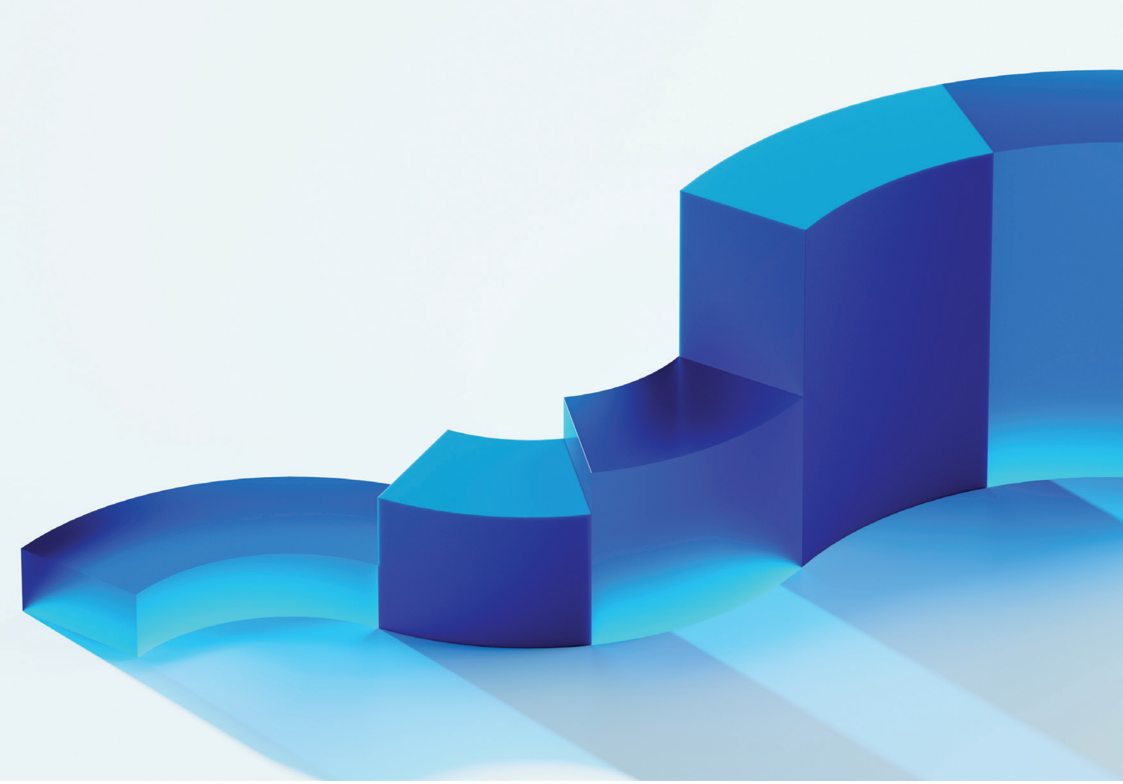

Explanatory Memorandum - July 2025

JPMorgan Provident Funds

J.P.Morgan
ASSET MANAGEMENT

Contents

JPMorgan Funds (Asia) Limited accepts full responsibility for the accuracy of the information contained in these Explanatory Memoranda and confirm, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading as at the date of publication.

No action has been taken to permit an offering of units in the funds specified in these Explanatory Memoranda (each a "**Fund**", and collectively, the "**Funds**"), or the distribution of these Explanatory Memoranda, in any jurisdiction where action would be required for such purpose, other than Hong Kong. Accordingly, these Explanatory Memoranda are not offers or solicitation in any jurisdictions or in any circumstances in which such offers or solicitation are not authorised or to any persons to whom it is unlawful to make such offers or solicitation.

The Funds have not been registered under the United States (the "**US**") Securities Act, as amended, (the "**Act**") or under any similar or analogous provision of law enacted by any jurisdiction in the US. The units may not be offered or sold to any US Person unless the Manager, at its absolute discretion, grants an exception. For this purpose, a US Person is one falling under the definition of US Person under the Act, under the guidelines set forth by the US Commodities Futures Trading Commission in its Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations, as amended, or under the US Internal Revenue Code ("**IRC**") as specified below or under the US federal income tax law (as described below under paragraphs 1 through 4), or a non-US entity with certain US owners (as described below under paragraph 5):

1. An individual who is a citizen of the US or a resident alien for US federal income tax purposes. In general, the term "resident alien" is defined for this purpose to include any individual who (i) holds a US Permanent Resident Card (a "**green card**") issued by the US Citizenship and Immigration Services or (ii) meets a "substantial presence" test. The "substantial presence" test is generally met with respect to any calendar year if (i) the individual was present in the US on at least 31 days during such year and (ii) the sum of the number of days in which such individual was present in the US during such year, 1/3 of the number of such days during the first preceding year, and 1/6 of the number of such days during the second preceding year, equals or exceeds 183 days;

2. A corporation, an entity taxable as a corporation, or a partnership, created or organized in or under the laws of the US or any state or political subdivision thereof or therein, including the District of Columbia (other than a partnership that is not treated as a US person under Treasury Regulations);

3. An estate the income of which is subject to US federal income tax regardless of the source thereof;

4. A trust with respect to which a court within the US is able to exercise primary supervision over its administration and one or more US persons have the authority to control all of its substantial decisions, or certain electing trusts that were in existence on 20 August 1996 and were treated as domestic trusts on 19 August 1996; or

5. A Passive Non-Financial Foreign Entity ("**Passive NFFE**") with one or more "**Controlling Persons**" (within the meaning of any Intergovernmental Agreement relating to the Foreign Account Tax Compliance Act (as set forth in sections 1471 through 1474 of the IRC ("**FATCA**")) that may be entered into by the US and any other jurisdiction ("**IGA**")) that is a US Person (as described above under paragraph 1). A Passive NFFE is generally a non-US and non-financial institution entity that is neither a "publicly traded corporation" nor an "active NFFE" (within the meaning of the applicable IGA).

These Explanatory Memoranda are not available for general distribution in, from or into the United Kingdom because the Funds are unregulated collective investment schemes whose promotion are restricted by sections 238 and 240 of the Financial Services and Markets Act 2000. When distributed in, from or into the United Kingdom these Explanatory Memoranda are only intended for investment professionals, high net worth companies, partnerships, associations or trusts and investment personnel of any of the foregoing (each within the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005), persons outside the European Economic Area receiving them electronically, persons outside the United Kingdom receiving them non-electronically and any other persons to whom they may be communicated lawfully. No other person should act or rely on them. Persons distributing these Explanatory Memoranda in, from or into the United Kingdom must satisfy themselves that it is lawful to do so.

Distribution of these Explanatory Memoranda are not authorised in any jurisdiction unless it is accompanied by copies of the most recent audited annual report of the relevant Funds and, if later, the most recent semi-annual report. Such annual report and semi-annual report (where applicable) will form part of these Explanatory Memoranda.

Units will be offered on the basis only of the information contained in these Explanatory Memoranda, such annual report and such semi-annual report. Any further information or representations made by any dealer, salesperson or other person must be regarded as unauthorised and accordingly must not be relied upon. Neither the delivery of any of the foregoing documents nor any offer, issue or sale of units shall, under any circumstances, constitute a representation that the information given in any such document is correct as of any time subsequent to the date of such document.

Notwithstanding anything in these Explanatory Memoranda to the contrary, each recipient of these Explanatory Memoranda (and each employee, representative, or other agent of such recipient) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated in these Explanatory Memoranda and all materials of any kind (including opinions or other tax analysis) that are provided to such recipient relating to such tax treatment and tax structure.

In these Explanatory Memoranda references to "**US dollars**" and the sign "**US$**" are to the currency of the United States of America, references to "**HK dollars**" and "**HK$**" are to the currency of Hong Kong, references to "**Japanese yen**" and "**JPY**" are to the currency of Japan and references to "**Sterling**" and "**GBP**" are to the currency of the United Kingdom.

IMPORTANT:

If you are in any doubt about the contents of these Explanatory Memoranda, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other financial adviser. Prospective investors should review these Explanatory Memoranda carefully and in their entirety and consult with their legal, tax and financial advisers in relation to (i) the legal and regulatory requirements within their own countries for the subscribing, purchasing, holding, converting, realising or disposing of units of the Funds; (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the subscription, purchase, holding, conversion, realisation or disposition of units of the Funds; (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, converting, realising or disposing of units of the Funds; and (iv) any other consequences of such activities.

MANAGEMENT AND ADMINISTRATION

Manager

JPMorgan Funds (Asia) Limited
19th Floor
Chater House
8 Connaught Road Central
Hong Kong

Directors of the Manager

Chan, Tsun Kay, Edwin
De Burca, Stiofan Seamus
Leung, Kit Yee, Elka
Ng, Ka Li, Elisa
Spelman, Christopher David
Watkins, Daniel James

Trustee

Cititrust Limited
50/F, Champion Tower
Three Garden Road
Central
Hong Kong

Custodian

JPMorgan Chase Bank N.A., Hong Kong Branch
18/F, Tower 2, The Quayside,
77 Hoi Bun Road,
Kwun Tong,
Hong Kong

Sub-Managers

JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London
EC4Y 0JP
United Kingdom

J.P. Morgan Investment Management Inc.
383 Madison Avenue
New York, NY 10179
United States of America

Registrar

Citicorp Trustee (Singapore) Limited
8 Marina View
#18-00 Asia Square, Tower 1
Singapore
018960

Transfer Agent

JPMorgan Funds (Asia) Limited
19th Floor
Chater House
8 Connaught Road Central
Hong Kong

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
19th Floor
Chater House
8 Connaught Road Central
Hong Kong

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

Additional information can be obtained from the Manager at the above address.

INTRODUCTION

The main part of these consolidated explanatory memoranda (the "**Consolidated Explanatory Memoranda**") contains general provisions which apply to each of the Funds. Specific details of each Fund are described in the relevant section of Appendix I.

The Funds are unit trusts constituted by their respective trust deeds, as amended from time to time (individually, a "**Trust Deed**" and collectively, the "**Trust Deeds**") and governed by the laws of the Hong Kong. The date of the Trust Deed of each Fund is described in the relevant section of Appendix I.

The Funds have been authorised as collective investment schemes or are deemed to have been authorised by the Securities and Futures Commission ("**SFC**") under section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("**SFO**"). SFC authorisation is not a recommendation or endorsement of the Funds nor does it guarantee the commercial merits of the Funds or their performance. It does not mean that the Funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

FUND PARTIES

JPMorgan Funds (Asia) Limited (the "**Manager**"), the Manager of the Funds, is incorporated with limited liability under the laws of Hong Kong.

Day-to-day investment management of the Funds has been delegated to JPMorgan Asset Management (Asia Pacific) Limited (the "**Investment Manager**"), a company incorporated with limited liability in Hong Kong. For certain Funds, one or more sub-manager(s) (the "**Sub-Manager(s)**") have been appointed and such appointments are described in the relevant section of Appendix I.

The trustee of the Funds is Cititrust Limited (the "**Trustee**"), which is a wholly-owned subsidiary of Citigroup Inc. ("**Citigroup**"). As a global financial services group, Citigroup and its subsidiaries provide a broad range of financial products and services, including consumer banking, corporate and investment banking, securities brokerage and wealth management to consumers, corporations, governments and institutions. The Trustee is licensed by the SFC to conduct the Type 13 regulated activity (providing depositary services for relevant collective investment schemes) under the SFO and is a trust company registered under the Trustee Ordinance. The registered office of the Trustee is at 50/F, Champion Tower, Three Garden Road, Central, Hong Kong.

The Trustee has appointed JPMorgan Chase Bank N.A. (the "**Custodian**"), acting through its Hong Kong Branch, as custodian of the assets of the Funds. The registered office of the Custodian is at 18/F, Tower 2, The Quayside, 77 Hoi Bun Road, Kwun Tong, Hong Kong.

The Trustee has appointed Citicorp Trustee (Singapore) Limited (the "**Registrar**") as the registrar of the Funds. The registered office of the Registrar is at 8 Marina View, #18-00 Asia Square, Tower 1, Singapore 018960.

JPMorgan Funds (Asia) Limited also acts as the transfer agent of the assets of the Funds (the "**Transfer Agent**"). The registered office of the Transfer Agent is 19th Floor, Chater House, 8 Connaught Road Central, Hong Kong. Subject to the consent of the Trustee, JPMorgan Funds (Asia) Limited may at its discretion outsource the transfer agency and administrative functions in respect of the Funds from time to time.

Under the relevant Trust Deed, the Trustee is responsible for the safe-keeping of the relevant Fund's investments and shall take into custody or under its control all the investments, cash and other assets forming part of the Funds and shall hold them in trust for the unitholders in accordance with the provisions of the Trust Deeds. However, neither the Trustee nor any of its affiliates, officers or directors is responsible for, or in any way guarantees, the performance of the relevant Fund.

PURPOSE AND POLICIES

Investment Objective and Policy

The investment objective and policy of each Fund are described in the relevant section of Appendix I to the Consolidated Explanatory Memoranda.

Each Fund is designed principally as an investment vehicle for trustees, custodians or administrators of provident or retirement schemes.

ESG Integration

Where stated in the section "Investment Objective and Policy" in APPENDIX I - FUND DETAILS, environmental, social and governance ("**ESG**") integration is applicable to each Fund/Underlying Fund, as part of the Fund/Underlying Fund's investment process.

ESG integration is the systematic inclusion of ESG considerations in investment analysis and investment decisions. As part of its investment process, the Investment Manager or the manager of the Underlying Fund seeks to assess the impact of financially material environmental, social and governance factors on many issuers in the universe in which the relevant Fund/Underlying Fund may invest. The Investment Manager's or the Underlying Fund manager's assessment is based on an analysis of key opportunities and risks across industries to identify financially material issues with respect to the relevant Fund/Underlying Fund's investments in issuers. These assessments may not be conclusive and securities of issuers that may be negatively impacted by such factors may be purchased and retained by the relevant Fund/Underlying Fund while the relevant Fund/Underlying Fund may divest or not invest in securities of issuers that may be positively impacted by such factors.

In particular, ESG integration does not change a Fund/Underlying Fund's investment objective, exclude specific types of industries or companies or limit the relevant Fund/Underlying Fund's investable universe. The Fund/Underlying Fund is not designed for investors who wish to screen out particular types of companies or investments or are looking for funds that meet specific ESG goals.

In addition, as ESG Integration focuses on financial materiality, not all ESG factors are relevant to a particular investment, asset class, or Fund/Underlying Fund. ESG Integration for a Fund/Underlying Fund is dependent upon the availability of sufficient ESG information on the Fund/Underlying Fund's investment universe. ESG integration does not imply that a Fund/Underlying Fund is marketed or authorized as an ESG product in any jurisdiction where such authorization is required.

Investment Restrictions and Guidelines

Feeder funds

A Fund which is structured as a feeder fund may invest 90% or more of its assets in any single collective investment scheme subject to the investment restrictions set out in Schedule 1 to the Consolidated Explanatory Memoranda provided that such scheme is authorised or deemed to have been authorised under the SFO. All of the assets of the relevant Fund will be invested in an underlying fund described in the relevant section of Appendix I to the Consolidated Explanatory Memoranda (the "**Underlying Fund**"). Accordingly, the Fund and the Underlying Fund will be deemed a single entity for the purpose of complying with the investment restrictions.

The investment restrictions and guidelines applicable to each Underlying Fund are described in the relevant section of Appendix I. As a feeder fund for the purpose of investing in the Underlying Fund, unless otherwise specified, any references to the investment policies and restrictions of the Underlying Fund in the relevant section of Appendix I should be taken as applying equally to the relevant Fund.

The Trust Deeds of the relevant Funds which are feeder funds contain provisions which allow the Manager, with the approval of the SFC, to switch all the investments of the relevant Fund from any one single collective investment scheme to another by giving not less than three months' notice to the Trustee and unitholders, provided that the investment objective of the relevant Fund shall continue to be met and the Trustee certifies in writing that such change does not materially prejudice the interests of unitholders, does not operate to release to any material extent the Trustee or the Manager from any responsibility under the relevant Trust Deed and will not result in any increase in the amount of costs and charges payable from the relevant Fund's assets. In such event, the investment restrictions applicable to the new underlying scheme in which the relevant Fund's assets are to be invested shall apply and be incorporated into these Consolidated Explanatory Memoranda in substitution for the investment restrictions set out herein. For the avoidance of doubt, no meeting of unitholders will be required to effect such change.

In addition, the Trust Deeds of the relevant Funds which are feeder funds also allows the Manager, with the approval of the SFC, to convert the relevant Fund from a feeder fund to a fund which invests directly in investments permissible under the relevant Trust Deed by giving not less than three months' notice to the Trustee and unitholders, provided that the investment objective of the relevant Fund shall continue to be met and the Trustee certifies in writing that such change does not materially prejudice the interests of unitholders, does not operate to release to any material extent the Trustee or the Manager from any responsibility under the relevant Trust Deed and will not result in any increase in the amount of costs and charges payable from the relevant Fund's assets. In such event, the relevant provisions and investment restrictions contained in the SFC's Code on Unit Trusts and Mutual Funds (the "**Code**") in force at the time and such other laws, regulations or official requirements shall then apply to the investment of the relevant Fund's assets and shall at such time be incorporated into these Consolidated Explanatory Memoranda. For the avoidance of doubt, no meeting of unitholders will be required to effect such conversion.

