resigned as directors of the Manager, and all references to them are removed from the Explanatory Memorandum accordingly.

The list of directors in the "Directors of the Manager" section on p.4 of the Explanatory Memorandum is updated accordingly as follows:

"Jean-Yves Glain
Pascal Blanque
Bernard Carayon
Laurent Bertiau
Xiaofeng Zhong
Ayaz Hatim Ebrahim"

October 2014

This First Addendum is valid only if accompanied by the Explanatory Memorandum of Amundi Vietnam Opportunities Fund dated April 2011 (the "Explanatory Memorandum") and forms an integral part of the Explanatory Memorandum.

AMUNDI HARVEST FUNDS

EXPLANATORY MEMORANDUM

AMUNDI VIETNAM OPPORTUNITIES FUND

IMPORTANT:

The Sub-Fund aims to achieve long-term capital growth by investing in a diversified portfolio of securities which includes equities and debt securities of issuers with actual or prospective business operations in Vietnam. Investments are mainly in Vietnam listed companies with existing operations, assets or investments in Vietnam.

The Sub-Fund may invest in the following instruments:

- securities or instruments connected to emerging markets, which involve substantial market, regulatory, liquidity and volatility risks; and
- structured notes, participation notes and such other derivative instruments permitted under the SFC's Code on Unit Trusts and Mutual Funds from time to time in order to gain exposure to the Vietnam market, which involve substantial credit, counterparty, liquidity and volatility risks. Investing in the above instruments will result in potentially higher risks, and investors may suffer a loss of their investments in the Sub-Fund.

Since the investments of the Sub-Fund are concentrated in a single market, volatility may be higher than more diversified funds.

Investors should note that the Sub-Fund may invest in structured notes, participation notes and such other derivative instruments permitted under the SFC's Code on Unit Trusts and Mutual Funds from time to time issued by companies within the Amundi Group, to which the Manager and the Sub-Investment Manager are connected, and this could result in potential conflicts of interest. Any Performance Fee charged to the Sub-Fund will not be calculated on a unit-by-unit basis and no equalisation or series of units provisions will apply. As such, the Performance Fee payable may not reflect the individual performance of the Units in question.

April 2011

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Important: If you are in any doubt about the contents of this Explanatory Memorandum, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. This Explanatory Memorandum has been written and authorised for distribution in Hong Kong only. It does not constitute a distribution of information or an offer in any other jurisdiction.

This Explanatory Memorandum comprises information relating to Amundi Harvest Funds which is a unit trust established as an umbrella fund under the laws of the Cayman Islands by a trust deed dated 27 January 2004 entered into between Société Générale Asset Management S.A., the former manager, and HSBC Trustee (Cayman) Limited as trustee, as amended from time to time, and the sub-fund known as Amundi Vietnam Opportunities Fund. Société Générale Gestion S.A. has been appointed as manager with effect from 31 December 2009 which was subsequently replaced by Amundi Hong Kong Limited (the "Manager") from 13 September 2010.

The Manager accepts responsibility for the information contained in this Explanatory Memorandum as being accurate at the date of publication. Distribution of this Explanatory Memorandum must be accompanied by a copy of the latest available annual report and accounts of the Fund and any subsequent interim report.

The Fund and the Sub-Fund have been authorised by the Securities and Futures Commission ("SFC") in Hong Kong pursuant to section 104 of the Securities and Futures Ordinance and the Code on Unit Trusts and Mutual Funds. Although the Fund and the Sub-Fund have been authorised by the SFC, such authorisation does not imply official recommendation or endorsement of the Fund and the Sub-Fund nor does it guarantee the commercial merits of the Fund and/or the Sub-Fund or its performance. SFC authorization does not mean that the Fund and/or the Sub-Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

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

Units are offered on the basis only of the information contained in this Explanatory Memorandum and (where applicable) the above mentioned annual reports and accounts and interim statements.

Any information given or representations made by any dealer, salesman or other person and (in either case) not contained herein should be regarded as unauthorised and accordingly must not be relied upon. Neither the delivery of this Explanatory Memorandum nor the offer or issue of Units shall under any circumstances constitute a representation that the information contained in this Explanatory Memorandum is correct as of any time subsequent to the date hereof. This Explanatory Memorandum may from time to time be updated and intending applicants of Units should enquire of the Manager as to the issue of any later Explanatory Memoranda.

Units have not been registered under the United States Securities Act of 1933 (as amended) (the "Securities Act") and, except in a transaction which does not violate such Act, may not be directly or indirectly offered or sold in the United States of America, or any of its territories or possessions or areas subject to its jurisdiction, or for the benefit of a United States person. For this purpose, "United States person" shall have the meaning ascribed to such term in Regulation S under the Securities Act.

The Fund has not been and will not be registered under the United States Investment Company Act of 1940 as amended. The Manager has not been and will not be registered under the United States Investment Advisors Act of 1940.

Persons resident or domiciled in the Cayman Islands are prohibited from holding Units.

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

Hong Kong Unitholders may contact Amundi Hong Kong Limited, the Manager, for any queries or complaints in relation to the Sub-Fund. To contact the Manager, Unitholders may either;

- write to the Manager (address at 901-908, One Pacific Place, No.88 Queensway, Hong Kong); or
- call the Manager's Customer Service Hotline: 2521 4231.

The Manager will respond to any enquiry or complaint in writing or otherwise within one month.

Personal Information Collection Statement pertaining to Provision of Services

The Manager is committed to maintaining your personal data in accordance with the requirement of Personal Data (Privacy) Ordinance (the "Ordinance") and will take all reasonable steps to ensure that your personal data is kept secure against unauthorized access, loss, disclosure and destruction.

The purposes and retention of the information:

- (a) From time to time, it is necessary for clients and various other individuals ("data subject") to supply the Manager with data in connection with various matters such as account opening or continuation of relationship, or provision of services to clients and other individuals.
- (b) Failure to supply such data may result in the Manager being unable to open an account or continue services to clients.
- (c) The purposes for which data relating to a data subject may be used will vary depending on the nature of the data subject's relationship with the Manager. Information provided shall be held by the Manager or any of its affiliates and/or their delegates or sub-delegates as data processor as appropriate and is used for any of the following purposes:
 - (i) processing applications for accounts and services;
 - (ii) daily operation of the accounts and services;
 - (iii) investments in other funds managed by the Manager or any of its affiliates;
 - (iv) designing financial services or related products for our clients' use;
 - (v) marketing related products or services;
 - (vi) meeting the disclosure requirement under any laws binding on the Manager or any of its affiliates or their delegates or sub-delegates;
 - (vii) meeting the regulatory requirements of anti-money laundering and counter-terrorist financing binding on the Manager or any of its affiliates or their delegates or sub-delegates; and/or
 - (viii) all other incidental and associated purposes relating to any of the above.

- (d) The data collected may be maintained for such period of time which may be required under applicable law and as otherwise needed to fulfil the purposes set out above.
- (e) The data held will be kept confidential but the Manager may provide such information to the following parties whether inside or outside Hong Kong for the purposes set out in paragraph (c) above:
 - (i) the affiliates of the Manager;
 - (ii) the agents, contractors or service providers of the Manager or any of its affiliates;
 - (iii) the intermediaries of the Manager or any of its affiliates;
 - (iv) the regulators, lawyers or auditors of the Manager or any of its affiliates; and
 - (v) any person or party to whom the Manager or its affiliates is under an obligation to make disclosure under the requirements of any law binding on the Manager or any of its affiliates.
- (f) Protecting your privacy is a priority to us. Your information will be held in confidence and not passed to any company, other than as already indicated above, without your permission or unless required by law.
- (g) Within the Manager, access to non-public information about a client is restricted to employees who need to know the information to provide products or services to the client. The Manager maintains physical, electronic and procedural safeguards that protect client information.
- (h) Under the Ordinance, you have the right:
 - (i) to check whether the Manager holds data about you, and of access to such data;
 - (ii) to require the Manager to correct any data relating to you which is inaccurate;
 - (iii) to ascertain the Manager's policies and practices in relation to data and to be informed of the kind of personal data held by the Manager;
 - (iv) to object to the use of your personal data for marketing purposes and the Manager shall not use your personal data for marketing purposes after you communicate your objection to the Manager.
- (i) In accordance with the terms of the Ordinance, the Manager has the right to charge a reasonable fee for the processing of any data access request.
- (j) The person to whom requests for access to data or correction of data or for information regarding policies and practices and kinds of data held are to be addressed is as follows:

Data Protection Officer
Amundi Hong Kong Limited
901-908 One Pacific Place
No. 88 Queensway, Hong Kong

- (k) Nothing in this document shall limit the rights of data subject under the Ordinance.

ADMINISTRATION

Manager:	Amundi Hong Kong Limited 901-908, One Pacific Place No. 88 Queensway Hong Kong
Sub-Investment Manager:	Amundi Singapore Limited 168 Robinson Road, #24-01 Capital Tower, Singapore 068912
Trustee and Registrar:	HSBC Trustee (Cayman) Limited PO Box 484 GT HSBC House 68 West Bay Road Grand Cayman
Service Provider to the Trustee:	HSBC Institutional Trust Services (Asia) Limited No. 1 Queen's Road Central, Hong Kong
Auditor:	PricewaterhouseCoopers Certified Public Accountants P.O. Box 258GT Strathvale House Grand Cayman British West Indies
Directors of the Manager:	Jean-Paul Mazoyer Jean-François Pinçon Jean-Yves Glain Pascal Blanque Bernard Carayon Thierry Mequillet Denys de Campigneulles Ray Jovanovich Ada Mak c/o Amundi Hong Kong Limited 901-908, One Pacific Place No. 88 Queensway Hong Kong

SUMMARY OF KEY TERMS

Please refer to the relevant provisions of this Explanatory Memorandum for a complete discussion of the terms summarised below:

Legal Structure	an umbrella unit trust established in the Cayman Islands. This Explanatory Memorandum relates to the Amundi Vietnam Opportunities Fund
Manager	Amundi Hong Kong Limited
Sub-Investment Manager	Amundi Singapore Limited
Trustee	HSBC Trustee (Cayman) Limited
Currency Base	US\$
Initial Offer Price	US\$10 per Unit
Minimum Investment	the higher of US\$1,000 or 100 Units
Management Fee	currently 1.8% per annum of the Net Asset Value
Performance Fee	currently 15% of the difference between the Net Asset Value per Unit of the Sub-Fund on a Dealing Day (net of all other fees and expenses) and the High Water Mark provided that on such Dealing Day the Net Asset Value per Unit is above the High Water Mark
Performance period	a performance period shall commence each calendar year
High Water Mark	for each performance period, the higher of the issue price and the highest Net Asset Value per Unit as at the end of any previous performance period, adjusted by deducting performance fees and distributions. For the avoidance of doubt, the High Water Mark for the first performance period equals the Initial Offer Price
Preliminary Charge	5%
Switching / Conversion fee	1% between existing and future sub-funds of Amundi Harvest Funds
Dealing Day	a Business Day in Hong Kong, New York, Singapore and Vietnam
Dealing Deadline	in relation to any Dealing Day, 4:00 p.m. Hong Kong time on the Business Day preceding that Dealing Day