Funds of funds

A Fund which is structured as a fund of funds will invest primarily (at least 70% of its total net asset value) in collective investment schemes (including exchange-traded funds managed by the Manager or its Connected Persons and passively-managed exchange-traded funds managed by unaffiliated management companies) (collectively, "**Underlying Funds**"). In selecting Underlying Funds, the Manager expects to select Underlying Funds managed by the Manager or its Connected Persons ("**JPMorgan Underlying Funds**") without considering or canvassing the universe of Underlying Funds managed by unaffiliated management companies ("**Unaffiliated Underlying Funds**") available even though there may (or may not) be one or more Unaffiliated Underlying Funds that investors might regard as more attractive for the Fund or that have superior returns. In particular, for actively-managed Underlying Funds, the Manager limits its selection to JPMorgan Underlying Funds. For passively-managed Underlying Funds, the Manager expects to use passively-managed Underlying Funds managed by the Manager or its Connected Persons; only if such investment is not available will the Manager consider passively-managed exchange-traded funds managed by unaffiliated management companies. Cash may be held for ancillary purposes. Such Funds are subject to the investment restrictions set out in Schedule 1 to the Consolidated Explanatory Memoranda.

The Manager will not be required to sell investments if any of the above limits are exceeded as a result of changes in the value of the Fund's investments, reconstructions or amalgamation, the realisation of units or payments out of the Fund's assets, but the Manager shall not make any investment which would result in such limits being further exceeded and the Manager shall as a priority objective within such period of time as it considers reasonable having regard to the interests of unitholders endeavour to dispose of investments to the extent necessary to cause such limits no longer to be exceeded.

Borrowing Policy

The Trust Deed permits borrowings to be undertaken for the account of each Fund but only up to a limit of 10% of the latest net asset value of the relevant Fund. The Fund's assets may be charged or pledged as security for any such borrowings.

The borrowing policy applicable to the Underlying Fund of a Fund which is a feeder fund is described in the relevant section of Appendix I.

Use of Derivatives and Leverage

Subject to investment restrictions set out in the sub-section entitled "Investment Restrictions and Guidelines" above, JPMorgan Provident Balanced Fund, JPMorgan Provident Capital Fund, JPMorgan Provident Growth Fund, JPMorgan Provident High Growth Fund and JPMorgan Provident Stable Capital Fund may acquire financial derivative instruments for both investment and hedging purposes. JPMorgan Provident European Fund, JPMorgan Provident Global Bond Fund, JPMorgan Provident Greater China Fund and JPMorgan Provident Hong Kong Fund may acquire financial derivative instruments for hedging purposes only. JPMorgan Provident HK$ Money Fund and JPMorgan Provident US$ Money Fund will not use derivatives for any purposes.

Each Fund's net derivative exposure as defined under the Code is as follows:

• JPMorgan Provident European Fund • JPMorgan Provident Global Bond Fund • JPMorgan Provident Greater China Fund • JPMorgan Provident Hong Kong Fund • JPMorgan Provident Balanced Fund	Each Fund's net derivative exposure may be up to 50% of its respective net asset value.

• JPMorgan Provident Capital Fund • JPMorgan Provident Growth Fund • JPMorgan Provident High Growth Fund • JPMorgan Provident Stable Capital Fund	
• JPMorgan Provident HK$ Money Fund • JPMorgan Provident US$ Money Fund	The Funds will not use derivatives for any purposes.

RISK FACTORS

The Funds' portfolios are, of course, subject to market fluctuations and to the risks inherent in all investments. Therefore, the net asset value per unit may go down as well as up.

The performance of the Funds and/or, in respect of feeder funds, their Underlying Funds and/or, in respect of funds of funds, the underlying collective investment schemes they invest in (collectively referred to as "**Underlying Funds**" in this section "**Risk Factors**") will be affected by a number of risk factors, including the following. Additional risk factors applicable to a Fund are described in the relevant section of Appendix I.

(i) Investment risk – The value of investment in the Funds and/or Underlying Fund may fall due to any of the key risk factors below and in adverse market conditions, the Funds and/or Underlying Fund's objective may not be achieved. The investors may get back less than they originally invested. There is no guarantee of repayment of principal.

(ii) Political, economic and social risks – All financial markets may at times be adversely affected by changes in political, economic and social conditions.

(iii) Market risk – The value of the securities in which the Funds and the Underlying Funds invest changes continually and can fall based on a wide variety of factors affecting financial markets generally or individual sectors.

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

In particular, events such as infectious disease epidemics or pandemics may have a significant negative impact on the value of the Funds and/or Underlying Fund's investments, increase the Funds and/or Underlying Fund's volatility, negatively impact the Funds and/or Underlying Fund's pricing, magnify pre-existing risks to the Funds and/or Underlying Fund and impact the Funds and/or Underlying Fund's operations.

(iv) Equity risk – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the net asset value of the Funds and/or the Underlying Funds. When equity markets are extremely volatile, the net asset value of the Funds and/or the Underlying Funds may fluctuate substantially.

(v) Risks associated with debt securities – the Fund's and the Underlying Fund's investment in debt securities are subject to the following risks:

- Interest rates risk – Interest rates in the countries in which the assets of the Funds and/or the Underlying Funds will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the Funds and/or the Underlying Funds and their capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes. As a result, investors may get back less than they originally invested.

- Credit risk – If the issuer of any of the securities in which the assets of the Funds and/or the Underlying Funds are invested default, the performance of the Funds and/or the Underlying Funds will be adversely affected and the Funds and/or the Underlying Funds could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Funds and/or the Underlying Funds. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds, the Underlying Funds and the Funds. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times.
- Investment grade bond risk – An Underlying Fund may invest in investment grade bonds. Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review, from time to time such ratings and bonds may therefore be downgraded in rating if economic circumstances impact the relevant bond issues. Downgrading of the bonds may adversely affect the valuation of the relevant bonds and the relevant Underlying Fund may also face higher risks of default in interest payment and principal repayment. In the event of the debt instruments held by an Underlying Fund being downgraded, the manager of the relevant Underlying Fund will ensure the investment objective and policy of the relevant Underlying Fund continues to be complied with and seek to dispose of the downgraded debt instruments if necessary. Subject to the market conditions, the manager of the relevant Underlying Fund may or may not be able to dispose of the debt instruments that are being downgraded.
- Below investment grade/lower rated or unrated investment risk – An Underlying Fund may invest in bonds and other debt securities which are unrated or with ratings below investment grade. Accordingly, such investment will be accompanied by a higher degree of credit and liquidity risk than is present with investment in higher rated securities. During economic downturns such bonds typically fall more in value than investment grade bonds as such are often subject to a higher risk of issuer default. The net asset value of the Underlying Fund may decline or be negatively affected if there is a default of any of the bonds.
- Unrated debt securities of comparable credit quality risk – The credit worthiness of unrated debt securities is not measured by reference to an independent credit rating agency. The credit rating assigned by the investment manager of the Underlying Funds does not guarantee the credit worthiness of the issuer and such credit rating may be downgraded. Decline in the credit quality of the issuer may adversely affect the valuation of the relevant unrated debt securities and the Underlying Funds.
- Sovereign risk – Certain Underlying Funds may invest in debt securities ("Sovereign Debt") issued or guaranteed by governments or their agencies ("governmental entities"), which may be exposed to political, social and economic risks. In adverse situations, governmental entities may not be able or willing to repay the principal and/or interest when due. Holders of Sovereign Debt, including the Underlying Fund, may be requested to participate in the restructuring/rescheduling of such debt and to extend further loans to governmental entities. There is no bankruptcy proceeding by which Sovereign Debt on which a governmental entity has defaulted may be collected in whole or in part. As a result, investors may get back less than they originally invested.

(vi) Concentration risk – Some of the Funds and/or the Underlying Funds are highly specialised and may concentrate their investments in a specific geographical area. Although their portfolios are well diversified in terms of the number of holdings, investors should be aware that those Funds and/or the Underlying Funds are likely to be more volatile than a broad-based fund, such as a global equity fund, as their value may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area in which they invest.

(vii) Currency risk – The assets in which the Funds and/or the Underlying Funds are invested and the income from the assets will or may be quoted in currencies which are different from their base currency. The performance of the Funds and/or the Underlying Funds will therefore be affected by movements in the exchange rate between the currencies in which the assets are held by the Funds and/or the Underlying Funds and their base currency. Since the Manager aims to maximise returns in terms of the Funds' base currency, investors whose base currency is different (or not in a currency linked to the Funds' base currency) may be exposed to additional currency risk. The performance of the Funds and the Underlying Funds may also be affected by changes in exchange control regulations.

(viii) Emerging markets risk – Accounting, auditing and financial reporting standards in some of the emerging markets in which some of the assets of the Funds and/or the Underlying Funds may be invested may be less rigorous than international standards. As a result, certain material disclosures may not be made.

Investment in emerging markets involves special considerations and increased risks not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. 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 Funds' investments, and the risks of investing in countries with smaller capital markets, such as limited liquidity, 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 and the Investment Manager's ability to realise some or all of the portfolio.

(ix) Low level of monitoring risk – The legal and regulatory frameworks of many of the emerging markets are 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 such securities markets.

(x) Legal, tax and regulatory risk – Legal, tax and regulatory changes could occur during the term of the Funds and/or Underlying Funds which may adversely affect them. If any of the laws and regulations currently in effect should change or any new laws or regulations should be enacted, the legal requirements to which the Underlying Funds and their investors may be subject could differ materially from current requirements and may materially and adversely affect the Underlying Funds and hence the Funds and their investors.

(xi) Liquidity risk – Some of the Underlying Funds may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by those Underlying Funds are less liquid compared to more developed countries or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes. In extreme market situations, there may be no willing buyer and the investments cannot be readily sold at the desired time or price, and those Underlying Funds may have to accept a lower price to sell the investments or may not be able to sell the investments at all. Trading in particular securities or other instruments may be suspended or restricted by the relevant exchange or by a governmental or supervisory authority and those Underlying Funds may incur a loss as a result. An inability to sell a portfolio position can adversely affect those Underlying Funds' value or prevent those Underlying Funds from being able to take advantage of other investment opportunities.

Liquidity risk also includes the risk that the Underlying Funds will not be able to pay redemption proceeds within the allowable time period because of unusual market conditions, an unusually high volume of redemption requests, or other uncontrollable factors. To meet redemption requests, the Underlying Funds may be forced to sell investments, at an unfavorable time and/or conditions. Investment in fixed income securities will be especially subject to the risk that during certain periods, the liquidity of particular issuers or industries, or all securities within a particular investment category, will shrink or disappear suddenly and without warning as a result of adverse economic, market or political events, or adverse investor perceptions whether or not accurate. The downgrading of fixed income securities may affect the liquidity of investments in fixed income securities.

(xii) Volatility risk – The value of the Underlying Funds' underlying investments will be affected by economic, political, market, and issuer specific changes. Such changes may adversely affect the value of the Underlying Funds' underlying investments. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Underlying Funds' value could be volatile and are often exacerbated in the short-term as well.

(xiii) Counterparty risk – The Underlying Funds may invest in different instruments in accordance with the objectives of the Underlying Fund and as permitted by the investment restrictions. If the counterparties of these underlying investments default, the Underlying Funds could suffer substantial losses. Such risks include, but are not limited to, the following:

Cash and deposits: The Underlying Funds may hold cash and deposits in banks or other deposit-taking companies which might not be subject to regulatory or government full or partial protection, and might suffer a significant or even total loss in the event of bankruptcy of the banks or deposit-taking companies.

Depositary receipts: Investment into a given country may be made via direct investments into that market or by depositary receipts traded on other international exchanges in order to benefit from increased liquidity in a particular security and other advantages. Investments in depositary receipts may be subject to counterparty risk, in which a significant or even total loss might be suffered in the event of the liquidation of the depositary or custodian bank.

Risks related to debt securities: The Underlying Funds may invest in, but is not limited to debt securities. There is no assurance that losses will not occur with respect to investment in debt securities. Factors that may affect the value of the Underlying Funds' debt securities holdings include: (i) changes in interest rates and (ii) the creditworthiness of the issuers of the debt securities held by the Underlying Funds.

Settlement risk: Settlement procedures in emerging countries are frequently less developed and less reliable and may involve the Underlying Funds' delivery of securities before receipt of payment for their sale. In addition, significant delays may occur in certain markets in registering the transfer of securities. Settlement or registration problems may make it more difficult for the Underlying Funds to value their portfolio securities and could cause the Underlying Funds to miss attractive investment opportunities, or to have a portion of their assets uninvested, or to incur losses due to the failure of a counterparty to pay for securities the Underlying Funds have delivered, or the Underlying Funds' inability to complete their contractual obligations because of theft or other reasons. As a result, the creditworthiness of the local securities firms used by the Underlying Funds in emerging countries may not be as sound as the creditworthiness of firms used in more developed countries. The Underlying Funds may be subject to a risk of loss if a securities firm defaults in the performance of its responsibilities.

(xiv) Derivatives risk – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Funds and/or the Underlying Funds. Exposure to derivatives may lead to a high risk of significant loss by the Funds and/or the Underlying Funds. Participation in warrants, futures, options and forward contracts involves potential investment returns which the Funds and/or the Underlying Funds would not receive, and risks of a type, level or nature to which the Funds and/or the Underlying Funds would not be subject, in the absence of using these instruments. If the direction of movement of the securities or money markets is for or against the prediction of the Manager, the Investment Manager or the manager/investment manager of the Funds and/or the Underlying Funds, the Funds and/or the Underlying Funds may be placed in a position which is better or worse than that in which they would have been if these instruments had not been used.

(xv) Hedging risk – The Manager of the Funds or the manager/investment manager of the Underlying Funds 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 their desired result.

(xvi) Small and medium-sized companies risk – The Underlying Funds may invest in small and medium-sized companies. The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.

(xvii) Early termination risk – The Funds may be subject to the risk of early termination under certain circumstances as specified under the sub-section entitled "**Duration of the Fund**" in the section headed "**GENERAL**" in these Consolidated Explanatory Memoranda. The amount distributed to investors upon termination may be less than investors' initial investments. Thus, investors may be exposed to losses in their investments.

(xviii) Specific features of a fund of funds – In respect of a Fund which is a fund of funds, investors should understand the specific features of a fund of funds and the implications of such fund investing in other collective investment schemes. A fund of funds will be subject to the risks associated with its Underlying Funds and does not have control of the investments of the Underlying Funds and there is no assurance that the investment objective and strategy of the Underlying Funds will be successfully achieved which may have a negative impact to the net asset value of the Fund. The Underlying Funds in which the Fund may invest may not be regulated by the SFC. There may be additional costs involved when investing into the Underlying Funds. There is also no guarantee that the Underlying Funds will always have sufficient liquidity to meet the Fund's redemption requests as and when made. Investment decisions of the Underlying Funds are made at the level of such Underlying Funds and it is possible that the managers of these Underlying Funds will take positions or engage in transactions in the same securities or in issues of the same asset class, industry or country or currency at the same time. Also, there is a possibility that one Underlying Fund may purchase an asset at about the same time as another Underlying Fund may sell it. There is no assurance that the selection of the Underlying Funds will result in an effective diversification of investment styles and that positions taken by the Underlying Funds will always be consistent.

(xix) Valuation risk – Securities purchased by certain Underlying Funds, particularly debt securities, that are liquid at the time of purchase may subsequently become illiquid due to events relating to the issuer of the securities, markets events, economic conditions, investor perceptions, legislation or regulatory sanctions. Domestic and foreign markets are becoming more and more complex and interrelated, such that events in one sector of the market or the economy, or in one geographical region, can reverberate and have negative consequences for other markets, economic or regional sectors in a manner that may not be reasonably foreseen.

In cases where no clear indication of the value of the relevant Underlying Fund's portfolio instruments is available, the portfolio instruments will be valued at their fair value according to the valuation procedures approved by the trustee of the relevant Underlying Fund. These cases include, among others, situations where it would be inaccurate to rely on the valuations provided by the secondary markets on which a security has previously been traded because these secondary markets are no longer viable for lack of liquidity.

In addition, market volatility may result in a discrepancy between the latest available offer and bid prices for the relevant Underlying Fund and the fair value of the relevant Underlying Fund's net asset value. Certain investors might seek to exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on realisation, other unitholders may suffer dilution in the value of their investment. As a safeguard against such exploitation, the manager of the relevant Underlying Fund may, with due care, skill and diligence, in good faith, and in consultation with the trustee of the relevant Underlying Fund, adjust the net asset value of the relevant Underlying Fund or unit thereof, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the manager of the relevant Underlying Fund taking into account the best interests of unitholders. It should be noted that the basis of valuations adopted by the relevant Underlying Fund may not be the same as the accounting principles generally accepted in Hong Kong.

As such, valuation of an Underlying Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Underlying Fund and in turn affect the net asset value of the Fund.

(xx) Custodial risk – The Trustee may appoint directly or indirectly custodians or sub-custodians in local markets for the purposes of safekeeping of assets in those markets. The Trustee's liability shall not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Trustee must exercise care and diligence in the selection and appointment of a custodian as a safekeeping agent so as to ensure that the custodian has and maintains the expertise, competence and standing appropriate to discharge the responsibilities concerned and the Trustee must maintain an appropriate level of supervision over the custodian and make appropriate enquiries from time to time to confirm that the obligations of the custodian continue to be competently discharged. The Trustee will not however be responsible for any loss suffered by the Funds by reason only of the liquidation, bankruptcy or insolvency of any such custodian which are not member of the group of companies to which the Trustee belongs.

(xxi) Operational risk – The Funds are exposed to operational risk, which is the risk of loss in the resulting from inadequate or failed internal processes, people, systems, or external events. Operational risk arises from causes such as human error, processing and communication errors, provision or receipt of erroneous or incomplete data, errors of agents, service providers, counterparties or other third parties, failed or inadequate processes, governance and technology or systems failures. Such risk may, among other impacts, subject the Funds to errors affecting valuation, pricing, accounting, tax reporting, financial reporting, custody and trading. While the Manager implements controls, procedures, monitoring and oversight of service providers to seek to reduce the occurrence and mitigate the effects of operational risk, it is not possible to predict, identify, completely eliminate or mitigate all operational risk and there may still be failures that could cause losses to a Fund. Operational risk may go undetected for long periods of time, and even if the specific risk issue is detected and resolved / mitigated it may not be possible to recover potential compensation.