DEFINITIONS

In addition to the Summary of Key Terms, the defined terms used in this Explanatory Memorandum have the following meanings:

- “Business Day” means a day (other than a Saturday) on which banks in Hong Kong, New York, Singapore and Vietnam are open for normal banking business or such other day or days as the Manager and the Trustee may agree from time to time, provided that where as a result of a number 8 typhoon signal, black rainstorm warning or other similar event, the period during which banks in Hong Kong are open on any day is reduced, such day shall not be a Business Day unless the Manager and the Trustee determine otherwise
- “connected person” means in relation to the Manager:
- (a) any person or company beneficially owning, directly or indirectly, 20% or more of the ordinary share capital of the Manager or being able to exercise, directly or indirectly, 20% or more of the total votes in the Manager; or
 - (b) any person or company controlled by a person who or which meets one or both of the descriptions given in (a); or
 - (c) any member of the group of which the Manager forms part; or
 - (d) any director or officer of the Manager or of any of its connected persons as defined in (a), (b) or (c) above
- “FATF” means the Financial Action Task Force
- “Fund” means Amundi Harvest Funds, an umbrella Cayman Islands unit trust
- “Net Asset Value” or “NAV” means the net asset value of the Fund or a Sub-Fund or of a Unit, as the context may require, calculated in accordance with the provisions of the Trust Deed as summarised below under the section titled “Calculation and Publication of Net Asset Value”
- “OECD Country” means a member country of the Organisation for Economic Cooperation and Development
- “Realisation Price” means the price at which Units will be realised as more fully described in the section titled “Realisation of Units”

DEFINITIONS (Continued)

“SSC”	means the State Securities Commission of Vietnam
“SFC”	means the Securities and Futures Commission of Hong Kong
“SFO”	means the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Sub-Fund”	means Amundi Vietnam Opportunities Fund
“Trust Deed”	means the trust deed establishing the Fund entered into by Société Générale Asset Management S.A., the former manager, and the Trustee dated 27 January 2004, as amended from time to time
“Unit”	means a unit in the Sub-Fund
“Unitholder”	means a person registered as a holder of a Unit
“US\$”	means the currency of the United States of America
“Valuation Day”	means the following Business Day after the relevant Dealing Day
“Valuation Time”	means at around 4:00 p.m. Hong Kong time on a Valuation Day
“Vietnam Stock Exchange”	means stock exchanges established in Vietnam under the jurisdiction of the SSC (or successor body) from time to time

GENERAL DETAILS OF THE FUND

AMUNDI HARVEST FUNDS (the “Fund”) is a unit trust constituted by a trust deed dated 27 January 2004 entered into between Société Générale Asset Management S.A., the former manager, and HSBC Trustee (Cayman) Limited as Trustee. Société Générale Gestion S.A. has been appointed as Manager with effect from 31 December 2009 which was subsequently replaced by Amundi Hong Kong Limited from 13 September 2010. The Trust Deed is governed by the laws of the Cayman Islands. All Unitholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Trust Deed.

The Fund is an umbrella fund and offers Units in separate pools of assets. Each sub-fund has its own separate and distinct investment policy. This Explanatory Memorandum relates solely to the Amundi Vietnam Opportunities Fund.

Amundi Vietnam Opportunities Fund is denominated in US\$.

The Trust Deed effectively places the Manager and the Trustee under an obligation to segregate the assets and liabilities between each sub-fund of the Fund. Such measures if complied with should prevent the cross-over of liabilities of sub-funds. A failure by the Manager and/or the Trustee to comply with such obligations would amount to a breach of the terms and conditions of the Trust Deed.

The Manager and the Trustee may create additional classes of Units and additional sub-funds in the future.

INVESTMENT OBJECTIVES AND POLICIES

Investment Objectives and Policies

Amundi Vietnam Opportunities Fund is a collective investment scheme which seeks to provide investors with long-term capital growth by investing directly or indirectly in a diversified portfolio of securities including equities, debt securities of issuers with actual or prospective business operations in Vietnam and provide economic exposure to the Vietnam market. The Sub-Fund intends to invest mainly in Vietnam listed companies with existing operations, assets or investments in Vietnam. The Sub-Fund may also invest in other Vietnam related companies such as:

- Companies that have publicly announced or made public their plans to expand existing and/or acquire similar or complimentary operations in Vietnam, with earnings enhancement potentials.
- Companies that have entered and/or announced to enter into joint venture projects with local Vietnamese companies, with minimum 25% stake in the joint venture company.

To the extent permitted under the SFC's Code on Unit Trusts and Mutual Funds and subject to the investment restrictions set out below and any restrictions imposed by Vietnamese law from time to time, the Manager may on behalf of the Sub-Fund:

- (1) invest in securities of listed and unlisted entities, including companies domiciled or listed on a stock exchange in Vietnam as well as companies domiciled in, or listed on a stock exchange in, Asia with actual or prospective operations in, exposure to, or revenue derived from Vietnam. The Sub-Fund may also invest in securities issued by government entities;
- (2) invest in collective investment schemes to the extent permitted by the SFC's Code on Unit Trusts and Mutual Funds;
- (3) invest indirectly in Vietnam through structured notes, participation notes and such derivative instruments permitted under the SFC's Code on Unit Trusts and Mutual Funds from time to time where the underlying asset consists of securities issued by companies listed on the Vietnam Stock Exchange and/or companies meeting the requirements set out under item (1) above, and/or the performance of which is linked to the performance of the Vietnam Stock Exchange or a related index;
- (4) invest in any money market instruments (which may include but are not limited to money market instruments issued in Vietnam);
- (5) enter into futures contracts linked to a Vietnamese stock index and/or Vietnam related indices and/or securities on an unhedged basis to the extent permitted by the SFC's Code on Unit Trusts and Mutual Funds.

In relation to investments in derivatives instruments (including futures contracts), the Manager and any connected person will, at all times, operate independently in assuming their respective duties and obligations in relation to the Sub-Fund. All transactions and dealings between such entities in relation to the Sub-Fund will be dealt with on an "arms length" basis in accordance with the Trust Deed and in compliance with relevant regulatory codes to which such entities are subject.

Roles of the Manager and the Sub-Investment Manager

The Manager and the Sub-Investment Manager will cooperate in the management of the Sub-Fund. Essentially the Sub-Investment Manager will form part of the fund management team of the Manager and will be governed by the latter's risk management parameters. The Manager has overall responsibility for ensuring that the investment guidelines and restrictions of the Sub-Fund are observed.

INVESTMENT OBJECTIVES AND POLICIES (Continued)

Roles of the Manager and the Sub-Investment Manager (Continued)

The Manager has delegated day-to-day investment management of the Sub-Fund's assets to the Sub-Investment Manager. The Manager may delegate any of its management functions in relation to all or part of the Sub-Fund's assets and/or investment portfolios to one or more sub-investment managers from time to time subject to the Trustee's consent and prior SFC approval. In addition, the Manager may at its discretion, with or without giving any notice, appoint sub-adviser(s) or terminate any appointment of such sub-adviser(s) from time to time.

Investment Restrictions

The Trust Deed sets out restrictions and prohibitions on the acquisition of certain investments by the Manager for Amundi Vietnam Opportunities Fund. A summary of these restrictions appears below:

- (1) not more than 10% of the Net Asset Value of the Sub-Fund may consist of securities (other than Government and other public securities) issued by a single issuer;
- (2) the Sub-Fund's holding when aggregated with the securities held by all other sub-funds under the Amundi Harvest Funds umbrella may not hold more than 10% of any ordinary shares issued by any single issuer;
- (3) not more than 15% of the Net Asset Value of the Sub-Fund may consist of securities of any company not listed or quoted on a stock exchange, over-the-counter market or other organised securities market that is open to the international public and on which such securities are regularly traded;
- (4) not more than 15% of the Net Asset Value of the Sub-Fund may consist of warrants and options in terms of the total amount of premium paid, other than warrants and options held for hedging purposes;
- (5) not more than 10% of the Net Asset Value of the Sub-Fund may consist of shares or units in other open-ended unit trusts or mutual funds ("managed funds") provided that no investment may be made in a managed fund managed by the Manager or any of its connected persons if such investment would result in an increase in the overall total of the preliminary charge, manager's fee or other costs and charges borne by the Unitholders of the Sub-Fund or by the Sub-Fund;
- (6) the net aggregate value of the prices for futures contracts, whether payable to or by the Sub-Fund (other than futures contracts entered into for hedging purposes) may not exceed 20% of the Net Asset Value of the Sub-Fund;
- (7) not more than 30% of the Net Asset Value of the Sub-Fund may consist of Government and other public securities of a single issue; and
- (8) subject to paragraph (7) above, the Sub-Fund may be fully invested in Government and other public securities issued by a single issuer provided that it holds Government and other public securities of at least six different issues.

The Manager shall not on behalf of the Sub-Fund:

- (1) invest in a security of any class in any company or body or fund if directors and officers of the Manager individually own more than ½% of the total nominal amount of all the issued securities of that class or collectively own more than 5% of those securities;

INVESTMENT OBJECTIVES AND POLICIES (Continued)

Investment Restrictions (Continued)

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

The Manager does not intend to enter into any securities lending transactions on behalf of the Sub-Fund and accordingly, as at the date of this Explanatory Memorandum, the Sub-Fund does not hold any collateral in connection with such transactions. Should this policy change in the future, the Manager will obtain prior SFC approval and give one month's prior notice (or such other notice as may be approved by the SFC) to the Unitholders. The Manager will not, on behalf of the Sub-Fund, invest in physical commodities (including gold, silver, platinum or other bullion) and commodity based investments. In addition, the value of the Sub-Fund's non-cash assets which provide economic exposure to the Vietnam market shall not be less than 70% of its non-cash assets.

Borrowings

The Manager may borrow up to 25% of the latest available Net Asset Value of the Sub-Fund. The assets of the Sub-Fund may be charged or pledged as security for any such borrowings.

If the investment and borrowing restrictions set out above are breached, the Manager shall as a priority objective take all steps necessary within a reasonable period of time to remedy the situation, having due regard to the interests of Unitholders.

RISK FACTORS

The Sub-Fund is subject to market fluctuations and to the risks inherent in all investments, and the price of Units may go down as well as up. The discussion below is of a general nature and is intended to describe various risk factors associated with an investment in the Sub-Fund. To the best knowledge and belief of the Manager, the following statements are intended to summarise the risks involved in investment in the Sub-Fund having regard to the current market and economic environment. Investors should be aware, at the very least, of the following risk factors (set out solely for their assistance) before deciding whether or not to invest in it. Investors should consult their own advisers before considering an investment in the Sub-Fund.

An investment in the Sub-Fund involves risks. These risks may include or relate to, amongst other things, equity market, debt securities market, foreign exchange, interest rate, credit, market volatility and political risks and any combination of these and other risks. Investors are also reminded that risk factors may occur simultaneously and/or may compound each other resulting in an unpredictable effect on the value of the Units. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Units.

Some of these risk factors are briefly discussed below. Investors should be experienced with respect to transactions in instruments such as the Units, equities, structured products, derivative instruments, money market instruments and futures contracts. Investors should also understand the risks associated with an investment in the Sub-Fund and should only reach an investment decision after careful consideration with their legal, tax, accounting, financial and other advisers among other things of the suitability of an investment in the Sub-Fund in the light of their own particular financial, fiscal and other circumstances and the information set out in this Explanatory Memorandum.

Connected Parties: Investors should note that the Manager and the Sub-Investment Manager are connected persons. Therefore, investors will be subject to certain operational risks that may arise as a result of the lack of independence in the performance of the duties and obligations of the Manager and the Sub-Investment Manager. In addition, Amundi Vietnam Opportunities Fund may invest in structured notes, participation notes and such other derivative instruments permitted under the SFC's Code on Unit Trusts and Mutual Funds from time to time issued by companies within the Amundi Group. The operational risks arising from such lack of independence are partly reduced by the fact that different departments within the Amundi Group are run as separate legal and operational units, segregated by screening procedures and are run by different management teams and regulated by different regulatory regimes. In addition, Trust Deed also provides that all transactions carried out by or on behalf of the Sub-Fund will be conducted at arm's length. Such transactions may include the Sub-Fund's investment in structured notes, participation notes and such other derivative instruments permitted under the SFC's Code on Unit Trusts and Mutual Funds from time to time issued by other companies within the Amundi Group.

Whilst compliance procedures require effective segregation of duties and responsibilities between the relevant departments within the Amundi Group, the possibility of conflicts of interest arising cannot be wholly eliminated. If such conflicts arise, the Manager in conjunction with the Trustee will seek to ensure that Unitholders are treated fairly.

RISK FACTORS (Continued)

In addition, investors should note that in Vietnam, the terms “connected parties”, “connected persons” and “related persons” are provided in different laws such as the Enterprise Law and the Securities Law and extend to family members and blood relatives of directors or officers of the Manager which persons would be covered under similar definitions found under Vietnamese law.

Credit risk: Investment in the Sub-Fund is subject to the credit risk of the issuer of instruments or securities held directly or indirectly by the Sub-Fund, which may be evidenced by the issuer's credit rating. In the event that any issuer of instruments or securities experiences financial or economic difficulties, this may affect the value of the relevant securities and any amounts paid on such securities. This may in turn affect the Net Asset Value per Unit.

Counterparty risk: The Sub-Fund may enter into transaction(s) with one or more counterparties which may expose the Sub-Fund to the credit risk of the counterparties.

In the event of a bankruptcy or insolvency of the counterparties, the Sub-Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Sub-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 Manager believes that the counterparties with which the Sub-Fund deals must have reasonable financial soundness at the time of entering into the relevant transaction.

There is also a possibility that the above transactions will be terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated.

Derivatives risk: A Sub-Fund may use derivative instruments in accordance with its investment policy and to the extent permitted under the SFC's Code on Unit Trusts and Mutual Funds. A Sub-Fund's use of derivative instruments may involve increased risks and costs. A Sub-Fund's ability to use such instruments successfully depends on its Manager's or Sub-Investment Manager's ability to accurately anticipate movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Manager's or Sub-Investment Manager's anticipations are wrong, or if the derivatives do not work as anticipated, the Sub-Fund could suffer greater losses than if the Sub-Fund had not used the derivatives.

If a derivative instrument transaction is particularly large or if the relevant market is illiquid it may not be possible to initiate a transaction or liquidate a position at an advantageous price.

Risks inherent in the use of such derivative instruments also include the imperfect correlation between the price of options and futures contracts and options on these contracts and movements in the prices of the securities, money market instruments or currencies being hedged; the possibility of a non-liquid secondary market for a particular instrument at a given time; and the risk that a Sub-Fund may not be able to purchase or sell a portfolio security during a favourable period or the risk that a Sub-Fund may have to sell a portfolio security during an unfavourable period.

When a Sub-Fund enters into a derivative instrument transaction, it may be exposed to counterparty risk.

RISK FACTORS (Continued)

In some instances, the use of the above mentioned instruments may have the effect of leveraging the Sub-Fund. Leveraging adds increased risks because losses may be out of proportion to the amount invested in the instrument. These instruments are highly volatile instruments and their market values may be subject to wide fluctuations.

Market volatility: Market volatility reflects the degree of instability and expected instability of the performance of the Units. The level of market volatility is not purely a measurement of the actual volatility, but is largely determined by the prices for the underlying investments. The prices of such investments are determined by forces of supply and demand. These forces are, themselves, affected by factors such as actual market volatility, expected volatility, macro economic factors and speculation. The prices of certain securities listed on stock markets may be subject to sharp fluctuations and sudden declines and no assurance can be given as to the future performance of listed securities in general. Prospective investors should therefore be aware that the value of listed securities and the income derived from them is likely to fluctuate.

Vietnam market risk: All financial markets may at times be adversely affected by changes in political, economic and social conditions. The Sub-Fund's investments are subject to the risks inherent in all securities i.e. the value of holdings may fall as well as rise. Since emerging markets tend to be more volatile than developed markets, any holdings in emerging markets are exposed to higher levels of market risks. Please refer to the risks relating to emerging markets described below. In addition, investments in Vietnam are also currently exposed to risks pertaining to the Vietnamese market. These include risks brought about by current investment ceiling limits where foreign investors are subject to certain holding limits, currently 49 % of the total tradable shares of a company listed on the Vietnam Stock Exchange; and constraints currently imposed on the trading of listed securities where a registered foreign investor may only maintain a trading account with one licensed securities company in Vietnam. These may contribute to the illiquidity of the Vietnamese securities market, create inflexibility and uncertainty on the trading environment. To avoid misapplication of investors' money, the current regulations do not permit securities companies to directly receive and manage the investment capital from their investors and require delegation of that task to commercial banks in Vietnam. However, not all securities companies have complied with such regulations, resulting in some monetary risks for investors.

The Sub-Fund may invest in shares of unlisted companies in Vietnam. However, reliance on the financial statements of those companies may not be high, as not all of those companies are legally required to audit their annual financial statements. The only companies in Vietnam the financial statements of which must be audited on an annual basis are foreign invested companies and companies in the financial and banking sector, including credit institutions, development assistance funds, financial institutions and insurance companies. Nevertheless, disclosure supervision is rather weak and pursuant to the Securities Law of 2006, only public companies are obligated to report (ordinarily on a quarterly / semi-annually / annually basis, and extra-ordinarily 24 hours / 72 hours / on specific request) to the SSC.

Recently, the official market mechanism has experienced material changes with the conversion of the former Securities Trading Centres and Securities Depository Centres, which tended to operate as State administrative authorities, into State-owned legal entities under the form of single-member limited liability companies (i.e. Ho Chi Minh Stock Exchange - "HOSE", Hanoi Stock Exchange - "HNX", and Vietnam Securities Depository Center - "VSD"), the organization, management and operations of which (like other legal entities) are now being governed by the Law on Enterprises, Law on Securities and other applicable laws, which promises a clearer market-orientation of the securities market.

RISK FACTORS (Continued)

With respect to the trading of listed securities in Vietnam, on-line selling / buying order placing mechanism is now in place, but it is just on a trial basis and only permissible and applicable to a limited number of technically qualified securities companies.

Any changes (increase or decrease) from the rates of 5%, 10%, 15% and 20% of the total shareholding in respect of shareholders of listed companies must be reported to the SSC. Registration with the local Department of Planning and Investment is now required from unlisted companies when a holder holds unlisted shares exceeding 5% of the total shares. While in the former case, the report is mainly for the purpose of market monitoring, the latter is more likely for the purpose of recognition of ownership. As the registration must be made by the company itself, risk may arise to the shareholder if the company fails to register or the authorities refuse to register the changes in shareholding. Currently, many authorities are not registering changes mentioned above when they relate to acquisitions by foreign parties, resulting in uncertainty of their ownership status.

Liquidity risk: The smallness in size of some of the Vietnam stock markets through which the Sub-Fund will invest may result in significant price volatility and a potential lack of liquidity. Daily trading volumes may be extremely small in relation to the size of those stock markets resulting in difficulty in acquiring and disposing of securities in any quantity at the price and time it so desires. Certain types of assets or securities may be difficult to buy or sell, particularly during adverse market conditions. This may affect the ability to obtain prices for the components of the underlying asset of the Sub-Fund and may therefore affect the value of the underlying asset of the Sub-Fund and the ability of investors to realise their Units. In addition, as the Vietnamese market is in its initial stage of development, market liquidity can be affected by the actions of unprofessional investors or traders.

Currency risk: The base currency of the Sub-Fund and the Units of the Sub-Fund are denominated in US Dollars, whereas the assets in which the Sub-Fund may invest and the income derived therefrom may be quoted in other currencies. The performance of the Sub-Fund's assets will therefore be affected by movements in the exchange rate between the currencies in which the assets are held and the base currency.

Since the Manager and/or the Sub-Investment Manager aim to maximise returns in US dollars terms, investors whose base currency is not US dollars may be exposed to additional currency risk.

The performance of the Sub-Fund's holdings may also be affected by changes in exchange control regulations.

Concentration risk: The Sub-Fund is highly specialised. Investors should be aware that this Sub-Fund is likely to be more volatile than a broad-based fund, such as a global equity fund, as it is more susceptible to fluctuations in value resulting from adverse conditions in the countries in which it invests.

Hedging risk: The Manager and/or the Sub-Investment Manager are permitted, but not obliged, to use hedging techniques to attempt to offset market and currency risks. There is no guarantee that hedging techniques will achieve the desired result.

RISK FACTORS (Continued)

Risk relating to structured products: Amundi Vietnam Opportunities Fund may invest in structured notes, participation notes, equity-linked notes and financial derivative instruments, on which the laws and regulations of Vietnam just provide the general principles without specific guidances. These are sometimes referred to as “structured products” because the terms of the instrument may be structured by the issuer of the product and the purchaser of the product, such as Amundi Vietnam Opportunities Fund. These products may be issued by banks, brokerage firms, insurance companies and other corporations including companies from within the Amundi Group. Structured products may not be listed and are subject to the terms and conditions imposed by their issuer. These terms may lead to delays in implementing the Manager’s investment strategy due to restrictions on the issuer acquiring or disposing of the securities underlying the structured products. Investment in structured products can be illiquid as there is no active market in structured products. In order to meet realisation requests, the Sub-Fund relies upon the counterparty issuing the structured products to quote a price to unwind any part of the structured products. This price will reflect the market liquidity conditions and the size of the transaction.