(xxii) Risks associated with collateral management and re-investment of cash collateral

Where the Underlying Funds enter into a non-cleared over-the-counter ("**OTC**") derivative transaction, collateral may be received from or provided to the relevant counterparty.

Currently, the Underlying Funds may receive or post cash collateral but does not accept or post non-cash collateral from/to counterparties. As a result, both the Underlying Fund and its counterparty need to hold a proportion of its assets in cash to satisfy any applicable margining requirements. This may have a positive or negative impact on the performance of the Underlying Fund. While receiving cash collateral may reduce counterparty risk, if the Underlying Fund has insufficient cash to meet daily variation margin requirements, it may have to sell securities to meet such requirements.

Cash collateral may be placed as bank deposits in banks or other deposit-taking companies which might not be subject to full or partial protection from the government or regulatory body. The Underlying Fund may suffer a significant or even total loss in the event of bankruptcy of such banks or deposit-taking companies.

Where cash collateral received by the Underlying Fund is re-invested in short-term deposits or high quality money market instruments, the relevant Underlying Fund will be exposed to the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested.

(xxiii) Risks associated with investments in debt instruments with loss-absorption features

Debt instruments with loss-absorption features are subject to greater risks when compared to traditional debt instruments as such instruments are typically subject to the risk of being written down or converted to ordinary shares upon the occurrence of pre-defined trigger events (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level), which are likely to be outside of the issuer's control. Such trigger events are complex and difficult to predict and may result in a significant or total reduction in the value of such instruments.

In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. Debt instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk.

The Underlying Fund may invest in contingent convertible debt securities, commonly known as CoCos, which are highly complex and are of high risk. Upon the occurrence of the trigger event, CoCos may be converted into shares of the issuer (potentially at a discounted price), or may be subject to the permanent write-down to zero. Coupon payments on CoCos are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.

The Underlying Fund may invest in certain types of senior non-preferred debts. While these instruments are generally senior to subordinated debts, they may be subject to write-down upon the occurrence of a trigger event and will no longer fall under the creditor ranking hierarchy of the issuer. This may result in total loss of principal invested.

(xxiv) Risks related to the Eurozone sovereign debt crisis – An Underlying Fund may invest substantially in the Eurozone. In light of the ongoing fiscal conditions and concerns on the sovereign debt risk of certain countries within the Eurozone (in particular, Portugal, Ireland, Italy, Greece and Spain), the Underlying Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. The performance of the Underlying Fund may deteriorate significantly should there be any adverse credit events (e.g. downgrade of the sovereign credit rating, obligation default, etc) of any Eurozone country or exit of members from the Eurozone.

(xxv) Risks associated with convertible bonds – Convertible bonds are a hybrid between debt and equity, permitting holders to convert into shares in the company issuing the bond at a specified future date. As such, convertible bonds will be exposed to equity movement and greater volatility than straight bond investments. An Underlying Fund's investments in convertible bonds are subject to the same interest rate risk, credit risk, liquidity risk and prepayment risk associated with comparable straight bond investments.

(xxvi) Payment of distributions out of capital risk – Where the income generated by a Fund and attributable to the Distribution Unit or Distribution Unit – R Class is insufficient to pay a distribution to the relevant class as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital attributable to the relevant Class. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment. As a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value of units. Also, a positive distribution yield does not imply a positive return on the total investment.

(xxvii) Risks associated with the China interbank bond market (the "CIBM") – The Underlying Fund may invest in Chinese debt securities traded on the CIBM through the CIBM Initiative[1] and/or Bond Connect[2]. The CIBM is in a stage of development and the market capitalisation and trading volume may be lower than those of the more developed markets. Market volatility and potential lack of liquidity due to low trading volume may result in prices of debt securities traded on such market fluctuating significantly. The bid and offer spreads of the prices of such debt securities may be large, and the Underlying Fund may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments. Investments in CIBM may be subject to liquidity, volatility, regulatory, People's Republic of China ("PRC") tax risk and risks associated with settlement procedures and default of counterparties.

Under the prevailing regulations in Mainland China, if foreign institutional investors wish to invest in CIBM through the CIBM Initiative and/or Bond Connect, the relevant filings, registration with People's Bank of China and account opening for investment in the CIBM have to be carried out via an onshore settlement agent, offshore custody agent, registration agent or other third parties (as the case may be). As such, the Underlying Fund is subject to the risks of default or errors on the part of such third parties.

In terms of fund remittance and repatriation under the CIBM Initiative, foreign investors (such as the Underlying Fund) may remit investment principal in RMB or foreign currency into Mainland China for investing in the CIBM. Where the Underlying Fund repatriates funds out of Mainland China, the ratio of RMB to foreign currency ("Currency Ratio") should generally match the original Currency Ratio when the investment principal was remitted into Mainland China, with a maximum permissible deviation of 10%.

Trading through Bond Connect is performed through newly developed trading platforms and operational systems. There is no assurance that such systems will function properly or will continue to be adapted to changes and developments in the market. In the event that the relevant systems fail to function properly, trading through Bond Connect may be disrupted. The Underlying Fund's ability to trade through Bond Connect (and hence to pursue its investment strategy) may therefore be adversely affected. In addition, where the Underlying Fund invests in the CIBM through Bond Connect, it may be subject to risks of delays inherent in the order placing and/or settlement systems.

The relevant rules and regulations on the CIBM Initiative and Bond Connect are subject to change which may have potential retrospective effect. In the event that the relevant Mainland Chinese authorities suspend account opening or trading on the CIBM, the Underlying Fund's ability to invest in the CIBM will be limited and, after exhausting other trading alternatives, the Underlying Fund may suffer substantial losses as a result.

[1] In February 2016, the People's Bank of China announced the opening-up of the CIBM to a wider group of eligible foreign institutional investors free of quota restriction (the "CIBM Initiative").

[2] As defined in the joint announcement of the People's Bank of China and the Hong Kong Monetary Authority dated 16 May 2017, "Bond Connect" is an arrangement that establishes mutual bond market access between Hong Kong and Mainland China. Eligible foreign investors can invest in the CIBM through Northbound Trading of the Bond Connect.

(xxviii) PRC tax risk consideration - There are risks and uncertainties associated with the current PRC tax laws, regulations and practice on the Underlying Fund's investments in the PRC. Any increased tax liabilities on the Underlying Fund may adversely affect the Underlying Fund's value. The Manager and Sub-Manager of the Underlying Fund reserve the right to provide for tax on gains of the Underlying Fund that invests in PRC securities thus impacting the valuation of the Underlying Fund. Based on professional tax and independent tax advice, except for gains from interest derived by foreign institutional investors from bonds traded on PRC bond market which are specifically exempt under temporary exemptions from the prevailing PRC tax regulations, a tax provision of 10% is fully provided for PRC sourced income (including gains from PRC securities and interest) until sufficient clarity is given by the PRC authorities to exempt specific types of PRC sourced income (e.g. gains from PRC bonds).

With the uncertainty of whether and how certain gains on PRC securities are to be taxed, the possibility of the laws, regulations and practice in the PRC changing, and the possibility of taxes being applied retrospectively, any provision for taxation made by the Manager and/or the Sub-Manager of the Underlying Fund may be excessive or inadequate to meet final PRC tax liabilities on gains derived from the disposal of PRC securities. In case of any shortfall between the provisions and actual tax liabilities, which will be debited from the Underlying Fund's assets, the Underlying Fund's net asset value will be adversely affected. Depending on the timing of investors' subscriptions and/or redemptions, they may be disadvantaged as a result of any shortfall of tax provision and/or not having the right to claim any part of the overprovision (as the case may be). In case of any shortfall between the provisions and actual tax liabilities, which will be debited from the Underlying Fund's assets, the Underlying Fund's net asset value will be adversely affected.

(xxix) Chinese variable interest entity ("VIE") risk - Chinese operating companies sometimes rely on VIE structures to raise capital from offshore investors. A VIE is a structure whereby a China-based operating company establishes an entity (typically offshore) that enters into service and other contracts with the Chinese company designed to provide economic exposure to the company.

The offshore entity issues exchange-traded shares that are not direct equity ownership interests in the Chinese operating company. The VIE structure is designed to provide the offshore entity (and in turn, investors in the entity) with economic exposure to the Chinese company that replicates equity ownership, without actual equity ownership. VIE structures are used due to Chinese government prohibitions on foreign ownership of companies in certain industries. There is a risk that the PRC government or regulators may intervene in these VIE structures at any time, either generally or with respect to specific issuers. As a result, it is not clear that the contracts will be enforceable or that the structures will otherwise work as intended. The Chinese government could subject the Chinese company to penalties, revocation of business and operating licenses or forfeiture of ownership interests. Further, ownership of the shares in the offshore entity does not give the shareholders in that entity any control over the Chinese company. Companies that rely on VIE structures including those listed on U.S. exchanges and American Depository Receipts may be adversely impacted. Such legal uncertainties may adversely impact the interest of foreign investors such as the Funds in these Chinese VIEs. The Funds may suffer significant losses as a result.

(xxx) Distribution risk – In respect of Classes which may pay distributions, distributions may be made in such amount as the Manager may from time to time determine. However, there is no guarantee that such distributions will be made nor will there be a target level of distributions. A positive distribution yield does not imply a positive return.

Investors should be aware that each Fund bears the fees payable to the Manager and other service providers as well as, indirectly, a proportionate share of the fees paid by the Underlying Funds to their managers and other service providers.

In view of the above, investment in the Funds (excluding JPMorgan Provident HK$ Money Fund and JPMorgan Provident US$ Money Fund) should be regarded as long term in nature. The Funds are, therefore, only suitable for investors who can afford the risks involved.

CLASSES OF UNITS

Pursuant to the Trust Deed, the Manager may decide to issue separate classes of units (each a "**Class**") whose assets will be commonly invested but where a specific fee structure, currency or distribution policy may be applied. Each Class may have a different charging structure with the result that the net asset value attributable to each Class may differ.

Units may be issued in the following Classes:

Administration Unit – available only to trustees, custodians or administrators of provident or retirement schemes which may make an arrangement with the Manager to rebate all or part of the administration fee to them to cover their administration costs in respect of their own scheme or to other investors at the Manager's discretion.

Investment Unit – available only to trustees, custodians or administrators of provident or retirement schemes.

Distribution Unit – available to the public in Hong Kong through designated distributors.

Distribution Unit – R – available only to investors investing through Regular Investment Plan.

Each Class above may be offered with different features including accumulation, distribution features and currency features. Details of the Classes currently available are described in the relevant section of Appendix I.

For Administration Unit and Investment Unit, the Manager may decline to accept any initial application to invest less than HK$2,000. For Distribution Unit, the minimum lump sum investment for each Class is normally US$2,000 or its equivalent in another currency. For Distribution Unit – R, monthly investments may be made at a minimum of HK$1,000 through Regular Investment Plan. The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment as permitted under the constitutive documents of the Funds.

DISTRIBUTION POLICY

Administration Unit and Investment Unit

Administration Unit and Investment Unit are accumulation Classes and will not normally pay distributions. All income will be accumulated and reinvested within the corresponding Classes of the Fund.

Distribution Unit and Distribution Unit – R

It is the intention of the Manager to make distributions on a monthly basis or/and at such other time as the Manager may, with the prior approval of the Trustee, notify to unitholders. The distribution rate is pre-determined by the Manager annually based on the Manager's view on the longer term market outlook. The distribution rate is expected to remain consistent throughout the year under normal market conditions. Nevertheless if the change of the underlying market conditions fundamentally alters the long term market outlook, the Manager, taking into account the best interest of unitholders, may exercise its discretion to lower/suspend the distribution. In the event that income generated by the Fund and attributable to the relevant Class from its investment is insufficient to pay distributions as it declares, the Manager may in its discretion determine that such distributions may be paid from capital attributable to the relevant Class. Please also refer to the risk factor entitled "Payment of distributions out of capital risk".

Composition of the latest distributions, i.e. the percentages of distribution being made out of the income and capital, for the last 12 months will be available from the Manager upon request and at the website am.jpmorgan.com/hk[#].

The transferee of a unit will be entitled to a distribution in respect of such unit if the Registrar has received a valid instrument of transfer (duly stamped if required) in respect of the unit by 3:30 p.m. (Hong Kong time) on the last cum distribution dealing date. The subscriber of a unit shall be entitled to a distribution in respect of such unit if the application for the unit is received by the Manager by 5:00 p.m. (Hong Kong time) on the last cum distribution dealing date.

Reinvestment of Distributions

It is the Manager's current policy to reinvest automatically any distributions in the subscription of further units of the corresponding Class of units of the Fund, unless (i) unitholders notify the Manager otherwise in writing and the amount of the relevant distribution equals to or exceeds US$250 (or its equivalent in another currency) and/or (ii) subscription of further units by the unitholder may, in the opinion of the Manager, have adverse regulatory, tax or fiscal consequences for, or otherwise be detrimental to the interests of, the Fund. Such further units will be issued on the date of distribution, or if that is not a Dealing Day, on the next following Dealing Day. No preliminary charge will be made on the issue of such further units. In the event that a unitholder redeems or switches its

[#] The website has not been reviewed by the SFC.

entire holding of the relevant Class before the actual payment date of any distributions, the Manager will redeem the reinvested units on the actual payment date and pay the realisation proceeds to the unitholder in cash if the reinvested units do not meet the relevant minimum holding requirement.

Payment of Distributions

For unitholders who have notified the Manager in writing to or shall otherwise, as determined by the Manager, receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units, payment will only be made by telegraphic/bank transfer in the offering currency of the relevant Class subject to the authentication procedures mentioned below. Unitholders may be liable for any bank charges on payment by telegraphic/bank transfer. Where the unitholder has not provided bank payment details or the bank payment details provided are incorrect, distribution will be reinvested in the subscription of further units of the corresponding Class of units of the Fund, unless in the opinion of the Manager, subscription of further units by the unitholder may have adverse regulatory, tax or fiscal consequences for, or otherwise be detrimental to the interests of, the Fund. Any distribution which is not claimed (e.g. reinvestment of the distribution by the unitholder may have adverse regulatory, tax or fiscal consequences for, or otherwise be detrimental to the interests of, the Fund and the unitholder has not provided correct bank payment details for telegraphic/bank transfer or the authentication procedures mentioned below are not completed to the satisfaction of the Manager) for six years will be forfeited and become part of the assets of the relevant Class (and in case such relevant Class has been terminated, the Fund)

Authentication Procedure

The Manager may at its discretion carry out any authentication procedures that it considers appropriate relating to dividend payments. This aims to mitigate the risk of error and fraud for the Fund, its agents or unitholders. Where any authentication procedures are not completed to the Manager's satisfaction, the Manager may delay the processing of payment instructions to a date later than the envisaged dividend payment date when such authentication procedures have been completed to its satisfaction.

If the Manager is not satisfied with any verification, confirmation or other process under the authentication procedures, it may decline to execute the relevant dividend payment until such satisfaction is obtained. Neither the Manager nor the Fund shall be held responsible to the unitholder or any person if the Manager delays execution or declines to execute dividend payments under the above circumstances.

The Manager may change the distribution policy subject to the SFC's prior approval (if applicable) and by giving not less than one month's prior notice to unitholders.

The distribution policy applicable to the Underlying Fund of a Fund which is a feeder fund is described in the relevant section of Appendix I.

BASES OF VALUATIONS

The method of establishing the net asset value of each Fund/Class is set out in the relevant Trust Deed. The net asset value per unit of each Class is calculated by dividing the net asset value of the Class by the total number of units of that Class in issue immediately prior to the relevant valuation day for such Class, and naturally rounding the resultant sum to two decimal places. Any rounding adjustment arising in respect thereof will be retained by the relevant Fund/Class. The Fund is valued at the close of business on each dealing day ("**Dealing Day**") which will normally be every day (other than a Saturday or a Sunday):

(a) on which banks in Hong Kong are open for normal banking business; and

(b) in respect of a Fund which is a feeder fund, which is also a dealing day for the Underlying Fund; or in respect of a Fund which is a fund of funds, on which all or part of the collective investment scheme(s) invested in by the Fund are available for normal dealing.

In addition, the Manager may, with the approval of the Trustee, determine that net asset value shall be calculated on a day which is not a Dealing Day.

In respect of a Fund which is a feeder fund, as the relevant Fund's assets will be invested in the Underlying Fund, this value is principally a function of the value of units of the Underlying Fund.

In respect of a Fund which is a fund of funds, value of interests in any collective investment scheme is the latest published net asset value per unit or share in such scheme (where the same is published and is considered by the Manager to be appropriate).

Cash, deposits and similar investments are valued at their face value (together with accrued interest) unless, in the opinion of the Manager, any adjustment should be made to reflect the value thereof.

In general, quoted investments are valued at their official closing price or latest market quoted price on the relevant valuation day and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager with the approval of the Trustee or as requested by the Trustee or caused by the Manager to be made by a professional person approved by the Trustee. Interest and other income and liabilities are, where practicable, accrued from day to day. Unless otherwise specified in the relevant section of Appendix I to the Consolidated Explanatory Memoranda, such valuations will be expressed in HK dollars. The Manager may, after consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest available net asset value for the Funds and the fair value of the Funds' net asset value. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on realisation, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of each Fund or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders.