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

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

Investment through structured products may lead to a dilution of performance of the Sub-Fund when compared to a fund investing directly in similar assets. In addition, when the Sub-Fund intends to invest in a particular security through structured products, there is no guarantee that subsequent application monies for Units in the Sub-Fund can be immediately invested in such security through structured products. This may impact on the performance of the Sub-Fund.

Fluctuation in the exchange rate between the denomination currency of the underlying securities and the structured products will affect the value of the structured products, the redemption amount and the distribution amount on the structured products.

Emerging markets risk: Accounting, auditing and financial reporting standards in some of the emerging markets in which the Sub-Fund’s assets will be invested may be less rigorous than international standards. As a result, certain material disclosures may not be made by some companies.

RISK FACTORS (Continued)

Investment in emerging markets involves special considerations and risks. Many emerging market countries are still in the early stages of modern development and are subject to abrupt and unexpected change. In many cases, governments retain a high degree of direct control over the economy and may take actions having sudden and widespread effects. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Sub-Fund's investments, and the risks of investing in countries with smaller capital markets, such as limited liquidity, limited market information, price volatility, restrictions on foreign investment and repatriation of capital, and the risks associated with emerging economies, including high inflation and interest rates and political and social uncertainties.

Investments in products relating to emerging markets may also become illiquid which may constrain the Manager's ability to realise some or all of the portfolio. Small market size and limited trading volume of securities markets may mean that the investments are less liquid and more volatile than investments in more established markets, and that market prices can be more easily manipulated by large individual investors. The marketability of quoted shares may be limited due to the restricted opening hours of stock exchanges, a narrow range of investors and a relatively high proportion of market value being concentrated in the hands of a relatively small number of shareholders. Infrastructure for clearing, settlement, registration and custodian services is in some cases less developed than those in more mature world markets, which may result in delays and other material difficulties in settling trades and in registering transfers of securities. It may result in delays in settling and / or registering transactions. Problems of settlement in these markets may affect the value and liquidity of the Sub-Fund.

In Vietnam, the mechanism for identifying money laundering may not be effective, and although a regulation on anti-money laundering exists, there is no further detailed guidance.

Custodial risk: Custodial risk is the risk arising from the possibility that, to the detriment of the Sub-Fund, the Sub-Fund could be denied access, in whole or in part, to investments held in custody in case of bankruptcy, negligence, willful misconduct or fraudulent activity on the part of the custodian and sub-custodian.

Legal risk: The economy of Vietnam is substantially less developed than those of other geographic regions such as the United States and Europe. The laws and regulatory apparatus affecting the economy are also in a relatively early stage of development and are not as well established as the laws and the regulatory apparatus of regions such as the United States and Europe. Vietnamese securities laws and regulations are still in their development stage and not drafted in a very concise manner which may be subject to interpretation. In the event of a securities related dispute involving a foreign party, the laws of Vietnam shall apply (unless an applicable international treaty provides otherwise). The Vietnamese court system is not as transparent and effective as court systems in more developed countries and there can be no assurance of obtaining effective enforcement of rights through legal proceedings in Vietnam and generally the judgements of foreign courts are not recognized.

RISK FACTORS (Continued)

Regulatory risk: Foreign investment in Vietnam's primary and secondary securities markets is still relatively new and many of Vietnam's existing securities laws are ambiguous and/or have been developed to regulate direct investment by foreigners rather than portfolio investment. Investors should note that because of a lack of precedent, securities market laws and the regulatory environment for primary and secondary market investments by foreign investors are in the early stages of development, and remain untested.

The regulatory framework of the Vietnam primary and secondary securities markets is still in the development stage compared to many of the world's leading stock markets, and accordingly there may be a lower level of regulatory monitoring of the activities of the Vietnam primary and secondary securities markets. The absence of detailed regulations means a lower level of protection afforded to investors in the Vietnam market. Future regulatory changes, while impossible to predict, may also be substantial and adverse.

Although a number of detailed regulations / guidelines have been issued recently by the Ministry of Finance (the "MoF") and the SSC to implement the Securities Law of 2006 (including the regulations on the establishment and operations of funds, fund management companies and investment companies, regulations on operation of foreign investors in the Vietnamese stock market, etc.), many others (mostly in relation to investment in derivative products) are still in the drafting stage and it is difficult to predict when these regulations / guidelines will be issued. With respect to the ones recently issued including the two Government decrees (i.e. Decree 14 and Decree 36), many of them (including Decree 36, the regulations on the establishment and operations of funds, fund management companies and investment companies) are in need of amendment/ revision, to provide for sustainable development and effective supervision of the market, while others are just being recently put into practice and require more time to test (including the new regulations on operation of foreign investors in the Vietnamese stock market).

For example, the mentioned new regulations on operation of foreign investors in the Vietnamese stock market were recently issued and attached to Decision 121/2008/QD-BTC, dated 24 December 2008, of the MoF for the purpose of providing a unified management mechanism over the investment of foreign investor in Vietnamese stock market. Though being newly issued, these regulations tend to deal only with listed and public companies and leave open all indirect investment by foreign investors, while the implementation of its provision on the investment capital account opened by foreign investors for securities investment in Vietnam (both in listed and unlisted securities) shall be further subject to the regulations which are pending issue by the State Bank of Vietnam (the "SBV") on the management of the foreign exchanges issues.

In addition to that, there is an inconsistency in interpretation by the government agencies of the provisions of the laws and lower-level regulations in relation to indirect investment by foreign investors in Vietnam, particularly investment in unlisted shares of Vietnamese companies. This results in discrepancies in some circumstances in the approval, registration or recognition of the validity of the unlisted shares acquisitions by foreign investors.

Tax risk: Regarding investment in listed securities, there are various tax issues which remain unclear and might be the subject of clarification by the Vietnam government (see section entitled "TAXATION" below for a more detailed discussion on the current tax position of the Sub-Fund).

RISK FACTORS (Continued)

Foreign exchange risk: The Vietnamese Dong (“VND”) is a controlled currency, with an official US\$/VND reference inter-bank exchange rate set by the SBV on a daily basis and banks are allowed to raise their daily trading band for the US\$/VND exchange rate to $\pm 5\%$ against such inter-bank rate. Investors should note the risks of limited liquidity in the Vietnam foreign exchange market.

In addition, all market transactions in Vietnam are required (by the Ordinance on Foreign Exchange of 2005, which took effect from 1 June 2006) to be denominated in VND unless expressly permitted by the SBV. Specifically, for securities activities, Decision 1550 of 2004 issued by the SBV requires that all securities transactions in Vietnam must be made in VND. Pursuant to these regulations, upon completion of all financial obligations in Vietnam, foreign investors (or their agents) are permitted to convert their VND income in Vietnam to foreign currencies for the purpose of remittance abroad (after withholding of the taxes mentioned below).

Valuation of securities: Investors in the Sub-Fund should be aware that the fixed income and other securities invested by the Sub-Fund may vary over time and may increase or decrease by reference to a variety of factors which may include, amongst other things, corporate actions, macro economic factors, speculation and market activity. Prices of listed securities in Asian stock markets have, in the past, been subject to sudden and substantial price movement and this is likely to continue. This may result in substantial changes in the Net Asset Value of the Sub-Fund.

Interest rate risk: Investors in the Sub-Fund should be aware that their investments may involve interest rate risk. Interest rates are determined by factors of supply and demand in the international money markets which are influenced by macro economic factors. Fluctuations in short term and/or long term interest rates may affect the value of the Units. Fluctuations in interest rates of the currency in which the Units are denominated and/or fluctuations in interest rates of the currency or currencies in which the Sub-Fund’s investments are denominated may affect the value of the Units.

Changes in Applicable Law: The Fund and the Sub-Fund must comply with various legal requirements, including securities laws and tax laws as imposed by the jurisdictions under which it operates. Should any of those laws change over the life of the Fund and the Sub-Fund, the legal requirements to which the Fund, the Sub-Fund and the Unitholders may be subject, could differ materially from current requirements. Amongst others are the amendment of the banking law system proposed by the SBV which aims at first converting the SBV into a central bank, and then enabling commercial banks to focus more on a wider range of commercial activities, and the upcoming amendments of a series of laws relating to the areas of investment, construction and tendering, including Law on Construction, Law on Investments, Law on Enterprises, Law on Tendering, which will be considered and discussed in 2009 Session of the National Assembly.

It should be remembered that the Net Asset Value per Unit can go down as well as up. An investor may not get back the amount he has invested, particularly if Units are realised soon after they are issued and the Units have been subject to charges. Changes in exchange rates may also cause the Net Asset Value per Unit in the investor’s base currency to go up or down.

MANAGER

Amundi Hong Kong Limited (formerly known as Crédit Agricole Asset Management Hong Kong Limited) is a limited liability company incorporated under the laws of Hong Kong and regulated by the SFC. The Manager is licensed to carry out the following activities in Hong Kong: Dealing in Securities, Advising on Securities and Asset Management (Type 1, 4 and 9 Regulated Activities).

The Manager is an indirect wholly-owned subsidiary of Amundi Group. The Amundi Group was formed by combining the asset management expertise of two major banking groups: Crédit Agricole S.A. and Société Générale S.A. on 31 December 2009. The Manager's operations in Asia were established in 1982 as the Asian investment specialist for the Amundi Group (formerly known as Crédit Agricole Group). Assets under management of the Manager exceeded USD10.6 billion as of November 2010. The primary commercial responsibility for North Asia lies with Amundi HK, while South East Asia is covered by its other affiliates. The coverage of Asia has been further enhanced recently with the opening of the representative office in Beijing in autumn 2006 and the establishment of a presence in Sydney in January 2007.

A brief description of each of the directors of the Manager is set out below:

Jean-Paul Mazoyer

Jean-Paul Mazoyer is the Deputy Chief Executive Officer of Amundi, in charge of Support and Business Development functions. He has been Head of Development and a member of Crédit Agricole Asset Management (now known as Amundi)'s General Management Committee since January 2008.

Before joining Crédit Agricole Asset Management in November 2007, Mr. Mazoyer worked as International Chief Operating Officer of Calyon from July 2004. Prior to this he was the Loans and Risks Director (2002-2004) and Marketing and Communications Director (1998-2002) for Crédit Agricole Ile-de-France. Mr. Mazoyer joined Caisse Nationale de Crédit Agricole as Head of Distribution of the Retail Marketing division in September 1996. Between 1989 and 1996, he was a management consultant to commercial banks at Accenture. Mr. Mazoyer graduated from the EM Lyon business school in 1987 and began his career at Crédit Lyonnais Suisse in 1988.