SWING PRICING

If the Manager considers it is in the interests of all unitholders, in calculating the net asset value per unit, the Manager may, when the net capital flow of a Fund exceeds the threshold pre-determined by the Manager from time to time, make adjustment to the net asset value per unit upwards (for net capital inflows into the Fund) or downwards (for net capital outflows out of the Fund) in order to mitigate the anticipated dilution effects caused by purchasing/selling underlying investments, including but not limited to bid-offer spreads and transaction costs such as brokerage, taxes and government charges. Examples of circumstances which may cause net capital flow includes net unit dealing due to subscription/redemption requests, fund mergers where there are asset flows into/out of the Fund, etc.

Under normal market conditions, such swing pricing adjustment will not exceed 2% of the net asset value per unit of the Funds or Classes (in respect of Funds with different Classes). However, it may be significantly higher during extreme market conditions such as periods of high volatility, reduced asset liquidity and market stress. In any event, swing pricing adjustment rate exceeding 2% will only be applied on a temporary basis and will not exceed 5% unless with the approval of the Trustee and (if required) the SFC.

DEALING

Units will normally be issued or realised on every Dealing Day. In order for Administration Unit and Investment Unit to be issued or realised on any particular Dealing Day, the subscription application or realisation request must be received by the Manager not later than 3:00 p.m. (Hong Kong time) on that Dealing Day or such other time agreed between the Manager and the Trustee. In order for Distribution Unit and Distribution Unit – R to be issued or realised on any particular Dealing Day, the subscription application or realisation request must be received by the Manager not later than 5:00 p.m. (Hong Kong time) on that Dealing Day or such other time agreed between the Manager and the Trustee. Subscription applications or realisation requests received after such time will be dealt with on the immediately following Dealing Day. The Manager may change the time by which subscription applications or realisation requests must be received in order to be dealt with on any particular Dealing Day.

The Funds do not permit market timing or related excessive, short-term trading practices deployed by any investors. In general, market timing refers to the systematic investment behaviour of an investor subscribing, realising or switching units of the same Fund within a short period of time on the basis of predetermined prices by taking advantage of time differences and/or imperfections and deficiencies in the method of determination of net asset value. Accordingly, to protect the best interests of unitholders, the Funds and/or the Manager reserve the right to reject any application for the subscription or switching of units from any investor engaging in such practices or suspected of engaging in such practices and to take such further action as they, in their discretion, may deem appropriate or necessary.

In addition, unitholders are required to notify the Manager immediately in the event that they are or become US Persons (under the guidelines set forth by the US Commodities Futures Trading Commission in its Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations, as amended, as defined under the US Securities Act of 1933 as amended or as defined under the US Internal Revenue Code of 1986, as amended) or hold units for the account or benefit of US Persons or hold units in breach of any law or regulation or otherwise in circumstances having, or which may have, adverse regulatory, tax or fiscal consequences for the relevant Fund or the unitholders or otherwise be detrimental to the interests of the relevant Fund. If in the opinion of the Manager that a unitholder is holding units in breach of any law or regulation or otherwise in circumstances having, or which may have, adverse regulatory, tax or fiscal consequences for the relevant Fund or the unitholders or otherwise be detrimental to the interests of the relevant Fund or the unitholder has become or is a US Person, the Manager may, in its sole discretion, realise the units of the unitholder in accordance with the provisions of the relevant Trust Deed to the extent permitted by applicable laws and regulations provided that the Manager is acting in good faith and on reasonable grounds. Should a unitholder become a US Person, he may be subject to US withholding taxes and tax reporting.

SUBSCRIPTIONS

Under the Trust Deeds, the Manager is given the exclusive right to effect the issue of units for the account of the Funds and has an absolute discretion to accept or reject in whole or in part any application for units.

Units may not be issued or sold by the Manager during any period when the right of unitholders to realise their units is suspended. Applicants for units will be notified of any such suspension and, unless withdrawn, their applications will be considered on the first Dealing Day after the suspension is lifted or returned to the applicant, at the Manager's discretion.

Prospective investors should inform themselves as to:

- the legal requirements relating to the acquisition, holding or disposal of units in the Fund;
- any foreign exchange restrictions which they might encounter; and
- their taxation position on the holding or disposal of units under the laws of the countries of their domicile, residence, citizenship or incorporation.

Issue of Units

Units of each Fund will be issued at the net asset value per unit (or for Funds with different Classes, at the net asset value per unit of the relevant Class) as at the close of business on the relevant Dealing Day.

The Manager is entitled to deduct from the subscription monies a preliminary charge (normally up to 5% of the net asset value per unit) on the issue of each unit. The Manager does not intend to levy any such preliminary charge on Administration Units and Investment Units under normal circumstances. The Manager may charge a preliminary charge (normally up to 5% of the net asset value per unit) on the issue of each Distribution Unit and Distribution Unit – R.

For applicants who subscribe units of a Fund by the number of units, preliminary charge amount is calculated as follows: preliminary charge amount = units allotted x net asset value per unit x preliminary charge %

For applicants who subscribe units of a Fund by amount, preliminary charge amount is calculated as follows: preliminary charge amount = gross subscription amount x preliminary charge % / (1 + preliminary charge %)

The preliminary charge amount shall be rounded down to two decimal places and fractions of a unit will be issued such that the number of units allotted to the applicant shall be naturally rounded to three decimal places for applicants who subscribe by amount whereas the subscription monies shall be naturally rounded to two decimal places for applicants who subscribe units of a Fund by the number of units. Where the subscription monies is rounded down or the number of units allotted is rounded up, the amount corresponding to rounding shall accrue to the applicant. Where the subscription monies is rounded up or the number of units allotted is rounded down, the amount corresponding to rounding shall accrue to the relevant Fund.

Any preliminary charge will be retained by the Manager, which may rebate the whole or part thereof to any dealer in securities or other intermediary through whom any application is received.

Administration Units differ from Investment Units, Distribution Units – R and Distribution Units in bearing an administration charge to cover the costs of administration of the investors which will generally be trustees, custodians, administrators of provident or retirement schemes or other investors at the Manager's discretion. All or part of the fee will be rebated to the administrators of such schemes in accordance with arrangements made with them. This fee is calculated in the proportion of the net asset value of the relevant Fund attributable to Administration Units.

As a result of the application of the administration fee, which is borne only by Administration Units, the net asset value per unit of the Investment Units, Distribution Units and Distribution Units – R will be different from that of Administration Units, with the net asset value per unit of Administration Units being lower. In other respects the units rank pari passu.

Procedure for Application

For Administration Unit and Investment Unit, the Manager may decline to accept any application by a person who is not a unitholder to invest less than HK$2,000. For Distribution Unit, the minimum lump sum investment for each Class is normally US$2,000 or its equivalent in another currency. For Distribution Unit – R, monthly investments may be made at a minimum of HK$1,000 through Regular Investment Plan. The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment as permitted under the constitutive documents of the Funds.

Units may be purchased by completing an Application Form. All applications should be sent to the Manager. All applications must specify the Class of units for which application is made. In addition, the Manager may accept applications made over the telephone, subject to certain conditions. No application should be lodged with any intermediary in Hong Kong who is not licensed or registered to carry on Type 1 regulated activity (dealing in securities) under Part V of the SFO or who does not fall within the statutory or other applicable exemption from the requirement to be licensed or registered to carry on Type 1 regulated activity (dealing in securities) under Part V of the SFO.

A contract note will be sent to successful applicants specifying the number and Class of units issued. Where subscription monies are not enclosed with the Application Form, settlement is due immediately upon issue of the contract note. If payment in cleared funds is not received within seven calendar days after the Dealing Day on which the relevant units were issued, the Manager may cancel the issue of the relevant units (and shall cancel such issue if the Trustee so requires or if the units in question are more than 2.5% of all units in issue). In such event, the Manager will be entitled to charge the applicant (and retain for its own account) a cancellation fee of such amount as it may determine to represent the costs involved in processing the application, the cost of any currency exchange (if applicable) and may require the applicant to pay to the Manager for the account of the relevant Fund in respect of each unit so cancelled the difference between the net asset value per unit on the date the units were issued, and the date the units were cancelled, and any applicable initial and realisation charges. Any units issued will be registered in the name of the relevant unitholders in the Register kept by the Registrar.

Alternative arrangements can be made for unitholders who wish to subscribe in a currency other than the currency of denomination of a Fund or a Class such as US dollars, HK dollars, Japanese yen or Sterling. Unitholders are advised to contact the Manager if they wish to pay in other currencies. In such cases, the Manager will charge the applicant the costs of currency conversion which will be at the prevailing market rate as determined by the currency conversion service provider normally on the Dealing Day (for applications by amount) or the business day immediately after the Dealing Day (for applications by number of units). An applicant may be affected unfavourably by fluctuations in the exchange rates between these currencies.

Unless otherwise agreed by the Manager, payment shall be made by telegraphic/bank transfer, in which case the subscription amount should be transferred net of any bank and other administrative charges (i.e. the applicant is required to pay any bank or other administrative charges (if any)). Investors should follow the payment instructions set out on the Application Form.

Payment from third parties will not be accepted.

Evidence of Identity

In order to ensure compliance with any guidelines or regulations which may be applicable relating to the prevention of money laundering, applicants will be required to provide evidence of identity and, in the case of corporate applicants, of legal existence and corporate authority. Where an applicant is acting on behalf of another person, evidence of the identity of the principal, or confirmation by the applicant that evidence of the underlying principal has been obtained and that the applicant is satisfied as to the source of funds, will be required. Where an applicant fails to provide such evidence or confirmation on request, the application will be rejected.

The Trustee, the Manager and their delegates also reserve the right to refuse to make any realisation payment to a unitholder if the Trustee, the Manager or their delegates suspect 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 Trustee and its delegates with any such laws or regulations in any applicable jurisdiction.

REALISATIONS

Realisation of Units

Units of each Fund will be realised at the net asset value per unit (or for Funds with different Classes, at the net asset value per unit of the relevant Class) as at the close of business on the relevant Dealing Day.

The Manager may impose realisation charge (normally up to 0.5% of the net asset value per unit realised (which will be retained by the Manager for its own use and benefit)). The amount of realisation charge will be retained by the Manager for its own use and/or benefit. The Manager does not intend to levy any such realisation charge under normal circumstances.

The realisation charge amount shall be rounded down to two decimal places. The number of units redeemed will be naturally rounded to three decimal places for applicants who redeem by amount whereas the realisation proceeds will be naturally rounded to two decimal places for applicants who redeem units of a Fund by the number of units. Where the realisation proceeds is rounded up or the number of units redeemed is rounded down, the amount corresponding to rounding shall accrue to the applicant. Where the realisation proceeds is rounded down or the number of units redeemed is rounded up, the amount corresponding to rounding shall accrue to the relevant Fund.

The amount due on the realisation of units will normally be paid within seven business days, except otherwise specified in the relevant section of Appendix I to the Consolidated Explanatory Memoranda, and in any event not later than one calendar month after the date of actual receipt by the Manager of a duly completed realisation request in a prescribed format and such other information as the Trustee or the Manager may reasonably require. Failure to provide such information may delay the payment of realisation proceeds. Payment will only be made by telegraphic/bank transfer. Unitholders may be liable for any bank charges on payment by telegraphic/bank transfer. Where the unitholder has not provided bank payment details or the bank payment details provided are incorrect, payment of realisation proceeds will only be made upon the unitholder providing the correct bank payment details. No third party payments will be made.

Switching

In the event that a unitholder of Administration Units and Investment Units wishes to switch into another Class of units within the same Fund, or out of a Fund into another collective investment scheme managed by the Manager or in respect of which the Manager acts as Hong Kong representative, the switch will be treated as a realisation of units in the relevant Class or Fund (as the case may be) and accordingly a realisation charge, calculated on the above basis, will be charged although the Manager does not currently do so. In addition, a reduced preliminary charge may also be charged by the particular collective investment scheme into which the realisation monies are transferred.

Where an investor wishes to subscribe Distribution Units or Distribution Units – R of a Fund by switching from another fund managed by the Manager or in respect of which the Manager acts as Hong Kong representative, a reduced preliminary charge of up to 1 per cent. of the net asset value per unit may be charged by the particular Fund (other than switching from JPMorgan Money Fund or any share class of JPMorgan Funds – US Dollar Money Market Fund in which case the full preliminary charges will normally be charged), unless other arrangements have been made with the Manager, and such charge will be deducted from the switching amount where applicable.

Where a unitholder of Distribution Units or Distribution Units – R wishes to switch out of a Fund into another fund managed by the Manager or in respect of which the Manager acts as Hong Kong representative, the switch will be treated as a redemption of units in the first mentioned Fund and accordingly a realisation charge (if applicable) will be charged. In addition, a preliminary/initial charge at a reduced rate of up to 1 per cent. of the net asset value per unit may be charged by the particular fund into which the redemption monies are transferred, unless other arrangements have been made with the Manager, and such charge will be deducted from the switching amount where applicable. The realisation charge is currently at 0% of the net asset value per unit. Therefore, the switching fee under such circumstances shall be 1% of net asset value per unit/share of the fund to be switched in.

Subject to any suspension of dealings and provided that the relevant Fund which a unitholder is switching into is open for subscription, any switching orders to invest in units of a Fund from another fund managed by the Manager or in respect of which the Manager acts as Hong Kong representative are generally effected upon completion of the realisation orders and the subsequent subscription orders.

Switching between units within the same Fund, between Funds within the JPMorgan Provident Funds range, or between a Fund and a fund within the JPMorgan Funds (Unit Trust Range) or the JPMorgan SAR Funds range (the **"unit trust ranges"**), will normally be completed on the same dealing day (i.e. Day T), and switching of units of a Fund to/from another fund in respect of which the Manager acts as Hong Kong representative (other than the funds within the unit trust ranges) (the **"other fund ranges"**) will be completed on the next dealing day of the fund into which the switch is made following the dealing day on which the relevant switching order is received (i.e. Day T+1), except for the following:

If the switch is made into JPMorgan Money Fund, units will not be purchased until the Manager has received the sale proceeds from the units of the Fund to be sold, within the timeline set out in the sub-section headed **"Realisation of Units"** above.

For switching between a Fund and another fund within the unit trust ranges, if the switch instruction is received on a day (Day T) that is not a dealing day for units to be realised, the switch will be effected on the next dealing day of the Fund or the relevant fund (as the case may be) (i.e. Day T+1). If the switch instruction is received on a day (Day T) that is a dealing day for units to be realised but not a dealing day for units to be purchased, the realisation will be effected on the dealing day on which the instruction is received (i.e. Day T) and the allotment will be effected on the next dealing day for the units to be purchased (i.e. Day T+1).

For switching of units of a Fund to/from a fund within the other fund ranges, if the switch instruction is received on a day that is not a dealing day of the fund for units to be realised (the **"original fund"**), the switch instruction will be deemed to be received on the next dealing day of the original fund (Day T). Accordingly, the switch (i.e. the allotment of units in the fund to be purchased) will be effected on the next dealing day following such dealing day (i.e. Day T+1). In the event that the fund to be purchased is not valued on a particular day, the realisation from the original fund will continue to be carried out on the dealing day of the original fund (i.e. Day T), but the allotment deal will be deferred to and effected on the next dealing day of the fund to be purchased in accordance with the procedure above.

The switching instruction in respect of Administration Units and Investment Units must be received by the Manager not later than 3:00 p.m. (Hong Kong time) on a Dealing Day or such other time agreed between the Manager and the Trustee. The switching instruction in respect of Distribution Units and Distribution Units – R must be received by the Manager not later than 5:00 p.m. (Hong Kong time) on a Dealing Day or such other time agreed between the Manager and the Trustee. Switching instructions received after that time will be dealt with on the immediately following Dealing Day in accordance with the procedure above.

Where the switching instruction involves switching into units/shares denominated in a different currency, currency conversion will be carried out at the prevailing market rate as determined by the currency conversion service provider normally on any relevant Dealing Day as determined by the Manager. A unitholder may be affected unfavourably by fluctuations in the exchange rates between these currencies.

Suspension and Limitation of Realisations

The Manager may, after consultation with the Trustee, having regard to the best interests of unitholders, suspend the right of unitholders to realise their units and/or delay the payment of any realisation monies where the Manager considers such suspension or delay appropriate in the circumstances, for example, the Manager may exercise this right when (1) there is a closure or suspension of trading on any market on which a substantial part of the underlying investments of a Fund is normally quoted, listed, or dealt in; (2) there is a breakdown in any of the means normally employed by the Manager in determining a Fund's net asset value; (3) for any other reason the price of a Fund's investments cannot, in the opinion of the Manager after consultation with the Trustee, be reasonably ascertained; (4) in the opinion of the Manager after consultation with the Trustee, the disposal of investments cannot be effected reasonably practicably or without prejudicing the interests of unitholders; (5) the remittance of funds which will or may be involved in the realisation of, or in payment for, the investments of a Fund or the subscription or realisation of units cannot, in the opinion of the Manager after consultation with the Trustee, be effected at normal prices or normal rates of exchange; or (6) in respect of a Fund which is a feeder fund, the realisation of units in the Underlying Fund, or such other underlying fund as the relevant Fund may then be investing in, is suspended, as described below. If the realisation of units is suspended, units will be carried forward for realisation on the next Dealing Day which is applicable to any particular unitholder after cessation of the suspension. In relation to realisation requests effected prior to the suspension of realisation of units, payment will be arranged pursuant to the provisions as described in the sub-sections entitled "**Realisation of Units**" above and "**Procedure for Realisation**" below.

The Manager may also limit the total number of units realised on any Dealing Day to 10% or more of the units in issue on any Dealing Day.

In the event that the realisation of units is so limited, units will be realised pro rata between unitholders and those units not realised will be carried forward for realisation, subject to the same limitation, on the next Dealing Day which is applicable to any particular unitholder. Unitholders affected will be informed by the Manager.

Notice of the imposition and ending of any suspension or delay in payment will be published immediately following such decision and, in respect of declaration of suspension, at least once a month during the period of suspension on the website am.jpmorgan.com/hk[#].

In respect of a Fund which is a feeder fund, the manager of the relevant Underlying Fund may, by giving notice to the trustee of the Underlying Fund, suspend the right of unitholders to realise their units and/or delay the payment of any realisation where the manager considers such suspension or delay appropriate in the circumstances set out in the trust deed of the Underlying Fund. If the realisation of units is suspended, units will be carried forward for realisation on the first dealing day after cessation of the suspension. The manager of the relevant Underlying Fund may also limit the total number of units realised on any dealing day to 10% or more of the units in issue on any dealing day. In the event that the realisation of units of the relevant Underlying Fund is so limited, units of the relevant Underlying Fund will be realised pro rata between unitholders and those units not realised will be carried forward for realisation, subject to the same limitation, on the next dealing day. Unitholders of the relevant Underlying Fund affected will be informed by the manager of the Underlying Fund. Notice of the imposition and ending of any suspension of the relevant Underlying Fund will be published immediately following such decision and, in respect of declaration of suspension, at least once a month during the period of suspension, in such means of notification as set out in the offering documents of the relevant Underlying Fund.

Procedure for Realisation

Requests for the realisation of units should be made by facsimile or other written or electronic form specified by the Manager and stating the number and Class of units or an amount in HK dollars or other currency to be realised. The Manager may also agree to accept realisation requests over the telephone, subject to certain conditions.

For Administration Units and Investment Units, partial realisations of holdings are permitted, provided that they do not result in the unitholder holding units having an aggregate value of less than HK$2,000 of the relevant Class on the day of realisation. If a realisation request results in a holding below HK$2,000 or its equivalent on the relevant Dealing Day, the Manager may, at its absolute discretion, treat the realisation request as an instruction to realise, as appropriate, the total holding in that particular Class of units.

For Distribution Units, partial realisations of holdings are permitted, provided that they do not result in the unitholder holding units having an aggregate value of less than US$2,000 of the relevant Class on the day of realisation. If a realisation request results in a holding below US$2,000 or its equivalent on the relevant Dealing Day, the Manager may, at its absolute discretion, treat the realisation request as an instruction to realise, as appropriate, the total holding in that particular Class of units.

[#] The website has not been reviewed by the SFC.

For Distribution Units – R, partial realisations of holdings are permitted, provided that they do not result in the unitholder holding units having an aggregate value of less than HK$1,000 of the relevant Class on the day of realisation. If a realisation request results in a holding below HK$1,000 or its equivalent on the relevant Dealing Day, the Manager may, at its absolute discretion, treat the realisation request as an instruction to realise, as appropriate, the total holding in that particular Class of units.

The realisation proceeds payable will be expressed in the currency of denomination of the relevant Fund or the Class and payment will normally be made in the same currency. Arrangements can be made with the Manager for unitholders who wish to receive realisation proceeds in another currency such as US dollars, HK dollars, Japanese yen or Sterling. In such cases, the Manager will charge the applicant the costs of currency conversion, which will be at the prevailing market rate as determined by the currency conversion service provider normally on the Dealing Day (for realisation by amount) or the business day immediately after the Dealing Day (for realisation by number of units). Unitholders are advised to contact the Manager for details of such arrangements. Any exchange costs may be deducted by the Manager from the realisation monies. A unitholder may be affected unfavourably by fluctuations in the exchange rates between these currencies.

FEES, CHARGES AND LIABILITIES

Preliminary Charge and Realisation Charge

The Manager is entitled to receive a preliminary charge of up to 5% of the net asset value per unit on the issue or sale each unit and a realisation charge of up to 0.5% of the net asset value per unit on the cancellation or realisation of each of those units. However, the Manager does not intend to levy any preliminary charge on Administration Units and Investment Units and realisation charge on Administration Units, Investment Units, Distribution Units – R and Distribution Units under normal circumstances. Should such charges be levied by the Manager, three months' notice will be given to unitholders. The Manager may charge a preliminary charge (normally up to 5% of the net asset value per unit) on the issue of each Distribution Unit and Distribution Unit – R.

If a Fund invests in any collective investment scheme managed by the Manager, the Investment Manager or any of their connected persons (as defined in the Code) (**"Connected Persons"**), all preliminary charges on the underlying scheme must be waived.

Management Fee

The Manager is entitled under the Trust Deed to a management fee at the maximum rate of 2.5% per annum of the net asset value of each Class of units of a Fund. The current rate of management fee in respect of each Fund/ Class is disclosed in the relevant section of Appendix I to the Consolidated Explanatory Memoranda.

For investment in unit trusts or other collective investment schemes managed by the Manager or certain management companies connected with the Manager, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the Fund's interest in such unit trust or scheme. Accordingly, there will be no increase in the overall total of the preliminary charge, realisation charge or management fee or any other costs and charges payable to the management company or any of its Connected Persons.

The Manager may only increase the level of its fee (which may not exceed 2.5% per annum) by giving notice to the Trustee and not less than three months' notice to unitholders of the increased level of management fee.

The Manager will bear the fees of the Investment Manager.

Trustee Fee

The Trustee is entitled to a fee at the rate of 0.2% per annum of the net asset value of each Class of units of a Fund. However, the trustee fee applicable to a Fund (except JPMorgan Provident Balanced Fund, JPMorgan Provident Capital Fund, JPMorgan Provident Growth Fund, JPMorgan Provident High Growth Fund and JPMorgan Provident Stable Capital Fund) is currently at 0% per annum, unless otherwise disclosed in the relevant section of Appendix I to the Consolidated Explanatory Memoranda in respect of the relevant Fund. In respect of JPMorgan Provident Balanced Fund, JPMorgan Provident Capital Fund, JPMorgan Provident Growth Fund, JPMorgan Provident High Growth Fund and JPMorgan Provident Stable Capital Fund, the Trustee currently receives an annual trustee fee of USD25,000 for each Fund.

The Trustee may only increase the level of its fee (which may not exceed 0.2% per annum) with the agreement of the Manager and by giving to unitholders not less than three months' notice of the increased level of trustee fee.

The current rate of trustee fee chargeable to the relevant Underlying Fund is disclosed in the relevant section of Appendix I to the Consolidated Explanatory Memoranda.

Administration Fee

The Manager is entitled under the Trust Deed to an administration fee ("Administration Fee") at the rate of 0.7% per annum of the net asset value of the class of Administration Units of a Fund. However, the Manager currently receives an Administration Fee at the rate of 0.6% per annum and may only increase the level of its fee (which may not exceed 0.7% per annum) by giving three months' notice to the Trustee and the holders of Administration Units. The Administration Units will be held by trustees, custodians, administrators of provident or retirement schemes or other investors at the Manager's discretion. The Administration Fee is a charge to cover the administration of such schemes and thus will be rebated in whole or in part to the relevant scheme administrators in accordance with such arrangements as may be made with them. The level of the Administration Fee will be uniform for all Administration Units.

The Manager's fee and Administration Fee are payable monthly, and the Trustee's fee quarterly, in arrears. The Manager's fee and Trustee's fee for each class of units are payable by reference to the net asset value of the relevant class of units of the Fund (except the trustee fee applicable to JPMorgan Provident Balanced Fund, JPMorgan Provident Capital Fund, JPMorgan Provident Growth Fund, JPMorgan Provident High Growth Fund and JPMorgan Provident Stable Capital Fund, which is charged as a flat fee per annum) and the Administration Fee is payable by reference to the net asset value of the class of Administration Units. All the fees are calculated and accrued on each Dealing Day and such other days on which net asset value per unit for each Class of units is calculated.

The Investment Units, Distribution Units - R and Distribution Units are not subject to the Administration Fee and thus the net asset value per unit of these Classes will be different from that of the Administration Units.

Other Liabilities

In addition, a Fund bears stamp duties, taxes, brokerage, commissions, foreign exchange costs, bank charges, registration fees relating to the relevant Fund and its investments, insurance and security costs, the costs of obtaining and maintaining a listing for the units on any stock exchange, the fees and expenses of the Auditors, the Registrar, the custodian(s) of the relevant Fund's investments, the costs of preparing the relevant Trust Deed and any supplemental trust deeds and legal and certain other expenses incurred in the administration of the relevant Fund. A Fund is also responsible for the costs of preparing, printing and distributing all statements, accounts and reports and for any costs incurred as a result of a change in law or regulatory requirement or the introduction of any new law or regulatory requirement (including any costs incurred as a result of compliance with any code relating to unit trusts, whether or not having the force of law).

The liability of the unitholders of a Fund is limited to the assets comprised in the relevant Fund.

CONFLICTS OF INTEREST

The Manager, the Sub-Managers and/or the Investment Manager may provide services to, or effect transactions with or for, a Fund which may involve an actual or potential conflict of interest with their duties to the relevant Fund. The Manager, the Sub-Managers and/or the Investment Manager will, however, have regard in such event to its obligations to act in the best interests of unitholders when such conflicts of interest arise and will seek to resolve such conflicts fairly.

The Manager, the Sub-Managers, the Investment Manager and other affiliates of the Manager ("JPMorgan Affiliates") have adopted policies and procedures reasonably designed to appropriately prevent, limit or mitigate conflicts of interest. In addition, these policies and procedures are designed to comply with applicable law where the activities that give rise to conflicts of interest are limited and/or prohibited by law, unless an exception is available.

The Manager, the Sub-Managers and/or the Investment Manager and any of their Connected Persons may provide a variety of different services to a Fund, for which the Fund compensates them, including the execution of portfolio transactions for or with that particular Fund (either as agent or, with the approval of the Trustee, as principal). As a result, the Manager, the Sub-Managers and/or the Investment Manager and any of their Connected Persons have an incentive to enter into arrangements with a Fund, and face conflicts of interest when balancing that incentive against the best interests of the unitholders of the relevant Fund. Such persons may receive and retain their normal commissions, charges, fees or other benefits provided they are arm's length commercial rates for transactions or services of a similar size and nature.

The Manager, the Sub-Managers and/or the Investment Manager and any of their Connected Persons may enter into soft commission arrangements with brokers under which certain goods and services are received, provided such goods and services are of demonstrable benefit to unitholders. Cash payment will not be made for these services but instead those persons may transact an agreed amount of business with the brokers on behalf of the relevant Fund. Commission will be paid by the relevant Fund for these transactions, provided that execution of the transactions are consistent with best execution standards and the relevant brokerage rates are not in excess of customary institutional full-service brokerage rates. The availability of soft commission arrangements is not the sole or primary purpose to perform or arrange transaction with such brokers. Periodic disclosure is made in the annual report of the Fund in the form of a statement describing the soft commission policies and practices of the Manager or the Investment Manager, including a description of goods and services received by them.

No cash, commission or other rebates from brokers, dealers or market makers may be retained by the Manager, the Sub-Managers and/or the Investment Manager or any of their Connected Persons in consideration of directing transactions on behalf of a Fund to such brokers, dealers or market makers. Further, the Manager, the Sub-Manager and/or the Investment Manager may not obtain a rebate on any fees or charges levied by an underlying collective investment scheme or its management company.

In addition, the Manager, together with JPMorgan Affiliates to which it delegates responsibility for investment management, also face conflicts of interest in their service as investment manager to other funds or clients, and, from time to time, make investment decisions that differ from and/or negatively impact those made by the Manager or its delegates on behalf of the Fund.

JPMorgan Affiliates provide a broad range of services and products to their clients and are major participants in the global currency, equity, commodity, fixed-income and other markets in which a Fund invests or will invest. In certain circumstances by providing services and products to their clients, JPMorgan Affiliates' activities may disadvantage or restrict the Funds and/or benefit these JPMorgan Affiliates.

For Funds which are funds of funds, the Manager's authority to allocate investments among JPMorgan Underlying Funds and Unaffiliated Underlying Funds creates conflicts of interest. In selecting Underlying Funds, the Manager expects to select JPMorgan Underlying Funds without considering or canvassing the universe of Unaffiliated Underlying Funds available even though there may (or may not) be one or more Unaffiliated Underlying Funds that investors might regard as more attractive for the Fund or that have superior returns. In particular, for actively-managed Underlying Funds, the Manager limits its selection to JPMorgan Underlying Funds. For passively-managed Underlying Funds, the Manager expects to use passively-managed Underlying Funds managed by the Manager or its Connected Persons; only if such investment is not available will the Manager consider passively-managed exchange-traded funds managed by unaffiliated management companies. Investing in JPMorgan Underlying Funds could cause JPMorgan Affiliates to receive greater compensation, increase assets under management or support particular investment strategies of JPMorgan Underlying Funds. These conflicts also could cause the Manager to be perceived as adjusting its asset class target or actual allocation to provide for increased use of JPMorgan Underlying Funds. Also, because JPMorgan Affiliates provide services to and receive fees from certain of the Underlying Funds, investments in a Fund benefit JPMorgan Affiliates. In addition, a Fund may hold a significant percentage of the shares of an Underlying Fund. As a result, the Manager may face conflicts of interest when considering the effect of redemptions on such Underlying Fund and on other investors of such Underlying Fund in deciding whether and when to redeem its units or shares. In addition, Underlying Funds may include equity index funds that replicate the holdings on an index that hold the common stock of JPMorgan Chase & Co., the indirect parent of the Manager.

Potential conflicts of interest may also arise as a consequence of an affiliated group company of the Manager (which is part of JPMorgan Affiliates) providing administrative services to the Funds. For example, potential conflicts of interest may arise where an appointed service provider is an affiliated group company of the Manager and is providing a product or service to the Funds and has a financial or business interest in such product or service or where an appointed service provider is an affiliated group company of the Manager which receives remuneration for other related products or services it provides to the Funds, such as foreign exchange, securities lending, pricing or valuation services. In the event of any potential conflict of interest which may arise during the normal course of business, the Manager will at all times have regard to its obligations under applicable laws including those to act honestly, fairly, professionally and independently and solely in the interests of the unitholders of the Funds, and will also manage, monitor and disclose any conflicts of interest to prevent negative effects on the interests of the Funds and its unitholders. Where a conflict cannot be avoided, the Manager will endeavour to manage and resolve the conflict fairly by appropriate safeguards and measures and ensure investors' interests are sufficiently protected. The Manager has adopted policies and procedures throughout its businesses to identify, manage and minimize actual, potential and perceived conflicts of interest which are subject to ongoing monitoring and review. Ongoing risk-based and targeted training for employees are conducted as part of its effort to identify and manage actual, potential and perceived conflicts of interest. Physical and electronic information barriers are established to help prevent the exchange or misuse of material, non-public information and mitigate existing and potential conflicts of interests. If the Manager and its delegates acquire material non-public information regarding an issuer, they will be restricted from purchasing or selling securities of that issuer for their clients until the information has been publicly disclosed or is no longer deemed material, thereby negatively affecting a Fund's ability to transact in securities affected by such information.

Further information about conflicts of interest is available on the website am.jpmorgan.com/hk[#].

CROSS-TRADE

Cross-trades between the Funds and/or other funds managed by the Manager or JPMorgan Affiliates may be undertaken where the Manager considers that, as part of its portfolio management, cross-trades between such Fund or funds would be in the best interests of the unitholders to achieve the investment objective and policy of the relevant Fund. By conducting cross-trades, the Manager may achieve trading efficiencies and savings for the benefit of the unitholders.

In conducting transactions, the Manager will ensure that the trades are executed on arm's length terms at current market value and the reason for such trades shall be documented prior to execution, in accordance with the SFC's Fund Manager Code of Conduct.

TAXATION

General

These Consolidated Explanatory Memoranda are not intended to provide a comprehensive guide to the taxation treatment of investors. These Consolidated Explanatory Memoranda are intended as a general guide only and do not necessarily describe the tax consequences for all types of investors in the Funds and no reliance, therefore, should be placed upon them. Where applicable, please also refer to the offering documents of the relevant Underlying Funds for their tax disclosures.

All prospective unitholders, and in particular those from jurisdictions other than those specifically referred to below or of classifications not referred to below should inform themselves of, and take their own advice on, the taxes applicable to the subscription, holding, transfer and realisation of units, and any distribution (each, a "**Relevant Event**") under the laws of the place of their operation, domicile, residence, citizenship and/or incorporation. None of the Funds nor any of the parties listed in the section entitled "**MANAGEMENT AND ADMINISTRATION**" of these Consolidated Explanatory Memoranda makes any warranty and/or representation as to the tax consequences in relation to any Relevant Event (or combination of Relevant Events) or takes any responsibility for any tax consequences in relation to any Relevant Event (or combination of Relevant Events) and each of the Funds and such parties expressly disclaim any liability whatsoever for any tax consequences in relation to any Relevant Event (or combination of Relevant Events) and/or for any loss howsoever arising (whether directly or indirectly) from any Relevant Event (or combination of Relevant Events).

Dividends, interest income, gains on the disposal of investments and other income received by a Fund or by any collective investment schemes in which it invests or on a Fund's investments in some countries may be liable to the imposition of income tax, irrecoverable withholding tax or other taxes. Where commercially feasible, the Fund will seek to obtain a reduction in the rate of withholding tax or relief under an applicable tax treaty.

[#] The website has not been reviewed by the SFC.

In some jurisdictions that the Funds invest in, there may be uncertainty as to: the interpretation and implementation of the current tax rules; the tax rules being changed; and taxes being applied retrospectively. Therefore, any provision for taxation made by the Manager may be excessive or inadequate to meet final tax liabilities and any penalties and interest. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome of how such gains will be taxed, the level of provisioning and when they subscribed for and/or realised their units in/from the Funds.