Jean-François Pinçon

As of 1 July 2010, Jean-François Pinçon was appointed as Director of Sales International with the Institutional Investments Division of Amundi. Starting his career as an equity analyst with London stockbroker, Quilter Hilton Goodison, Mr Pinçon joined Banque Indosuez (now known as Crédit Agricole Indosuez) in 1974. After an extensive international career with more than 10 years experience in various investment banking assignments abroad, including 5 years in Denmark as Senior Country Officer, he began developing the Northern Europe Institutional client base for the asset management operations of Crédit Agricole in 1992. He is currently responsible for Amundi's International Client Development in Northern Europe, Middle East and the rest of the World. Mr Pinçon holds an MBA from ESSEC Business School, a leading French business school.

Jean-Yves Glain

As of 1 July 2010, Jean-Yves Glain was appointed as the International Development Director of the Support and Business Development Functions Division of Amundi. Mr. Glain joined Crédit Agricole Asset Management (now known as Amundi) in 1995 as Head of International Coordination & Support. Mr. Glain is responsible for the co-ordination of international entities, supporting and directing the business of Amundi's international subsidiaries as well as the evolution and development of Amundi's international structure. Over the last seven years, Mr. Glain has taken up several positions starting as Head of Institutional Sales team from 1995 to 1998 and then as Head of Institutional Marketing from 1998 to 2000. Mr. Glain was later promoted to the position of Deputy Head of International Co-ordination and Sales from 2000 to 2001. Prior to joining Amundi, Mr. Glain spent five years as Head of Institutional Sales with Cyril Finance. He was also a member of the Institutional Sales team at BAFIP from 1987 to 1991. Mr. Glain worked for Bank of America as an account officer from 1985 to 1987. Mr. Glain holds a Masters degree from ESSEC Business School (France).

MANAGER (Continued)

Pascal Blanqué

Pascal Blanqué is the Deputy Chief Executive Officer of Amundi in charge of the Institutional Investments Division ("ID"), Chief Investment Officer of Amundi, the Director of the ID division in charge of Sales and a Member of Amundi's Executive Committee. Mr. Blanqué has been the Global Chief Investment Officer at Crédit Agricole Asset Management (now known as Amundi) and a member of its Executive Committee since February 2005. Between 2000 and 2005, Mr. Blanqué was the Head of Economic Research and the Chief Economist of Crédit Agricole. Prior to joining Crédit Agricole, Mr. Blanqué was the Deputy Director of the Economic Research department at Paribas (1997-2000) following four years as a strategist at Paribas Asset Management in London (1992- 1996). He began his career in institutional and private asset management at Paribas in 1991. Mr. Blanqué studied at the Ecole Normale Supérieure and is a graduate of Paris's Institut d'Etudes Politiques and holds a PhD in Finance from Paris-Dauphine University.

Bernard Carayon

Bernard Carayon is the Head of Management Support, Control & Regulatory Supervision at Amundi. From March 2008 to the present, Mr. Carayon served as a member of the Senior Management Committee and as the Head of Risk Management, Compliance and Regulatory Relations at Crédit Agricole Asset Management (now known as Amundi). Between 1999 and 2008, Mr. Carayon was the Head of Risk Management and Control at Crédit Agricole Indosuez and subsequently at Calyon. Prior to joining Calyon, he was the Head of Central Risk Control at Caisse Nationale du Crédit Agricole ("CNCA") from 1991 to 1999. Between 1984 and 1989, Mr. Carayon was an inspector and project leader at General Inspection & Audit. A former Economics professor, Mr. Carayon began his banking career at CNCA's Commitments Department, where he remained for six years. Mr. Carayon holds a PhD in economics from the Sorbonne University.

Thierry Mequillet

Thierry Mequillet has been appointed as the Chief Executive Officer, North Asia of Crédit Agricole Asset Management Hong Kong Limited (now known as Amundi Hong Kong Limited) since January 2008 and is responsible for Amundi's North Asia business excluding Japan.

Mr. Mequillet began his financial career in 1979 and has spent 15 years in different senior management roles within Crédit Agricole Indosuez (previously known as Banque Indosuez) worldwide. Between 1985 and 1992, Mr. Mequillet assumed a number of positions within Banque Indosuez with his last position being Deputy General Manager of Banque Indosuez Singapore. After working in Asia for seven years, Mr. Mequillet returned to France in 1992 as the Financial Controller of Private Banking for Banque Indosuez Paris Headquarters until he joined Crédit Agricole Asset Management Hong Kong Limited in 1994 as Regional General Manager.

Denys de Campigneulles

As of 1 July 2010, Mr. de Campigneulles was appointed as Head of Investor Advisory and Services team of Management Support Central Functions of Amundi Group, reporting to the Chief Investment Officer and Deputy Chief Investment Officer of Amundi Group.

Mr. de Campigneulles started his career at the Capital Markets Group of Credit Lyonnais (Paris) in 1986 focusing on bond and currencies and subsequently moved to Banque Bruxelles Lambert (Paris) as Proprietary Trader and Arbitrageur on global bond markets in 1991. In 1994, Mr. de Campigneulles joined Crédit Agricole Asset Management (now known as Amundi) as Global Fixed Income Manager. Mr. de Campigneulles became the Deputy Head of the Global Fixed Income Team in Paris in 1996 and subsequently relocated to London in 1999 with the Global Fixed Income Team.

MANAGER (Continued)

In 2002, Mr. de Campigneulles took over a new position in Korea as he was appointed as the Chief Investment Officer of NACF-CA (a joint venture between NACF in Korea and Amundi). In October 2005, Mr. de Campigneulles was appointed as Deputy Chief Executive Officer for Asia. Since early September 2009, after spending four years in Hong Kong, he relocated to Crédit Agricole Asset Management Paris headquarters to work on the amalgamation of the asset management operations of Crédit Agricole and Société Générale which resulted in the creation of Amundi.

Having studied law at Paris V University, Mr. de Campigneulles has a total of twenty-three-years of experience in capital markets, of which thirteen years has been spent in the investment industry. He has also registered as an investment manager with both the Financial Services Authority (UK) and the Asset Management Association of Korea and has been a responsible officer with the SFC (Hong Kong).

Ray Jovanovich

Ray Jovanovich is the Chief Investment Officer of Asia of Amundi Hong Kong Limited. Prior to entering the investment field, Mr. Jovanovich worked at Baker and McKenzie Attorneys at Law in Chicago from 1984 to 1986. After moving to Hong Kong in 1987, Mr. Jovanovich joined Donaldson Lufkin & Jenrette as a research analyst. In 1988 he was recruited by Crédit Agricole Asset Management Hong Kong Limited (now known as Amundi Hong Kong Limited) as a research analyst and was promoted to Chief Investment Officer for Asia in 2002.

His investment expertise has been recognised and rewarded when he received the world's best performing fund awards for the Philippines (Manila Fund), Thailand (Siam Fund) and Indonesia (Malacca Fund) from Lipper Analytical Services, Nelson's and Barron's in 1993. The Manila Fund was the best performing Philippine equity fund for seven of the ten years under his management, an achievement unmatched in the Asian fund management industry. He was also named International Fund Manager of the year for 1993 by Barron's, a leading financial news publication in the U.S.

Mr. Jovanovich received his BA degree from Wabash College where he was selected as an Eli Lilly Scholar. Mr. Jovanovich also attended Indiana University Graduate School of Business.

Ada Mak

Ada Mak joined Crédit Agricole Asset Management Hong Kong Limited (now known as Amundi Hong Kong Limited) as Head of Business Development and Client Relations in November 2007. Based in Hong Kong, Ms. Mak is responsible for business development and client relations across North Asia. With over 20 years of experience in managing large institutional and distribution relationships, she provides the company with a competitive advantage to grow in Asia.

Prior to joining Crédit Agricole Asset Management Hong Kong Limited, Ms. Mak joined Wellington Global Investment Management between 2003 and October 2007 to set up its office in Hong Kong and was responsible for institutional business in North Asia. In 2000, she was appointed by Merrill Lynch Investment Managers as Director for Asia Pacific and as the head of their Hong Kong office, responsible for both institutional business in Greater China and regional fund distribution.

From 1997 to 2000, Ms. Mak worked for BNP Paribas Asset Management and was responsible for its North Asia Business. Ms. Mak started her career in the financial industry at Fidelity Investments in 1987 and was made Director of Mutual Fund Business in 1991 and subsequently as Director of Institutional Asset Management in 1995.

SUB-INVESTMENT MANAGER

Amundi Singapore Limited is a limited liability company incorporated under the laws of Singapore. The Sub-Investment Manager is an entity within the Amundi Group of companies and is responsible for Amundi Group's primary responsibilities in South East Asia. The Sub-Investment Manager is a holder of Capital Markets Services Licence and is regulated by the Monetary Authority of Singapore to conduct fund management activities. As of December 2009, the Sub-Investment Manager had approximately US\$6 billion of asset under management.

TRUSTEE

HSBC Trustee (Cayman) Limited is trustee of the Fund. The Trustee is a trust corporation incorporated in the Cayman Islands.

Under the Trust Deed, the Trustee is responsible for the safekeeping of the assets of the Sub-Fund. The Trustee may, however, appoint any person or persons to be custodian of such securities.

The Trustee also acts as the registrar of the Fund.

The Trustee has appointed HSBC Institutional Trust Services (Asia) Limited as its service provider to provide various administrative services to the Fund (the "Service Provider to the Trustee"). The fees of the Service Provider to the Trustee will be borne by the Trustee.

SERVICE PROVIDER TO THE TRUSTEE

HSBC Trustee (Cayman) Limited, the Trustee, and HSBC Institutional Trust Services (Asia) Limited, the Service Provider to the Trustee are wholly owned subsidiaries of HSBC Holdings plc, a global financial institution. The HSBC group (the "Group") has major commercial and investment banking businesses in the Asia Pacific region, Europe, the Americas, the Middle East and Africa.

ISSUE AND REALISATION OF UNITS

Initial offer

The Initial Offer Price per Unit is US\$10 (exclusive of any preliminary charge). The initial offer period ended on 8 June 2007.

Subsequent issue of Units

In relation to an application for the subsequent issue of Units in the Sub-Fund, the issue price will be the Net Asset Value per Unit of the Sub-Fund on the relevant Dealing Day. Dealing Days for the Sub-Fund are generally days on which banks in Hong Kong, New York, Singapore and Vietnam are open for normal banking business (except Saturdays).