The tax notes that are set out in this section are based on the law and practice currently in force in Hong Kong at the date of these Consolidated Explanatory Memoranda and are subject to changes in content or interpretation.

Hong Kong

Each Fund has been authorised or is deemed to have been authorised under section 104 of the SFO. Therefore, any Hong Kong income or profits it derives will be exempt from Hong Kong profits tax provided that the relevant Fund is carried on in accordance with the purposes stated in its constitutive documents as approved by the SFC and in accordance with the requirements of the SFC.

A unitholder will not be liable to Hong Kong profits tax on gains realised on the sale or redemption of units except where these gains are derived from a trade, profession or business carried on by the unitholder, either in itself or through another person, in Hong Kong; and are Hong Kong sourced and not otherwise of a capital nature. Ascertaining the source and the classification of a gain as revenue or capital will depend on the particular circumstances of the unitholders.

In accordance with the practice of the Hong Kong Inland Revenue Department ("IRD"), unitholders would not be chargeable to distributions from the Funds.

The United States of America ("U.S.")

The Funds are passive foreign investment companies ("PFIC") within the meaning of the US Inland Revenue Code ("IRC"). The US tax treatment to U.S. investors (directly or indirectly through their custodian or financial intermediary) under the PFIC provisions of the IRC can be disadvantageous and that the Funds are unlikely to qualify for U.S. investors to either elect to mark-to-market their investment in the Funds under IRC § 1296 or elect to treat the Funds as Qualified Electing Funds under IRC §1294.

US tax withholding and reporting under the Foreign Account Tax Compliance Act

Under Sections 1471 to 1474 of the US Treasury Regulations (also commonly known as Foreign Account Tax Compliance Act or "FATCA"),") 30% US withholding may be levied on certain US sourced income received by foreign financial institutions ("FFIs") including the Funds unless the FFIs are considered FATCA-compliant.

Hong Kong has entered into a Model 2 Intergovernmental Agreement ("**Hong Kong IGA**") with the US for implementation of FATCA. Under the Hong Kong IGA, financial institutions in Hong Kong generally need to (i) register with the US Internal Revenue Service ("**IRS**"), (ii) conduct due diligence on their account holders (including investors), and (iii) report to the IRS on information regarding their US account holders including substantial US owners of certain non-financial foreign entities. An FFI which does not comply with the FATCA regulations and is not otherwise exempt, may face a 30% withholding tax on "withholdable payments" derived from US source, including dividends, interest, certain derivative payments and certain other fixed, determinable, annual or periodical income made to such FFI.

The Funds are established in Hong Kong and therefore required to fulfill the obligations imposed to them under the Hong Kong IGA. Alternatively, the Funds can engage a "sponsoring entity" who will perform, on behalf of the Funds, the relevant obligations including registration, due diligence and reporting.

The Manager has agreed to act as the "sponsoring entity" for the Funds and will endeavour to satisfy the requirements imposed on the Funds under FATCA to avoid any withholding tax. The Funds are registered as "Registered Sponsored Investment Entities" and treated as "Non-Reporting IGA FFIs" under the Hong Kong IGA. The Funds are unlikely to be subject to 30% FATCA withholding on US sourced income paid to the Funds. In the unlikely event where the Funds were unable to satisfy the obligations imposed on them to avoid the imposition of the 30% FATCA withholding, this could result in a decrease in the net asset value per unit of the Funds and give rise to material loss to investors.

Investors and prospective investors should consult their own tax advisers regarding the possible implications of FATCA on the Funds and on their investment in the Funds based on their particular circumstances.

By investing in the Funds and/or continuing to invest in the Funds, investors acknowledge that they may be required to provide additional information to the Funds and/or the Manager in order for the Funds to comply with FATCA. The investors' information (and information on beneficial owners, beneficiaries, direct or indirect shareholders or other persons associated with certain entity investors), may be communicated by the Funds and/or the Manager to the IRS.

Common Reporting Standard

The Hong Kong Inland Revenue (Amendment) (No.3) Ordinance 2016 (the "Ordinance") and the subsequent legislative amendments set the legislative framework for the implementation in Hong Kong of the OECD Standard for Automatic Exchange of Financial Account Information (also commonly known as the Common Reporting Standard ("CRS"). CRS generally requires reporting financial institutions ("RFIs") in Hong Kong to collect and review information relating to their account holders' tax residence jurisdictions and report such information of non-Hong Kong tax residents to the Hong Kong Inland Revenue Department ("IRD"). The IRD will exchange such information with jurisdictions in which the account holder is a tax resident. Generally, tax information will only be exchanged with jurisdictions with which Hong Kong has a bilateral competent authority agreement or a multilateral competent authority agreement in place (i.e. the "Reportable Jurisdictions"); however, the Funds and/or their agents may also collect information relating to tax residents of other jurisdictions.

The Funds, as RFIs, are required to comply with the requirements of CRS as implemented by Hong Kong, which means that the Funds and/or their agents will collect and provide to the IRD certain tax information relating to investors in the Funds.

The CRS rules as implemented by Hong Kong require a Fund to, amongst other things: (i) register their status as RFIs with the IRD, (ii) conduct due diligence on their account holders (i.e. investors) to identify whether any such accounts are considered "Reportable Accounts" for CRS purposes, and (iii) report to the IRD information on such Reportable Accounts. The IRD is expected on an annual basis to transmit the information reported to it to the government authorities of the relevant Reportable Jurisdictions. Broadly, CRS contemplates that Hong Kong RFIs should report on: (i) individual or entity account holders that are tax resident in Reportable Jurisdictions, and (ii) individuals who control certain entity account holders and who are tax resident in Reportable Jurisdictions. Under the Ordinance, details of investors, including but not limited to their name, address, tax residence jurisdictions, taxpayer identification numbers, account details, account balance/value, payments made by the Funds to them and information on certain investors' beneficial owners, may be reported to the IRD and subsequently exchanged by the IRD with government authorities in the relevant Reportable Jurisdictions.

Investors and prospective investors should consult their own tax advisers regarding the possible implications of CRS on the Funds and on their investment in the Funds based on their particular circumstances.

By investing in the Funds and/or continuing to invest in the Funds, investors acknowledge that they may be required to provide additional information to the Funds and/or the Funds' agents in order for the Funds to comply with CRS. The investors' information (and information on beneficial owners, beneficiaries, direct or indirect shareholders or other persons associated with certain entity investors) may be communicated by the Funds and/or the Funds' agents to the IRD and further exchanged to government authorities in the relevant tax residence jurisdictions.

REPORTS AND ACCOUNTS

The financial year end of each Fund is 30 June in each year. Audited annual report (including the Trustee's reports) and unaudited semi-annual report will be made available to unitholders of a Fund as soon as practicable through the website am.jpmorgan.com/hk[#] and in any event not more than four months after the end of the financial year and within two months after 31 December, respectively. The audited annual report and unaudited semi-annual report will be published in English only and hard copies will be available free of charge upon request by contacting JPMorgan Funds (Asia) Limited at (852) 2978 7588.

[#] The website has not been reviewed by the SFC.

The above-mentioned reports will include a statement of the net asset value of a Fund and of the investments and cash comprising its portfolio. In respect of a Fund which is a feeder fund, the Fund's annual report will also include the investment portfolio of the relevant Underlying Fund as at the financial year end date. The reports will be in such form as the Manager and the Trustee may from time to time agree and must be in prepared in compliance with internationally recognized accounting standards, although such accounting standards or policies may, for financial reporting purposes, adopt different methodologies or principles for calculating the net asset value of the relevant Fund and/or in respect of other aspects as compared to those set out in the relevant Trust Deed. Currently, it is intended that the reports will be prepared in accordance with accounting principles generally accepted in Hong Kong. For the avoidance of doubt, each Fund will be dealt at the net asset value per unit calculated in accordance with the provisions of the Trust Deed.

GENERAL

Publication of Net Asset Value

The net asset value per unit for each Class of units will normally be published on every Dealing Day and such other days on which net asset value per unit for each Class of units is calculated on the website am.jpmorgan.com/hk[#].

Trust Deed

Unitholders are advised to review the terms of the relevant Trust Deed. Copies of the Trust Deed may be obtained from the Manager at a cost of HK$80 per copy or may be inspected free of charge during normal working hours at the offices of the Manager.

The Trustee and the Manager may agree to modify the relevant Trust Deed by supplemental deed, provided that in the opinion of the Trustee such modification (i) does not materially prejudice the interests of unitholders, does not operate to release to any material extent the Trustee or the Manager or any other person from any liability or responsibility under the relevant Trust Deed and (except for any fees and expenses incurred in relation to the preparation of the relevant supplemental deed) will not result in an increase in the amount of costs and charges payable out of the relevant Fund's assets or (ii) is necessary in order to comply with any fiscal, statutory, regulatory or official requirement, or (iii) is made to correct a manifest error. In all other cases involving material changes, modifications require the sanction of an Extraordinary Resolution or the approval of the SFC.

Documents Available for Inspection

Copies of the following documents with respect to each Fund are available for inspection free of charge during normal working hours at the offices of the Manager: -

(i) Trust Deed.

(ii) Investment Management Agreement.

Joint Holders

Not more than four persons may be registered as the joint holders of any unit. The Trustee and the Manager may require any realisation request or other instruction in relation to any joint holding to be signed by all the registered joint holders or may, to the exclusion of any such request or instruction from any of the other joint holders, rely on any realisation request or other instruction signed by or otherwise received from any one of the registered joint holders.

Certificates

Certificate will not be issued to unitholders.

Transfers and Transmissions of Units

Units are transferable by instrument in writing executed by or on behalf of the transferor except that no transfer will be registered without the approval of the Manager which would result in either the transferor or the transferee holding units having an aggregate value of less than, in respect of Administration Units and Investment Units, HK$2,000 or, in respect of Distribution Units, US$2,000 or, in respect of Distribution Units – R, HK$1,000 on the Dealing Day on which the transaction is to be registered. Instruments of transfer should be sent to JPMorgan Funds (Asia) Limited.

The Trust Deeds contain provisions relating to the transmission of units. Any costs incurred will be borne by the unitholder. Any person who becomes entitled to a unit as a consequence of the death or bankruptcy of any of the unitholders shall be responsible for producing such documents or satisfactory evidence as to that person's title at the request of the Trustee and the Manager. The Manager's only obligation in these circumstances will be to forward any information received in writing from or on behalf of the unitholder to the Trustee.

Cancellation of Units

The Manager has the right to effect reductions of a Fund by requiring the Trustee to cancel units and by paying to the affected unitholders the monies which would have been payable if the units had been realised in the normal manner. The type of situations in which it is envisaged that the Manager might exercise its right of cancellation include where the full subscription monies are not received within a reasonable time or where it becomes unlawful to permit a unitholder to continue to be registered.

Notices and Meetings of Unitholders

The Trust Deeds provide for meetings of unitholders to be convened by the Trustee, the Manager or the holders of not less than one-tenth in value of the units in issue, upon at least 21 days' notice.

The quorum at unitholders' meetings dealing with ordinary business is unitholders present in person or by proxy, holding in aggregate at least one-tenth of the units for the time being in issue. If a meeting is convened at which an Extraordinary Resolution is to be proposed, the quorum is unitholders present in person or by proxy holding at least one-quarter of the units for the time being in issue. If a quorum is not present, the meeting will be adjourned for not less than 15 days. Separate notice of any adjourned meeting will be given, and at an adjourned meeting a unitholder (regardless of the number of units held) will form a quorum. At any meeting, a poll will be demanded and every unitholder who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, or by proxy shall have one vote for every unit held.

An Extraordinary Resolution is a resolution proposed as such and passed by a 75 per cent majority of the votes cast for and against such resolution.

Duration of the Fund

The duration of each Fund is disclosed in the relevant section of Appendix I to the Consolidated Explanatory Memoranda.

Indemnification, Retirement and Removal of the Trustee and the Manager

The Trust Deeds contain provisions governing the responsibilities of the Trustee and the Manager and providing for the indemnification in certain circumstances.

The Trustee or the Manager may retire upon the appointment of a successor in accordance with the provisions of the relevant Trust Deed and, in the event of the appointment of a new trustee, the law governing the relevant Fund and the Trust Deed may be changed to that of the jurisdiction of the forum of administration of the relevant Fund. In addition, the Manager may be removed in certain circumstances by the Trustee or at any time by the holders of not less than 50% in value of the units for the time being in issue.

Any change in the Trustee or the Manager of the Fund will be notified to the unitholders.

Complaints and Enquiries Handling

Investors may contact JPMorgan Funds (Asia) Limited for any queries or complaints in relation to the Funds. To contact JPMorgan Funds (Asia) Limited, investors may either:

- Write to the registered office of JPMorgan Funds (Asia) Limited (address at 19th Floor, Chater House, 8 Connaught Road Central, Hong Kong);
- Call J.P. Morgan Pension Services on (852) 2978 7588.

JPMorgan Funds (Asia) Limited will, under normal circumstances, endeavour to send an acknowledgement of receipt of the enquiries and complaints to the relevant investor within five business days of receipt.

Certification Relating to FATCA or Other Applicable Laws

Each investor (i) will, upon demand by the Funds, the Manager or the Trustee, promptly provide any form, certification or other information reasonably requested by and acceptable to the Funds, the Manager or the Trustee that is necessary for the Funds (A) to prevent withholding (including but not limited to any withholding taxes under FATCA) or qualify for a reduced rate of withholding or backup withholding in any jurisdiction from or through which a Fund receives payments, (B) to comply with (or facilitate compliance in connection with the Funds of) any reporting obligations imposed by the United States, Hong Kong or any other jurisdiction, including in connection with FATCA or with CRS (as described above), and/or (C) to satisfy (or facilitate the satisfaction in connection with the Funds of) reporting or other obligations under the IRC and the United States Treasury Regulations promulgated under the IRC, or to satisfy any obligations relating to any applicable law, regulation or any agreement with any tax or fiscal authority in any jurisdiction, and (ii) will update or replace such form, certification or other information in accordance with its terms or subsequent amendments or when such form, certificate or other information is no longer accurate or complete.

Liquidity Risk Management

The Manager has established a liquidity risk management policy which enables it to identify, monitor and manage the liquidity risks of the Funds and at all times exercise due care, skill and diligence in managing the liquidity of the Funds under its management in order to ensure investors are treated fairly and the Funds' dealing arrangements are appropriate for their respective investment strategies and underlying assets throughout the entire product life cycle.

An overarching framework for liquidity risk management and a liquidity risk management process that is independent from the day-to-day portfolio investment team are set up to monitor the implementation of liquidity risk management policies and procedures on a day-to-day basis. Various committees are also set up to provide oversight on exceptional situations and activation of liquidity risk management tools and measures where applicable and in consultation with the Trustee. Significant liquidity risk events and issues will be further escalated to local or global committees/forums and boards. Various liquidity risk management tools are identified that can be tailored and applied to specific requirements of individual funds or strategies. These tools, including but not limited to fair valuation, swing pricing adjustment and suspension of redemption, are designed to reduce the impact of liquidity risk but their existence may not be able to fully eliminate liquidity risk for investors.

The Manager conducts ongoing liquidity risk monitoring and stress testing to assess the liquidity profile of the Funds' assets and liabilities and the adequacy of liquidity risk management tools. Fund holdings will be classified under different liquidity buckets taking into account both individual security liquidity characteristics and higher level asset class market depth constraints. The Manager will assess the asset and liability side liquidity under both normal and stressed market scenarios and closely monitor concentration of client holdings.

For further details of the liquidity risk management tools relating to the Funds, i.e. fair valuation, swing pricing adjustment and suspension of redemption, please refer to the section headed "**BASES OF VALUATIONS**", the section headed "**SWING PRICING**", and the sub-section headed "**Suspension and Limitation of Realisations**" under the section headed "**REALISATIONS**" in these Consolidated Explanatory Memoranda.

Investor Notice, Communication or Other Documents

With respect to investors who subscribe for units of the Funds through JPMorgan Funds (Asia) Limited, notice, communication or other documents required to be given to investors under these Consolidated Explanatory Memoranda or the Trust Deeds ("Relevant Documents") may be disseminated either in printed copies or by electronic means specified by JPMorgan Funds (Asia) Limited (e.g. e-mail, posting on website with e-mail notification) at the option of the relevant investor as indicated to JPMorgan Funds (Asia) Limited. In the absence of any indication from certain investors who invest through the J.P. Morgan eTrading platform and certain corporate investors ("Relevant Investors"), electronic means will be the default means.

Relevant Investors may request to change the means of delivery of the Relevant Documents of their choice at any time through the J.P.Morgan eTrading platform or by submitting a signed written request form to JPMorgan Funds (Asia) Limited in accordance with the instructions stated on the request form. The request form is available on website am.jpmorgan.com/hk#. Such request will become effective within 7 business days upon receipt of the request by JPMorgan Funds (Asia) Limited.

The website has not been reviewed by the SFC.

Relevant Investors who have chosen to receive Relevant Documents by electronic means are reminded to save or print a copy of the Relevant Documents for future reference if necessary.

For investors who wish to know whether the above applies to them or who wish to enquire the specific arrangement on delivery of the Relevant Documents, they should contact their distributors.

SCHEDULE 1 - INVESTMENT RESTRICTIONS

1. Investment limitations applicable to each Fund

No holding of any security may be acquired for or added to a Fund which would be inconsistent with achieving the investment objective of the Fund or which would result in:-

(a) the aggregate value of the Fund's investments in, or exposure to, any single entity (other than Government and other public securities) through the following exceeding 10% of the total net asset value of the relevant Fund:

(i) investments in securities issued by that entity;

(ii) exposure to that entity through underlying assets of financial derivative instruments; and

(iii) net counterparty exposure to that entity arising from transactions of over-the-counter financial derivative instruments.