Applications for the issue of Units in the Sub-Fund will, if accepted by the Manager prior to 4:00 p.m. (Hong Kong time) on the Business Day preceding a Dealing Day and, provided that the relevant application monies have been received in cleared funds on behalf of the Sub-Fund prior to the relevant Dealing Deadline (or such other time as specified by the Manager in consultation with the Trustee), be dealt with on that Dealing Day.

ISSUE AND REALISATION OF UNITS (Continued)

Subsequent issue of Units (Continued)

Applications or application monies received after the Dealing Deadline for a particular Dealing Day will be dealt with on the next following Dealing Day. Notwithstanding the above, the Trustee or Service Provider to the Trustee may rely upon application orders received, even prior to receipt of application monies, and may issue Units to investors according to such orders and invest the expected application monies. If payment is not cleared within 4 Business Days of receipt of the application, the Manager reserves the right to cancel the transaction at any time thereafter. In such circumstances, an investor may be required to settle the difference between the offer price and the bid price of the Units concerned.

Subject to the suspension of the determination of the Net Asset Value of the Sub-Fund (for details see the section titled "Miscellaneous"), the prices at which Units in the Sub-Fund will be issued on a Dealing Day will be the Net Asset Value per Unit of the Sub-Fund calculated by the Trustee at around 4:00 p.m. Hong Kong time on the Valuation Day (i.e. the following Business Day after the relevant Dealing Day) to which the application relates.

The Manager is entitled to a preliminary charge of up to 5% of the subscription proceeds, which will be deducted from the subscription proceeds. Please refer to the section titled "CHARGES AND EXPENSES" below for further information on the preliminary charge. The issue price will be calculated in accordance with the Trust Deed by reference to the Net Asset Value of the Units of the Sub-Fund, rounded down to three decimal places.

The following is an illustration of the number of Units that an investor would ordinarily receive based on an investment of US\$100,000 at a notional issue price of US\$10.00 per Unit.

Numerical Example:

Subscription proceeds	US\$100,000
Issue price	US\$10.00 per Unit
Preliminary charge (%)	5%
Preliminary charge	(Subscription proceeds x Preliminary charge (%)) US\$100,000x 5 % = US\$5,000
Net subscription proceeds	(Subscription proceeds – Preliminary charge (US\$)) US\$100,000- US\$5,000= US\$95,000
Number of Units that will be issued	(Net subscription proceeds / Issue price (US\$)) US\$95,000 / US\$10.00= 9,500 units

Note: The above numerical example is purely illustrative and is not a forecast or indication of any expectation of the performance of the Sub-Fund.

ISSUE AND REALISATION OF UNITS (Continued)

Application Procedure

Applications for Units may be made by completing the application form (the "Application Form") (available from the Manager, the Service Provider to the Trustee and/or the distributor) and sending it to the Service Provider to the Trustee together with payment for the Units and the preliminary charge. Alternatively applications may be made by other written application (i) stating the name of the Sub-Fund and the amount to be invested, (ii) stating how payment has been or is being made for the amount due if the application is accepted, (iii) acknowledging receipt of this Explanatory Memorandum and confirming that the application is being made on the terms thereof and subject to the Trust Deed, and (iv) indicating the full name(s) and address(es) of the applicant(s). Investors shall notify the Manager or the Service Provider to the Trustee as soon as practicable if there is any change in the information provided by the investor in the Application Form. **No money should be paid to any intermediary in Hong Kong who is not licensed or registered to carry on the Type 1 (dealing in securities) regulated activity under Part V of the SFO or who does not fall within the statutory exemption from the requirement to be licensed or registered to carry on Type 1 regulated activities under Part V of the SFO. Receipts for subscription monies will be issued upon request.**

Payment may be made in any of the following ways:

- (A) in US\$ or in Hong Kong dollars by telegraphic transfer to the bank account shown on the Application Form.

Quoting as reference in either case the name of the applicant and the name of the Sub-Fund. Bank charges may be deducted by the remitting bank and such charges will be borne by the investor.

- (B) In Hong Kong dollars by cheque or bank draft made payable to Amundi Harvest Funds, crossed "A/C Payee only, not negotiable". Clearance of cheques may involve some delay.

Where application monies are paid in Hong Kong dollars, they will be converted into US\$ before being applied in the purchase of Units. No third party payment will be accepted.

The Manager has an absolute discretion to accept or reject in whole or in part any application for Units. In the event that an application is rejected, application monies will be returned without interest, net of transactional costs (if any), by cheque through the post or by telegraphic transfer at the risk of the person(s) entitled thereto.

Payment in other freely convertible currencies may be accepted. As foreign currencies may fluctuate, payments in any currencies other than US\$ will be converted into US\$ at the applicable spot rate at the risk and expense of the investor. The proceeds of conversion will be applied towards payment of the application monies. Conversion of currencies other than Hong Kong dollars may involve some delay. The cost of currency conversion and other expenses will be borne by the investor.

Units will be held for investors in registered form. Certificates will not be issued. A contract note will be issued upon acceptance of an investor's application and the receipt of cleared funds and will be forwarded by ordinary post (at the risk of the person entitled thereto).

The minimum value of Units that a Unitholder may apply for and hold is US\$1,000 and minimum holdings should be in the same amounts. The Manager may waive such minimum amounts. Fractions of a Unit rounded down to two decimal places may be issued. Subscription monies representing smaller fractions of a Unit will be retained by the Sub-Fund.

ISSUE AND REALISATION OF UNITS (Continued)

Realisation of Units

Subject to any suspension of the determination of the Net Asset Value of the Sub-Fund (for details see the section titled “Miscellaneous”) and subject as mentioned below, any Unitholder may realise his Units on any Dealing Day in whole, or in part.

A realisation request must be given in writing and must specify the number of Units in the Sub-Fund to be realised, the name(s) of the registered holder(s), and give payment instructions for the realisation proceeds. In order for realisation to take effect on a particular Dealing Day, the realisation request must be received by the Service Provider to the Trustee not later than the Dealing Deadline.

If the request is received after the Dealing Deadline it will be dealt with on the next Dealing Day.

The minimum number of Units for a partial realisation request is 100 Units. The Manager may waive this minimum amount.

Realisation will take place at the realisation price, being the Net Asset Value per Unit of the Sub-Fund relative to the Dealing Day on which Units are realised, rounded down to three decimal places. Realisation proceeds will not be paid to any realising Unitholder until the written realisation request duly signed by the Unitholder has been received by the Service Provider to the Trustee. No third party payment requests will be accepted. All bank charges incurred in making the realisation payment will be borne by the realising Unitholder.

Subject as mentioned above and except where the realising Unitholder gives alternative payment instructions, such amount will be paid to the realising Unitholder at his risk by cheque or by telegraphic transfer in US\$ not later than one calendar month after receipt of a properly documented request for realisation of Units.

The following is an illustration of the amount of realisation proceeds that an investor would ordinarily receive based on a realisation request of 1,000 Units.

Number of Units realised		Realisation price		Realisation proceeds
1,000 Units	x	US\$12.00 per Unit	=	US\$12,000

Note: The above numerical example is purely illustrative and is not a forecast or indication of any expectation of the performance of the Sub-Fund.

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

ISSUE AND REALISATION OF UNITS (Continued)

Switching

Unitholders have the right (subject to any suspension in the determination of the Net Asset Value of any relevant sub-fund) to switch all or part of their units in any sub-fund of the Fund into units of the any other sub-fund of the Fund (provided that such sub-fund is open for subscription) by giving notice in writing to the Manager.

In order for switching to take effect on a particular Dealing Day, the switching notice signed by the Unitholder must be received by the Manager not later than the Dealing Deadline of such Dealing Day.

The rate at which the whole or any part of a holding of units in any sub-fund (the "Existing Sub-Fund") will be switched on any Dealing Day into units of another sub-fund (the "New Sub-Fund") will be determined in accordance with the following formula:

$$N = \frac{(E \times R \times F)}{(S)}$$

where:

- N = the number of units of the relevant class of the New Sub-Fund to be issued;
- E = the number of units of the relevant class of the Existing Sub-Fund to be switched;
- F = the currency conversion factor determined by the Manager for the relevant Dealing Day as representing the effective rate of exchange between the base currency of units of the Existing Sub-Fund and the base currency of units of the New Sub-Fund;
- R = the realisation price per unit of the relevant class of the Existing Sub-Fund on the relevant Dealing Day less any realisation charge (if any) and/or conversion fee imposed by the Manager; and
- S = the net asset value per Unit of the relevant class of the New Sub-Fund on the Dealing Day on which switching is to take effect.

The conversion fee referred to above may be retained by the Sub-Fund and charged at the rate of up to 2% of the realisation price per Unit. The current rate for the Sub-Fund is 1%.

Fractions of a unit of the New Sub-Fund rounded down to two decimal places may be issued and monies representing any smaller fractions will be retained by the Existing Sub-Fund.

No switching will be made if as a result thereof a Unitholder would hold less than the minimum holding of units of the Existing Sub-Fund and the New Sub-Fund.

Investors should note that in switching, subject to the Valuation Time of the Sub-Fund and the time required to remit the switching money between different sub-funds, the day on which the investments are switched into the New Sub-Fund may be later than the day on which the investments in the Existing Sub-Fund are switched out or the day on which the switching instructions are given.

ISSUE AND REALISATION OF UNITS (Continued)

Minimum Initial and Subsequent Investments and Holdings

The minimum initial subscription will be the higher of US\$1,000 or 100 Units multiplied by the Net Asset Value per Unit of the Sub-Fund.

For existing Unitholders who are already investing in the Sub-Fund, the minimum subsequent subscription and holdings will be US\$1,000. The Manager may at its sole discretion waive any such minimum amounts.

Calculation and Publication of Net Asset Value

The Trust Deed provides for the Net Asset Value per Unit to be determined on each Dealing Day or such other Business Day as the Manager may determine. The Net Asset Value per Unit in the Sub-Fund is calculated by valuing the assets of the Sub-Fund, deducting the liabilities attributable to the Sub-Fund and dividing the resultant by the number of Units in the Sub-Fund in issue and rounding down the resulting figure to three decimal places.

The Trust Deed permits the Manager, with the consent of the Trustee, to adjust the value of any investment or permit some other method of valuation to be used if the Manager considers that such adjustment or other method of valuation is required to reflect more fairly the value of the relevant investment.

The Net Asset Value per Unit of the Sub-Fund will be published daily in The Standard and the Hong Kong Economic Times.

DIVIDENDS

The Manager does not intend to declare any dividend for the Sub-Fund. Income earned will be reinvested and reflected in the net asset value of the Sub-Fund.

CHARGES AND EXPENSES

As stated above, the Manager is entitled to receive a preliminary charge on the issue of Units in the Sub-Fund of up to 5% of the subscription proceeds. Please refer to the section titled "ISSUE AND REALISATION OF UNITS – Issue of Units" for an illustrative example regarding the preliminary charge, its calculation method and an illustrative example.

The Manager is entitled to receive a monthly management fee accrued on and calculated as at each Valuation Day. The Manager will initially charge 1.8% per annum of the Net Asset Value of the Sub-Fund.

Investors should note that the Manager may retain the benefit of the preliminary charge (and any other fees received) or may share the preliminary charge (and any other fees received) with intermediaries, including but not limited to authorized distributors, banks, brokers, securities dealers, other investment advisers, and such other persons (including its affiliates) as the Manager may at its absolute discretion determine. The Manager may in its absolute discretion discount or waive any charges or fees in relation to dealings via the Manager.

Any increase of management fee from the current level to the maximum level of 2.5% per annum as permitted under the Trust Deed will only be implemented after giving 3 months' notice to affected Unitholders and any increase beyond the maximum level will require Unitholders' extraordinary resolution. The Manager will be responsible for the fees payable to the Sub-Investment Manager and the sub adviser (if any).

CHARGES AND EXPENSES (Continued)

The Manager is entitled to receive a Performance Fee, payable annually in arrears after the end of the relevant "performance period", which shall be the end of each period ending on 31 December each year. In respect of the Sub-Fund, the performance period shall commence each calendar year. Any performance fee payable in respect of a performance period shall be paid within 20 days after that performance period.

As at each Valuation Day, the Performance Fee accrual is currently calculated as 15% of the difference between the Net Asset Value per Unit of the Sub-Fund on a Dealing Day (net of all other fees and expenses) and the High Water Mark.

At the end of a performance period the positive balance (if any) of the performance fee accrual will become payable to the Manager and the performance fee accrual in the Net Asset Value per Unit will be reset to zero.

For the avoidance of doubt, the High Water Mark as defined above means the higher of the issue price and the highest Net Asset Value per Unit as at the end of any previous performance period, adjusted by deducting performance fees and distributions. For the avoidance of doubt, the High Water Mark for the first performance period equals the Initial Offer Price. For the purposes of calculating the issue price and the realisation price of Units on any Valuation Day, the Performance Fee as at that Valuation Day will be accrued but in calculating the Net Asset Value per Unit as at the end of the relevant performance period for determining the Performance Fee, such accrual will be ignored (except for any Crystallised Performance Fee (as defined below). Any Performance Fee is accrued on a daily basis. A new accrual of the Performance Fee will be made afresh on each Valuation Day and any accruals on a previous day will be reversed.

When there is a positive performance fee accrual during a period of significant new subscriptions into the Sub-Fund, followed by a period of negative performance, all Unit holders will participate (in proportion with their Unit holding) in the reduction in the cumulative performance fee accrual, regardless of their actual contribution to the cumulative performance fee accrual. Also, if the Net Asset Value per Unit is rising but is still below the High Water Mark, the Manager will not benefit from any performance fee accruals on the relevant Units, including Units that are newly issued and which only experience positive performance.

If any Units are realised or converted to Units in another fund on a Dealing Day during a performance period, the cumulative performance fee accrued during such performance period in respect of those Units shall be crystallised and become payable to the Manager ("**Crystallised Performance Fee**").

Units will be subscribed or realised during a performance period based on the Net Asset Value per Unit (taking into account any positive balance of performance fee accruals as calculated in accordance with the above) and there is no adjustment on each Unit individually. The price at which investors subscribe or realise Units at different times during a performance period will be affected by the performance of the Sub-Fund and its level of subscriptions and realisations, which could have a positive or negative effect on the performance fee borne by them.

For the avoidance of doubt, investors should note that the Performance Fee will not be calculated on a unit-by-unit basis and no equalisation or series of units provisions will apply. As such, the Performance Fee payable may not reflect the individual performance of the Units in question. In contrast, investors should note that the use of equalization payment or issue of series of units ensures that the Performance Fee payable by an investor is directly referable to the specific performance of such investor's shareholding in the Sub-Fund. As the Performance Fee is accrued on a daily basis, the issue price and realisation price per Unit would have reflected an accrual for the Performance Fee upon the issue and realisation of Units during the financial year. Investors may therefore be advantaged or disadvantaged as a result of this method of calculation, depending upon the Net Asset Value per Unit at the time an investor subscribes or realises relative to the overall performance of the Sub-Fund during the relevant financial year and the timing of subscriptions and realisations to the Sub-Fund during the course of such financial year.

CHARGES AND EXPENSES (Continued)

Any increase in the rate of Performance Fee stated above as being payable will only be implemented after giving 3 months' notice to the Unitholders of the Sub-Fund.

Trustee

The maximum Trustee's fee is 1% per annum of the Net Asset Value of the Sub-Fund. Currently the Trustee is entitled to receive monthly in arrears a fee at the rate of up to 0.1% per annum of the Net Asset Value of the Sub-Fund, accrued on and calculated as at each Valuation Day and subject to a minimum of US\$12,000 per annum. The Trustee is also entitled to service fee in relation to its registrar, valuation services and other services at a rate from time to time agreed with the Manager.

The Trustee will pay any fees due to the Service Provider to the Trustee.

Other Charges and Expenses

The Sub-Fund may invest in other collective investment schemes and the price of securities of these schemes will reflect fees and charges borne by such schemes or payable by investors in such schemes which may include, without limitation, management fees, other fees such as property management and lease management fees, acquisition fees, divestment fees, commissions.

The Sub-Fund will bear the cost of (a) all stamp and other duties, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, transaction fees of the Trustee or its connected persons, custodian or sub-custodian and proxy fees and expenses, collection fees and expenses, insurance and security costs, and any other costs, charges or expenses payable in respect of the acquisition, holding and realisation of any investment or other property or any cash, deposit or loan (including the claiming or collection of income or other rights in respect thereof and including any fees or expenses charged or incurred by the Trustee or the Manager or any connected person in the event of the Trustee or the Manager or such connected person rendering services or effecting transactions giving rise to such fees or expenses), (b) the fees and expenses of the Auditors and the Registrar, (c) fees charged by the Trustee in connection with valuing the assets of the Sub-Fund or any part thereof, calculating the issue and realisation prices of Units of the Sub-Fund and preparing financial statements, (d) all legal charges incurred by the Manager or the Trustee in connection with the Sub Fund, (e) out-of-pocket expenses incurred by the Trustee wholly and exclusively in the performance of its duties, (f) the expenses of or incidental to the preparation of deeds supplemental to the Trust Deed, (g) the expenses of holding meetings of Unitholders and of giving notices to Unitholders, (h) the costs and expenses of obtaining and maintaining a listing for the Units of the Sub-Fund on any stock exchange or exchanges selected by the Manager and approved by the Trustee and/or in obtaining and maintaining any approval or authorisation of the Sub-Fund or in complying with any undertaking given, or agreement entered into in connection with, or any rules governing such listing, approval or authorisation, and (i) without prejudice to the generality of the foregoing, all costs incurred in publishing the issue and realisation prices of Units of the Sub-Fund, all costs of preparing, printing and distributing all statements, accounts and reports pursuant to the provisions of the Trust Deed (including the Auditors' fees), the expenses of preparing and printing any explanatory memorandum, and any other expenses, deemed by the Manager to have been incurred in compliance with or in connection with any change in or introduction of any law or regulation or directive (whether or not having the force of law) of any governmental or other regulatory authority or with the provisions of any code relating to unit trusts.

The costs and expenses incurred by the Manager and the Trustee in establishing the Sub-Fund (which are estimated to be approximately US\$65,000) will be borne by the Sub-Fund and will be amortised by no later than the fifth financial year end commencing from the close of the initial offer period of the Sub-Fund.

CHARGES AND EXPENSES (Continued)

Other Charges and Expenses (Continued)

Neither the Manager nor the Sub-Investment Manager nor their connected persons will receive cash or other rebates from brokers or dealers in respect of transactions for the account of the Sub-Fund. However, the Manager, the Sub-Investment Manager and their connected persons may enter into soft commission arrangements with brokers or dealers for the provision to the Manager or the Sub-Investment Manager or their connected persons of goods and services which are of demonstrable benefit to Unitholders. Execution of transactions for the Sub-Fund will be consistent with best execution standards.

TAXATION AND REGULATORY REQUIREMENTS

Investors should consult their professional advisers on the consequences to them of acquiring, holding, realising, transferring or selling Units under the relevant laws of the jurisdictions to which they are subject, including the tax consequences and any exchange control requirements. These consequences, including the availability of, and the value of, tax relief to investors will vary with the law and practice of the investors' country of citizenship, residence, domicile or incorporation and their personal circumstances. The following statements regarding taxation are based on advice received by the Fund regarding the law and practice in force in Hong Kong, Vietnam and the Cayman Islands at the date of this Explanatory Memorandum. Investors should be aware that levels and bases of taxation are subject to change and that the value of any relief from taxation depends upon the individual circumstances of the taxpayer.

Hong Kong

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

No tax will be payable by Unitholders in Hong Kong in respect of dividends or other income distributions of the Sub-Fund or in respect of any capital gains arising on a sale, realisation or other disposal of Units, except that Hong Kong profits tax may arise where such transactions form part of a trade, profession or business carried on in Hong Kong.

Cayman Islands

The Government of the Cayman Islands will not, under existing legislation, impose any income, corporate or capital gains tax, estate duty, inheritance tax, gift tax or withholding tax upon the Fund, the Sub-Fund or Unitholders. The Cayman Islands are not party to a double taxation treaty with any country (other than the United Kingdom).

Vietnam

Under the tax regulations, the Sub-Fund is likely to be classified as a foreign investment fund established under the laws of a foreign country and not physically present in Vietnam but opening a securities investment account in Vietnam. Assuming the Sub-Fund does not have a Resident Establishment in Vietnam, under the Foreign Contractor Tax ("FCT") regulations, it will be subject to Corporate Income Tax ("CIT") on a "deemed taxation" basis as follows:

On the transfer of securities (including shares, investment fund certificates, bonds, except for tax-free-bonds), CIT is imposed on the gross value of securities sold on each transaction. This is a "deemed profits" tax, equivalent to 0.1% of the value of the sale transaction. No relief is allowed for transaction costs, and no allowance is taken for the cost of investments.

TAXATION AND REGULATORY REQUIREMENTS (Continued)

Vietnam (Continued)

On interest earned from bonds (except for tax-free-bonds), deemed CIT is imposed and calculated at 0.1% of the total value of the bonds which is determined at nominal value stated in the bond certificate plus the interest received. The tax is payable on a payments basis.

Dividends received from tax-paid profits due to investment in shares and investment fund certificates are not subject to further CIT in the hands of the Sub-Fund.