For the avoidance of doubt, restrictions and limitations on counterparty as set out in sub-paragraphs 1(a), 1(b) and 4.4(c) of this Schedule 1 will not apply to financial derivative instruments that are:

(A) transacted on an exchange where the clearing house performs a central counterparty role; and

(B) marked-to-market daily in the valuation of their financial derivative instrument positions and subject to margining requirements at least on a daily basis.

The requirements under this sub-paragraph 1(a) will also apply in the case of sub-paragraphs 6(e) and (j) of this Schedule 1.

(b) subject to sub-paragraphs 1(a) and 4.4(c) of this Schedule 1, the aggregate value of the Fund's investments in, or exposure to, entities within the same group through the following exceeding 20% of the total net asset value of the relevant Fund:

(i) investments in securities issued by those entities;

(ii) exposure to those entities through underlying assets of financial derivative instruments; and

(iii) net counterparty exposure to those entities arising from transactions of over-the-counter financial derivative instruments.

For the purposes of sub-paragraphs 1(b) and 1(c) of this Schedule 1, "entities within the same group" means entities which are included in the same group for the purposes of consolidated financial statements prepared in accordance with internationally recognized accounting standards.

The requirements under this sub-paragraph 1(b) will also apply in the case of sub-paragraphs 6(e) and (j) of this Schedule 1.

(c) the value of the Fund's cash deposits made with the same entity or entities within the same group exceeding 20% of the total net asset value of the relevant Fund provided that the 20% limit may be exceeded in the following circumstances:

(i) cash held before the launch of the Fund and for a reasonable period thereafter prior to the initial subscription proceeds being fully invested; or

(ii) cash proceeds from liquidation of investments prior to the merger or termination of the Fund, whereby the placing of cash deposits with various financial institutions would not be in the best interests of investors; or

(iii) cash proceeds received from subscriptions pending investments and cash held for the settlement of redemption and other payment obligations, whereby the placing of cash deposits with various financial institutions be unduly burdensome and the cash deposits arrangement would not compromise investors' interests.

For the purposes of this sub-paragraph 1(c), "cash deposits" generally refer to those that are repayable on demand or have the right to be withdrawn by the Fund and not referable to provision of property or services.

(d) the Fund's holding of any ordinary shares exceeding 10% of any ordinary shares issued by any single entity.

(e) the value of the Fund's investment in securities and other financial products or instruments that are neither listed, quoted nor dealt in on a Securities Market, exceeding 15% of the total net asset value of such Fund.

(f) the value of the Fund's total holding of Government and other public securities of the same issue exceeding 30% of the total net asset value of such Fund (save that the Fund may invest all of its assets in Government and other public securities in at least six different issues). For the avoidance of doubt, Government and other public securities will be regarded as being of a different issue if, even though they are issued by the same person, they are issued on different terms whether as to repayment dates, interest rates, the identity of the guarantor, or otherwise.

(g) (i) the value of the Fund's investment in units or shares in collective investment schemes (namely "**underlying schemes**") which are non-eligible schemes (the list of "eligible schemes" is as specified by the SFC from time to time) and not authorized by the SFC in aggregate exceeding 10% of its total net asset value; and

(ii) the value of the Fund's investment in units or shares in each underlying scheme which is either eligible schemes (the list of "eligible schemes" is as specified by the SFC from time to time) or schemes authorized by the SFC exceeding 30% of its total net asset value unless the underlying scheme is authorized by the SFC, and the name and key investment information of the underlying scheme are disclosed in the relevant section of Appendix I,

provided that:

(A) no investment may be made in any underlying scheme the investment objective of which is to invest primarily in any investment prohibited by Chapter 7 of the Code;

(B) where an underlying scheme's objective is to invest primarily in investments restricted by Chapter 7 of the Code, such investments may not be in contravention of the relevant limitation. For the avoidance of doubt, a Fund may invest in underlying scheme(s) authorized by the SFC under Chapter 8 of the Code (except for hedge funds under 8.7 of the Code), eligible scheme(s) of which the net derivative exposure does not exceed 100% of its total net asset value, and Qualified Exchange Traded Funds in compliance with sub-paragraphs 1(g)(i) and (ii) of this Schedule 1;

(C) the underlying scheme's objective may not be to invest primarily in other collective investment scheme(s);

(D) all initial charges and redemption charges on the underlying scheme(s) must be waived if the underlying scheme is managed by the Manager or its Connected Persons; and

(E) the Manager or any person acting on behalf of the Fund or the Manager may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company, or any quantifiable monetary benefits in connection with investments in any underlying scheme.

For the avoidance of doubt:

(aa) unless otherwise provided under the Code, the spread requirements under sub-paragraphs 1(a), (b), (d) and (e) of this Schedule 1 do not apply to investments in other collective investment schemes by a Fund;

(bb) unless otherwise disclosed in the relevant section of Appendix I in respect of a Fund, the investment by a Fund in a Qualified Exchange Traded Fund will be considered and treated as listed securities for the purposes of and subject to the requirements in sub-paragraphs 1(a), (b) and (d) of this Schedule 1. Notwithstanding the aforesaid, the investments by a Fund in Qualified Exchange Traded Funds shall be subject to sub-paragraph 1(e) of this Schedule 1 and the relevant investment limits in Qualified Exchange Traded Funds by a Fund shall be consistently applied;

(cc) where investments are made in listed REITs, the requirements under sub-paragraphs 1(a), (b) and (d) of this Schedule 1 apply and where investments are made in unlisted REITs, which are either companies or collective investment schemes, then the requirements under sub-paragraphs 1(e) and (g)(i) of this Schedule 1 apply respectively; and

(dd) where a Fund invests in index-based financial derivative instruments, the underlying assets of such financial derivative instruments are not required to be aggregated for the purposes of the investment restrictions or limitations set out in sub-paragraphs 1(a), (b), (c) and (f) of this Schedule 1 provided that the index is in compliance with the requirements under 8.6(e) of the Code.

2. **Investment prohibitions applicable to each Fund**

The Manager shall not, unless otherwise specifically provided for in the Code, on behalf of any Fund:-

(a) invest in physical commodities unless otherwise approved by the SFC on a case-by-case basis taking into account the liquidity of the physical commodities concerned and availability of sufficient and appropriate additional safeguards where necessary;

(b) invest in any type of real estate (including buildings) or interests in real estate (including any options or rights but excluding shares in real estate companies and interests in REITs);

(c) make short sales;

(d) subject to sub-paragraph 1(e) of this Schedule 1, lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person. For the avoidance of doubt, reverse repurchase transactions in compliance with the requirements as set out in sub-paragraphs 5.1 to 5.4 of this Schedule 1 are not subject to the limitations in this sub-paragraph 2(d);

(e) acquire any asset or engage in any transaction which involves the assumption of any liability by the Fund which is unlimited. For the avoidance of doubt, the liability of unitholders of a Fund is limited to their investments in that Fund;

(f) invest in any security of any class in any company or body if any director or officer of the Manager individually owns more than 0.5%, or collectively they own more than 5%, of the total nominal amount of all the issued securities of that class;

(g) invest in any security where a call is to be made for any sum unpaid on that security, unless the call could be met in full out of cash or near cash from the Fund's portfolio whereby such amount of cash or near cash has not been segregated to cover a future or contingent commitment arising from transaction in financial derivative instruments for the purposes of sub-paragraphs 4.5 and 4.6 of this Schedule 1.

3. **Feeder Funds**

A Fund which is a feeder fund may invest 90% or more of its total net asset value in a single collective investment scheme designated by the Manager ("**underlying scheme**") in accordance with the following provisions –

(a) such underlying scheme ("**master fund**") must be authorized by the SFC;

(b) no increase in the overall total of initial charges, redemption charges, management fees, or any other costs and charges payable to the Manager or any of its connected persons borne by the unitholders or by the feeder fund may result, if the master fund in which the feeder fund invests is managed by the Manager or by a connected person of the Manager;

(c) notwithstanding proviso (C) to sub-paragraph 1(g) of this Schedule 1, the master fund may invest in other collective investment scheme(s) subject to the investment restrictions as set out in sub-paragraphs 1(g)(i) and (ii) and proviso (A), (B) and (C) to sub-paragraph 1(g) of this Schedule 1.

4. Use of Financial derivative instruments

4.1 A Fund may acquire financial derivative instruments for hedging purposes. For the purposes of this sub-paragraph 4.1, financial derivative instruments are generally considered as being acquired for hedging purposes if they meet all the following criteria:

(a) they are not aimed at generating any investment return;

(b) they are solely intended for the purpose of limiting, offsetting or eliminating the probability of loss or risks arising from the investments being hedged;

(c) although they may not necessarily reference to the same underlying assets, they should relate to the same asset class with high correlation in terms of risks and return, and involve taking opposite positions, in respect of the investments being hedged; and

(d) they exhibit price movements with high negative correlation with the investments being hedged under normal market conditions.

The Manager, where it deems necessary, shall cause hedging arrangement to be adjusted or re-positioned, with due consideration on the fees, expenses and costs, to enable the Fund to meet its hedging objective in stressed or extreme market conditions.

4.2 A Fund may also acquire financial derivative instruments for non-hedging purposes ("**investment purposes**") subject to the limit that such Fund's net exposure relating to these financial derivative instruments ("**net derivative exposure**") does not exceed 50% of its total net asset value. For the avoidance of doubt, financial derivative instruments acquired for hedging purposes under sub-paragraph 4.1 of this Schedule 1 will not be counted towards the 50% limit referred to in this sub-paragraph 4.2 so long as there is no residual derivative exposure arising from such hedging arrangement. Net derivative exposure shall be calculated in accordance with the Code and the requirements and guidance issued by the SFC which may be updated from time to time.

4.3 Subject to sub-paragraphs 4.2 and 4.4 of this Schedule 1, a Fund may invest in financial derivative instruments provided that the exposure to the underlying assets of the financial derivative instruments, together with the other investments of the Fund, may not in aggregate exceed the corresponding investment restrictions or limitations applicable to such underlying assets and investments as set out in sub-paragraphs 1(a), (b), (c), (f), (g)(i) and (ii), proviso (A) to (C) to sub-paragraph 1(g) and sub-paragraph 2(b) of this Schedule 1.

4.4 The financial derivative instruments invested by a Fund shall be either listed/quoted on a stock exchange or dealt in over-the-counter market and comply with the following provisions:

(a) the underlying assets consist solely of shares in companies, debt securities, money market instruments, units/shares of collective investment schemes, deposits with substantial financial institutions, Government and other public securities, highly-liquid physical commodities (including gold, silver, platinum and crude oil), financial indices, interest rates, foreign exchange rates, currencies, or other asset classes acceptable to the SFC, in which the Fund may invest according to its investment objectives and policies;

(b) the counterparties to transactions of over-the-counter financial derivative instruments or their guarantors are substantial financial institutions or such other entity acceptable to the SFC;

(c) subject to sub-paragraphs 1(a) and (b) of this Schedule 1, a Fund's net counterparty exposure to a single entity arising from transactions of over-the-counter financial derivative instruments may not exceed 10% of its total net asset value provided that the exposure of the Fund to a counterparty of over-the-counter financial derivative instruments may be lowered by the collateral received (if applicable) by the Fund and shall be calculated with reference to the value of collateral and positive mark to market value of the over-the-counter financial derivative instruments with that counterparty, if applicable; and

(d) the valuation of the financial derivative instruments is marked-to-market daily, subject to regular, reliable and verifiable valuation conducted by the valuation agent, the Manager or the Trustee (provided that Trustee has agreed in writing to conduct the valuation) or their nominee(s), agent(s) or delegate(s) (as the case may be) independent of the issuer of the financial derivative instruments through measures established by the Manager. The financial derivative instruments can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative. Further, the valuation agent/administrator should be adequately equipped with the necessary resources to conduct independent marked-to-market valuation and to verify the valuation of the financial derivative instruments on a regular basis.

4.5 A Fund should at all times be capable of meeting all its payment and delivery obligations incurred under transactions in financial derivative instruments (whether for hedging or for investment purposes). The Manager shall, as part of its risk management process, monitor to ensure that the transactions in financial derivative instruments in respect of a Fund are adequately covered on an ongoing basis. For the purposes of this sub-paragraph 4.5, assets that are used to cover the Fund's payment and delivery obligations incurred under transactions in financial derivative instruments shall be free from any liens and encumbrances, exclude any cash or near cash for the purpose of meeting a call on any sum unpaid on a security, and cannot be applied for any other purposes.

4.6 Subject to sub-paragraph 4.5 of this Schedule 1, a transaction in financial derivative instruments which gives rise to a future commitment or contingent commitment of a Fund shall be covered as follows:

(a) in the case of financial derivative instruments transactions which will, or may at the Fund's discretion, be cash settled, the Fund shall at all times hold sufficient assets that can be liquidated within a short timeframe to meet the payment obligation; and

(b) in the case of financial derivative instruments transactions which will, or may at the counterparty's discretion, require physical delivery of the underlying assets, the Fund shall hold the underlying assets in sufficient quantity at all times to meet the delivery obligation. If the Manager considers the underlying assets to be liquid and tradable, the Fund may hold other alternative assets in sufficient quantity as cover, provided that such assets may be readily converted into the underlying assets at any time to meet the delivery obligation provided further that the Fund shall apply safeguard measures such as to apply haircut where appropriate to ensure that such alternative assets held are sufficient to meet its future obligations.

4.7 The requirements under sub-paragraphs 4.1 to 4.6 of this Schedule 1 shall apply to embedded financial derivative. For the purposes of the Consolidated Explanatory Memoranda, an "**embedded financial derivative**" is a financial derivative instrument that is embedded in another security.

5. Securities financing transactions

5.1 A Fund may engage in securities financing transactions, provided that they are in the best interests of unitholders of such Fund to do so and the associated risks have been properly mitigated and addressed, and provided further that the counterparties to the securities financing transactions are financial institutions which are subject to ongoing prudential regulation and supervision.

5.2 A Fund shall have at least 100% collateralization in respect of the securities financing transaction(s) into which it enters to ensure there is no uncollateralized counterparty risk exposure arising from these transactions.

5.3 All the revenues arising from securities financing transactions, net of direct and indirect expenses as reasonable and normal compensation for the services rendered in the context of the securities financing transactions (including direct or indirect expenses of the Manager and connected persons of the Manager or the Trustee), shall be returned to the Fund.

5.4 A Fund shall only enter into a securities financing transaction if the terms of such securities financing transaction include the power for the Fund at any time to recall the securities or the full amount of cash (as the case may be) subject to the securities financing transaction or terminate the securities financing transaction(s).

6. Collateral

In order to limit the exposure to each counterparty as set out in sub-paragraphs 4.4(c) and 5.2 of this Schedule 1, a Fund may receive collateral from such counterparty, provided that the collateral complies with the requirements set out below:

(a) Liquidity – the collateral is sufficiently liquid and tradable in order that it can be sold quickly at a robust price that is close to pre-sale valuation. Collateral should normally trade in a deep and liquid marketplace with transparent pricing;

(b) Valuation – the collateral is marked-to-market daily by using independent pricing sources;

(c) Credit quality – the collateral is of high credit quality provided that, in the event the credit quality of the collateral or the issuer of the asset being used as collateral has deteriorated to such a degree that it would undermine the effectiveness of the collateral, such collateral shall be replaced immediately;

(d) Haircut – the collateral is subject to a prudent haircut policy;

(e) Diversification – the collateral is appropriately diversified so as to avoid concentrated exposure to any single entity and/or entities within the same group. A Fund's exposure to the issuer(s) of the collateral should be taken into account in compliance with the investment restrictions and limitations set out in sub-paragraphs 1(a), 1(b), 1(c), 1(f), 1(g)(i) and (ii) and provisos (A) to (C) of sub-paragraph 1(g) and sub-paragraph 2(b) of this Schedule 1;

(f) Correlation – the value of the collateral should not have any significant correlation with the creditworthiness of the counterparty or the issuer of the financial derivative instruments, or the counterparty of securities financing transactions in such a way that would undermine the effectiveness of the collateral. For this purpose, securities issued by the counterparty or the issuer of the financial derivative instruments, or the counterparty of securities financing transactions or any of their related entities should not be used as collateral;

(g) Management of operational and legal risks – the Manager has appropriate systems, operational capabilities and legal expertise for proper collateral management;

(h) Independent custody – the collateral is held by the Trustee or by duly appointed nominee, agent or delegate;

(i) Enforceability – the collateral is readily accessible or enforceable by the Trustee without further recourse to the issuer of the financial derivative instruments, or the counterparty of the securities financing transactions;

(j) Re-investment of collateral – any re-investment of collateral received for the account of the Fund shall be subject to the following requirements:

    (i) cash collateral received may only be reinvested in short-term deposits, high quality money market instruments and money market funds authorized under 8.2 of the Code or regulated in a manner generally comparable with the requirements of the SFC and acceptable to the SFC, and subject to corresponding investment restrictions or limitations applicable to such investments or exposure as set out in Chapter 7 of the Code. For this purpose, money market instruments refer to securities normally dealt in on the money markets, including government bills, certificates of deposit, commercial papers, short-term notes and bankers' acceptances, etc. In assessing whether a money market instrument is of high quality, at a minimum, the credit quality and the liquidity profile of the money market instruments must be taken into account;

    (ii) non-cash collateral received may not be sold, re-invested or pledged;

    (iii) the portfolio of assets from re-investment of cash collateral shall comply with the requirements as set out in 8.2(f) and 8.2(n) of the Code;

    (iv) cash collateral received is not allowed to be further engaged in any securities financing transactions;

(v) when the cash collateral received is reinvested into other investment(s), such investment(s) is/are not allowed to be engaged in any securities financing transactions;

(k) the collateral is free of prior encumbrances; and

(l) the collateral generally does not include (i) structured products whose payouts rely on embedded financial derivatives or synthetic instruments; (ii) securities issued by special purpose vehicles, special investment vehicles or similar entities; (iii) securitized products; or (iv) unlisted collective investment schemes.