In case where taxes are applicable, CIT is withheld by the relevant securities company or commercial bank which remits the legal remaining income, including dividends, to foreign investors for remittance offshore. Interest paid to the Sub-Fund over any deposit at accounts opened in Vietnam (if any) may also be subject to a 10% withholding tax under the FCT regulations. The Sub-Fund is not required to declare and pay Value Added Tax for securities dealing activities in Vietnam.

On the basis that the Sub-Fund does not have a Resident Establishment in Vietnam, it will not be subject to Vietnamese taxes on its income derived outside Vietnam or capital gains derived from the sale or other disposal of any non-Vietnamese investments.

Unitholders who are resident outside Vietnam are not liable to Vietnamese tax on distributions received from the Sub-Fund, nor on gains derived from the disposal of their interests in the Sub-Fund.

Cayman Islands Mutual Funds Law

The Fund falls within the definition of a "regulated mutual fund" in terms of the Mutual Funds Law (2009 Revision) of the Cayman Islands (the "Law").

The Trustee (being a licensed mutual fund administrator in the Cayman Islands) provides the principal office of the Fund in the Cayman Islands and, accordingly, the Fund is regulated under Section 4(1)(b) of the Law.

As a regulated mutual fund, the Fund is subject to the supervision of the Cayman Islands Monetary Authority (the "Authority") and the Authority may at any time instruct the Fund to have its accounts audited and to submit them to the Authority within such time as the Authority specifies. In addition, the Authority may ask the Trustee to give the Authority such information or such explanation in respect of the Fund as the Authority may reasonably require to enable it to carry out its duty under the Law. Failure to comply with these requests by the Authority may result in substantial fines on the part of the Trustee and may result in the Authority taking certain actions.

The Authority may take certain actions if it is satisfied that: a regulated mutual fund is or is likely to become unable to meet its obligations as they fall due or is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors; or the direction and management of a regulated mutual fund has not been conducted in a fit and proper manner or a person holding a position as a manager of a regulated mutual fund is not a fit and proper person to hold the position. The powers of the Authority include, inter alia, the power to require the substitution of the Trustee, to appoint a person to advise the Fund on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Fund. There are other remedies available to the Authority, including the ability to apply to court for approval of other actions.

TAXATION AND REGULATORY REQUIREMENTS (Continued)

Anti-Money Laundering Regulations

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

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

These exceptions will only apply if the financial institution or intermediary referred to above has its head office or is organised within a country that is a member of the FATF or recognised as having sufficient anti-money laundering regulations.

Each of the Trustee and the Manager reserves the right to request such information as is necessary to verify the identity of an applicant and the source of the payment. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Trustee and/or the Manager may refuse to accept the application and the application monies relating thereto.

The Trustee and the Manager also reserve the right to refuse to make any realisation payment to a Unitholder if the Trustee or the Manager suspects or are advised that the payment of realisation proceeds to such Unitholder might result in a breach of applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or if such refusal is considered necessary or appropriate to ensure the compliance by the Sub-Fund or the Trustee or the Manager with any such laws or regulations in any applicable jurisdiction.

If any person resident in the Cayman Islands knows or suspects or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct (including money laundering) and the information or other matter on which his knowledge or suspicion is based, or which gives reasonable grounds for such knowledge or suspicion, comes to his attention in the course of his business in the regulated sector (as that term is defined in the Proceeds of Crime Law, 2008 of the Cayman Islands) the person will be required to report to either (a) their nominated officer or (b) the Financial Reporting Authority of the Cayman Islands pursuant to the Proceeds of Crime Law, 2008 of the Cayman Islands. If any person resident in the Cayman Islands believes or suspects that another person is involved with terrorism or terrorist financing and property and the information on which his belief or suspicion is based comes to his attention in the course of his business in the regulated sector (as that term is defined in the Terrorism Law (2009 Revision) of the Cayman Islands) the person will be required to report his belief or suspicion and the information on which it is based to either (a) a police officer of the rank of constable or higher or (b) the Financial Reporting Authority of the Cayman Islands pursuant to the Terrorism Law (2009 Revision) of the Cayman Islands. Such reports will not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise.

GENERAL INFORMATION

Accounts and Reports

The Fund's year-end is 31 December in each calendar year and audited accounts (in English only) are sent to Unitholders of the sub-funds of the Fund within four months of the end of each financial year. The Manager also sends half-yearly unaudited interim reports (in English only) to Unitholders of the sub-funds of the Fund within two months of the period which they cover.

Hong Kong Unitholders should note that starting from the annual audited accounts for the period ending on 31 December 2010, instead of distributing printed copies of the financial reports, the Fund will make available such reports to Unitholders (in printed and electronic forms). In the event of any changes to the mode of distributing the Fund's financial reports, not less than 1 month prior notice will be given to Hong Kong Unitholders.

Hong Kong Unitholders will be notified of the means of accessing the Fund's financial reports as and when they become available. Printed copies of the financial reports will also be available at the offices of the Manager upon request.

Under the standard terms of an annual engagement letter, the Auditors' liability would be capped either based on a fixed monetary amount, or based upon a multiple of fees paid to the Auditors under such letter, except to the extent finally determined to have resulted from wilful or intentional neglect or misconduct or fraudulent behaviour by the Auditors. Other release and indemnity provisions are also contained in the annual engagement letter relating to consequential loss, third party claims and fraudulent acts or omissions, misrepresentations or wilful default on the part of the Trust, its Trustee, employees or agents.

Meetings of Unitholders

The Trust Deed contains detailed provisions for meetings of Unitholders. Meetings may be convened by the Trustee, the Manager or the holders of at least 10% in value of the units in issue, on not less than 21 days' notice. Notice of meetings will be posted to Unitholders. Unitholders may appoint proxies, who need not themselves be Unitholders. The quorum for a meeting to pass an Extraordinary Resolution will be Unitholders present in person or by proxy and holding or representing not less than 25% of the units for the time being in issue or, for an adjourned meeting, Unitholders present in person or by proxy whatever their number or the number of units held by them.

An Extraordinary Resolution is a resolution proposed as such and passed by a majority of 75% of the total number of votes cast.

The Trust Deed contains provisions for the holding of separate meetings of holders of units in different sub-funds of the Fund and different classes where only the interests of holders in a particular sub-fund or class are affected.

Voting Rights

The Trust Deed provides that at any meeting of Unitholders, on a show of hands, every Unitholder who (being an individual) is present in person or (being a corporation) is present by a representative or one of its officers as its proxy shall be entitled to one vote for every unit of which he is a holder.

Valuation Day

Investors should note that the Valuation Day(s) for the Units will be the following Business Day after the relevant Dealing Day, or such other Business Day as the Manager with the consent of the Trustee may from time to time determine provided that not less than one calendar month's prior notice shall be given to Unitholders of the Sub-Fund.

TERMINATION OF FUND

The Fund shall continue until it is terminated in one of the following ways set out below provided that the Fund will automatically terminate on the date falling 150 years after the date of the Trust Deed.

1. The Trustee may terminate the Fund if:
 - (a) the Manager goes into forced liquidation; or
 - (b) in the opinion of the Trustee, the Manager is incapable of performing its duties properly; or
 - (c) the Fund ceases to be authorised or otherwise officially approved pursuant to the SFO or if any law shall be passed which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue the Fund; or
 - (d) the Manager ceases to manage the Fund and the Trustee fails to appoint a successor Manager within a period of 30 days; or
 - (e) the Trustee desires to retire and the Manager fails to find a new trustee qualified to act as trustee in the place of the retiring Trustee.
2. The Manager may terminate the Fund if:
 - (a) the aggregate Net Asset Value of the Fund falls below US\$10,000,000; or
 - (b) the Fund ceases to be authorised or otherwise officially approved pursuant to the SFO or if any law shall be passed which renders it illegal or in the opinion of the Manager (in consultation with the SFC) impracticable or inadvisable to continue the Fund.
3. The Manager may terminate the Sub-Fund in the event, the Net Asset Value of the Sub-Fund falls below US\$5,000,000.

The party terminating the Fund or a Sub-Fund (as the case may be) pursuant to paragraphs 1 to 3 above shall be required to give at least one month's notice to Unitholders of the Fund and/or the Sub-Fund (as the case may be). In addition, the Fund and the Sub-Fund may at any time be terminated by Extraordinary Resolution.

MISCELLANEOUS

The Manager may, after giving notice to the Trustee, declare a suspension of the determination of the Net Asset Value of the Sub-Fund for the whole or any part of any period during which (a) there is a closure of or the restriction or suspension of trading on any securities market on which a substantial part of the investments of that Sub-Fund is normally traded or a breakdown in any of the means normally employed by the Manager in ascertaining the prices of investments or (b) for any other reason the prices of investments of the Sub-Fund cannot, in the opinion of the Manager, reasonably be ascertained or (c) circumstances exist as a result of which, in the opinion of the Manager, it is not reasonably practicable to realise any investments of the Sub-Fund or it is not possible to do so without seriously prejudicing the interests of Unitholders of the relevant class or (d) the remittance or repatriation of funds which will or may be involved in the realisation of, or in the payment for, the investments of the Sub-Fund or the subscription or realisation of Units is delayed or cannot, in the opinion of the Manager, be carried out promptly at normal rates of exchange. Such suspension shall take effect forthwith upon the declaration thereof and thereafter there shall be no determination of the Net Asset Value of the Sub-Fund until the Manager shall declare the suspension at an end, except that the suspension shall terminate in any event on the day following the first Business Day on which (i) the condition giving rise to the suspension shall have ceased to exist and (ii) no other condition under which suspension is authorised shall exist. Whenever the Manager shall declare such a suspension it shall, as soon as may be practicable after any such declaration and at least once a month during the period of such suspension, publish a notice in The Standard and the Hong Kong Economic Times and/or cause a notice to be given to Unitholders and to all those (whether Unitholders or not) whose applications to subscribe for or realise Units shall have been affected by such suspension stating that such declaration has been made.

The Trustee and the Manager may agree to modify the Trust Deed by supplemental deed provided that in the opinion of the Trustee such modification (i) is not materially prejudicial to the interests of Unitholders, does not operate to release to any material extent the Trustee or the Manager from any responsibility to the Unitholders and (with the exception of the costs of preparing and executing the relevant supplemental deed) does not increase the costs and charges which will be payable out of the assets of any sub-fund of the Fund or (ii) is necessary in order to comply with any fiscal, statutory or official requirement or (iii) is made to correct a manifest error. In all other cases modifications require the sanction of an Extraordinary Resolution.

Copies of the following documents are available for inspection free of charge at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays) at the offices of the Manager at 901-908 One Pacific Place, No. 88 Queensway, Hong Kong and copies thereof may be obtained from the Manager at that address on payment of a reasonable fee:

- (a) the Trust Deed and any supplemental deeds;
- (b) the latest financial reports of the Fund; and
- (c) the Novated Investment Advisory Agreement between, inter alia, the Manager and the Sub-Investment Manager.