7. Name of Fund

If the name of a Fund indicates a particular objective, investment strategy, geographic region or market, the Fund must, under normal market circumstances, invest at least 70% of its net asset value in securities and other investments to reflect the particular objective, investment strategy or geographic region or market which the Fund represents.

8. Definitions

Terms used in this Schedule 1 shall, unless otherwise defined herein or unless the context otherwise requires, have the following meaning:

"Government and other public securities"	any investment issued by, or the payment of principal and interest on which is guaranteed by, a government or any fixed-interest investment issued by its public or local authorities or other multilateral agencies
"Qualified Exchange Traded Funds"	exchange traded funds that are: (a) authorized by the SFC under 8.6 or 8.10 of the Code; or (b) listed and regularly traded on internationally recognized stock exchanges open to the public (nominal listing not accepted) and either (i) the principal objective of which is to track, replicate or correspond to a financial index or benchmark, which complies with the applicable requirements under 8.6 of the Code; or (ii) the investment objective, policy, underlying investments and product features of which are substantially in line with or comparable with those set out under 8.10 of the Code
"REITs"	real estate investment trusts
"Reverse repurchase transactions"	transactions whereby a scheme purchases securities from a counterparty of sale and repurchase transactions and agrees to sell such securities back at an agreed price in the future
"Sale and repurchase transactions"	transactions whereby a scheme sells its securities to a counterparty of reverse repurchase transactions and agrees to buy such securities back at an agreed price with a financing cost in the future
"Securities financing transactions"	securities lending, sale and repurchase and reverse repurchase transactions
"Securities lending transactions"	transactions whereby a scheme lends its securities to a security-borrowing counterparty for an agreed fee
"Securities Market"	any 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
"Substantial financial institution"	an authorized institution as defined in section 2(1) of the Banking Ordinance (Chapter 155 of Laws of Hong Kong) or a financial institution which is on an ongoing basis subject to prudential regulation and supervision, with a minimum net asset value of HK$2 billion or its equivalent in foreign currency

APPENDIX I - FUND DETAILS

The information contained in this Appendix I should be read in conjunction with the main part of the Consolidated Explanatory Memoranda of which this forms an integral part.

JPMorgan Provident European Fund

1. Date of Trust Deed

12 July 2007

2. Investment Objective and Policy

The primary objective of the Fund is to maximise its long-term capital appreciation in Hong Kong dollar terms. The Fund seeks to achieve the investment objectives through a collective investment scheme managed by the Manager or its Connected Persons.

The underlying assets of the Fund will be invested primarily in securities of companies based or operating principally in countries in Western Europe. A portion of the underlying assets of the Fund may be invested in companies which are based or operate in other countries in Eastern Europe.

The Manager currently intends to achieve this investment objective by investing as a feeder fund solely in the units of JPMorgan SAR European Fund (the "**Underlying Fund**"). The Underlying Fund is an approved pooled investment fund ("**APIF**") by the Mandatory Provident Fund Schemes Authority (the "**Authority**") under the Mandatory Provident Fund Schemes (General) Regulation (the "**Regulation**"), was authorised as a unit trust by the SFC[1] under the *Securities Ordinance* of Hong Kong and is now deemed to have been authorised as a collective investment scheme under section 104 of the SFO.

JPMorgan Funds (Asia) Limited is the administrator of the Underlying Fund and JPMorgan Asset Management (Asia Pacific) Limited has been appointed as the manager in relation to the investments of the Underlying Fund. JPMorgan Asset Management (Asia Pacific) Limited has further appointed JPMorgan Asset Management (UK) Limited as the sub-manager of the Underlying Fund.

The investment objective of the Underlying Fund is to provide investors with long term capital growth in US dollar terms through a portfolio consisting primarily of securities of companies based or operating principally in countries in Western Europe. A portion of the Underlying Fund may be invested in companies which are based or operating in other countries in Eastern Europe.

The manager of the Underlying Fund integrates financially material environmental, social and governance factors as part of the Underlying Fund's investment process. Please refer to the sub-section entitled "ESG Integration" under the section entitled "PURPOSE AND POLICIES" for details.

Subject to the approval of the Authority and the SFC, the manager of the Underlying Fund may change the investment policy of the Underlying Fund by giving three months' notice (or such other notice period as the Authority or the SFC may determine) to the trustee and the unitholders of the Underlying Fund. The proposed asset allocation of the Underlying Fund shall be as follows:

70-100%	net asset value in European equities
0-30%	net asset value in other equities
0-30%	net asset value in bonds*

* For cash management purpose only.

3. Investment Restrictions and Guidelines of the Underlying Fund

The Underlying Fund is subject to the investment and borrowing restrictions in Schedule 1 of the Regulation and the Code. For the avoidance of doubt, the investments by the Underlying Fund shall comply with the more stringent restrictions and requirements as between the Regulation and the Code.

[1] SFC authorisation is not a recommendation or endorsement of the Underlying Fund nor does it guarantee the commercial merits of the Underlying Fund or its performance. It does not mean that the Underlying Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The following investment restrictions and guidelines shall apply to the Underlying Fund calculated as at the immediately preceding valuation:-

(i) Subject to the restrictions applicable to deposits under the Regulation and the Code, the aggregate value of the Underlying Fund's investment in, or exposure to, any one person/entity may not exceed 10 per cent of its total net asset value.

For the purposes of (i),

(a) where the Underlying Fund is invested in a relevant investment, the amount invested in the relevant investment is also to be taken into account in the manner specified by the Authority when ascertaining the total amount invested in the securities and other permissible investments issued by the issuer who issues the underlying investment of the relevant investment; and

(b) where the repayment of principal or the payment of interest in respect of a debt security issued by a person is guaranteed by another person, the debt security is to be regarded as also issued by the other person.

(i(A)) Subject to (i) above and the applicable requirements under the Regulation and the Code, the aggregate value of the Underlying Fund's investments in, or exposure to, entities within the same group may not exceed 20% of its total net asset value.

For the purpose of (iA), "**entities within the same group**" means entities which are included in the same group for the purposes of consolidated financial statements prepared in accordance with internationally recognized accounting standards.

(ii) The Underlying Fund may not hold more than 10 per cent of the shares of a particular class or the total amount of debt securities issued by any single issuer.

(iii) The Underlying Fund's investments in debt securities should comply with section 7 of Schedule 1 of the Regulation.

(iv) Notwithstanding (i) and (ii), up to 30 per cent of the Underlying Fund's total net asset value may be invested in debt securities issued by or in respect of which the repayment of the principal and the payment of interest is unconditionally guaranteed by an exempt authority of the same issue.

(v) Subject to (iv) and the provisions of Schedule 1 of the Regulation, the Underlying Fund may invest all of its assets in debt securities issued by or in respect of which the repayment of the principal and the payment of interest is unconditionally guaranteed by an exempt authority so long as they comprise at least six different issues.

For the purposes of (iv) and (v),

(a) "**exempt authority**" has the meaning as defined in section 7 of Schedule 1 to the Regulation and the relevant guidelines; and

(b) debt securities issued by or in respect of which the repayment of the principal and the payment of interest is unconditionally guaranteed by an exempt authority will be regarded as being of a different issue if, even though they are issued by the same person, they are issued on different terms whether as to repayment dates, interest rates, the identity of the guarantor, or otherwise.

(v(A)) Funds of the Underlying Fund may be placed on deposit with an authorised financial institution or an eligible overseas bank, subject to the restrictions under the Regulation and the Code.

(vi) The value of the Underlying Fund's holding of securities of companies which are based or operating principally in Western Europe shall be not less than 70 per cent of its net asset value.

(vii) (a) The Underlying Fund may invest in warrants listed on an approved stock exchange or an approved futures exchange in accordance with the requirements under the Regulation and the Code for hedging purposes.

(b) In addition to (a) above, the value of the Underlying Fund's investment in warrants listed on an approved stock exchange or an approved futures exchange not held for hedging purposes may not exceed their respective investment limits as stipulated under Schedule 1 of the Regulation and must be in accordance with the requirements under the Regulation and the Code.

(viii) The writing of uncovered options by the Underlying Fund is prohibited.

(ix) The writing of call options by the Underlying Fund on investments is prohibited.

(x) The Underlying Fund may enter into financial futures contracts and financial option contracts for hedging purposes in accordance with the requirements under the Regulation and the Code.

(xi) In addition to (x), if financial futures contracts or financial option contracts are entered into for the purposes other than hedging, the manager and/or the sub-manager of the Underlying Fund shall ensure that the effective exposure (as defined in Schedule 1 of the Regulation) of the Underlying Fund in such contracts does not exceed 10 per cent of the market value of the Underlying Fund.

(xii) The assets in the Underlying Fund should not be applied for the acquisition of financial futures contracts or financial option contracts, unless there is established and maintained in respect of the Underlying Fund an effective system for monitoring the risks inherent in dealing in contracts of those kinds. In addition, a financial futures contract or a financial option contract may be acquired only if the trustee and the manager and/or the sub-manager of the Underlying Fund have special qualifications approved or specified by the Authority.

(xiii) The value of the Underlying Fund's holding of (i) fully-paid up shares listed on a stock exchange that is not an approved stock exchange, other than the shares of a company that is a collective investment scheme; (ii) securities that are approved, or are of a kind approved, by the Authority, other than shares listed on an approved stock exchange; and (iii) units or shares in other collective investment schemes may not in aggregate exceed 10 per cent of its total net asset value. The collective investment schemes shall comply with section 8 of Schedule 1 to the Regulation and shall be authorised by the SFC in accordance with the requirements under the SFO. In addition, there shall be no increase in the overall total of any costs and charges payable to the manager or the sub-manager of the Underlying Fund or any of their connected persons by the Underlying Fund if the Underlying Fund invests in other collective investment schemes managed by the manager or the sub-manager of the Underlying Fund or any of their connected persons.

(xiv) The Underlying Fund may not 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 and interests in real estate investment trusts which are permissible under Schedule 1 of the Regulation).

(xv) No short sale may be made by the Underlying Fund.

(xvi) Subject to (xxii) and (xxiv) below, the Underlying Fund may not lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.

(xvii) The Underlying Fund may not acquire any asset or engage in any transaction which involves the assumption of any liability which is unlimited.

(xvii(A)) The liability of unitholders of the Underlying Fund must be limited to their investments in the Underlying Fund.

(xviii) The Underlying Fund may not invest in any security of any class in any company or body if any director or officer of the manager and/or the sub-manager of the Underlying Fund individually owns more than 0.5 per cent of the total nominal amount of all the issued securities of that class or collectively the directors and officers of the manager and/or the sub-manager of the Underlying Fund own more than 5 per cent of those securities.

(xix) The portfolio of the Underlying Fund may not include any security where a call is to be made for any sum unpaid on that security.

(xx) The trust deed of the Underlying Funds provides that the value of the Underlying Fund's investments in securities and other financial products or instruments that are neither listed, quoted nor dealt in on a market may not exceed 15 per cent of its total net asset value. Notwithstanding such provisions in the trust deed, the value of such investments of the Underlying Fund may not exceed 10 per cent of its total net asset value.

(xxi) Notwithstanding any other provisions contained in this section, the Underlying Fund may invest only in the investments permitted under and in accordance with Part V and Schedule 1 of the Regulation and the manager and/or the sub-manager of the Underlying Fund is required to comply with any guidelines relating to forbidden investment practices issued by the Authority.

(xxii) Borrowing securities for the purposes of the Underlying Fund is prohibited.

(xxiii) The assets in the Underlying Fund should not be the subject of a reverse repurchase agreement under which the trustee of the Underlying Fund agrees to buy a debt security from a person and to resell it to that person at a specified date in the future for an agreed price.

(xxiv) Although the trust deed of the Underlying Fund contains provisions which allow the manager to, on behalf of the Underlying Fund, enter into securities lending arrangements and repurchase agreements, the manager of the Underlying Fund does not currently intend to enter into such arrangements and/or agreements. Should the manager of the Underlying Fund decide to enter into these arrangements and/or agreements, these arrangements and/or agreements will be in accordance with the Regulation. This Explanatory Memorandum will be amended and unitholders will be provided with not less than one month's (or such other period as the Authority or the SFC may require) prior written notification in respect of such amendment.

(xxv) The Underlying Fund may not invest in the securities of the trustee, the manager and/or the sub-manager, or any custodian appointed under the Underlying Fund except where any of these parties is a substantial financial institution as defined in the Regulation.

(xxvi) The Underlying Fund will not invest any of its assets in PRC onshore securities (including equity and debt securities).

For the purposes of the Fund, sub-paragraph (xviii) above shall not apply.

Subject to Part V and Schedule 1 of the Regulation, the Code and the above restrictions, the Underlying Fund may acquire derivatives such as forward contracts, options, warrants and futures and may, under limited circumstances as considered appropriate by the manager and/or the sub-manager of the Underlying Fund, hold substantial amounts of cash or cash based instruments in its portfolio.

The Underlying Fund may place cash on deposit with the trustee of the Underlying Fund, the manager and/or the sub-manager of the Underlying Fund or any of their connected persons provided that such person is permitted to accept deposits provided that such cash deposit shall be maintained in a manner that is in the best interests of the unitholders, having regard to the prevailing commercial rate for deposits of similar type, size and term negotiated at arm's length in accordance with ordinary and normal course of business. The amount that may be placed on deposit should not exceed the limit stipulated in section 11 of Schedule 1 to the Regulation.

The above investment restrictions may be varied from time to time subject to the approval of the trustee of the Underlying Fund or the SFC or the Authority where required. If there is any change in the investment requirements specified in the Regulation, the investment restrictions described above will be changed accordingly and where necessary, the offering documents will be updated accordingly.

4. Borrowing Policy of the Underlying Fund

Subject to section 4 of Schedule 1 of the Regulation and any other statutory requirements and limitations, the trustee of the Underlying Fund may borrow up to 10 per cent of the net asset value of the Underlying Fund at the time the borrowing is made. Borrowings may be made only to pay redemption proceeds or settle a transaction relating to the acquisition of securities or other investments in respect of the Underlying Fund where at the time the decision to enter into the transactions was made, it was unlikely that the borrowing would be necessary.

5. Use of Derivatives and Leverage of the Underlying Fund

Subject to investment restrictions applicable to the Underlying Fund, the Underlying Fund may acquire financial derivative instruments for hedging purpose. If financial derivative instruments are used for non-hedging purposes, the Underlying Fund will follow the applicable investment restrictions. The Underlying Fund is not expected to incur any leverage arising from the use of derivatives. The Underlying Fund's net derivative exposure as defined under the Code may be up to 50% of the Underlying Fund's net asset value.

6. Distribution Policy of the Underlying Fund

The trust deed of the Underlying Fund provides for the payment of distributions. The current intention of the manager of the Underlying Fund, however, is that income will be retained for reinvestment.

7. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
Administration Units	HK dollars
Investment Units	HK dollars

8. Duration of the Fund

Unless terminated earlier, the Fund will terminate automatically on the date immediately preceding the eightieth anniversary of the date of the Trust Deed. The Manager or the Trustee may, in certain circumstances, terminate the Fund at any time. Such circumstances include the termination of the Underlying Fund, or such other underlying fund as the Fund is then investing in, the passing of any law which renders it illegal or, in the opinion of the Manager, impracticable or inadvisable to continue the Fund or where the aggregate net asset value of all units in issue falls below HK$20,000,000. The Fund may also be terminated by the Trustee and the Manager with the approval of an Extraordinary Resolution of the unitholders at any time.

Any unclaimed proceeds or other cash held by the Trustee upon termination of the Fund (“Unclaimed Proceeds”), may at the expiration of twelve months from the date upon which the same were payable be paid into court subject to the right of the Trustee to deduction therefrom any expenses it may incur in making such payment. However, if it is in the opinion of the Manager that the expenses required for making an application to pay the Unclaimed Proceeds into court equal or exceed the amount of the Unclaimed Proceeds, the Manager may, after consultation with the Trustee, donate the Unclaimed Proceeds to charity.

9. Fees and Charges

The Manager currently receives a management fee at the rate of 1.0 per cent per annum of the net asset value of the Fund. For investment in unit trusts or other collective investment schemes managed by the Manager, the Investment Manager or any of their Connected Persons, the fee of the Manager will be adjusted taking into account the management fee levied by such unit trust or other collective investment scheme to the extent attributable to the Fund’s interest in such unit trust or scheme and in any event the aggregate management fee payable by the Fund shall not exceed the current rate of 1.0 per cent per annum of net asset value of the Fund.

Accordingly, there will be no double charging of either the preliminary charge, realisation charge or management fee. The management fee of the Underlying Fund currently ranges between zero per cent and 1.2 per cent per annum.

The trustee fee applicable to the Fund is currently at 0% per annum.

The trustee of the Underlying Fund is currently charging the Underlying Fund a trustee fee at the rate of 0.0295% per annum.

JPMorgan Provident Global Bond Fund

1. Date of Trust Deed

20 September 2006

2. Investment Objective and Policy

The primary objective of the Fund is to maximise its long-term capital appreciation in Hong Kong dollar terms. The Fund seeks to achieve the investment objectives through a collective investment scheme managed by the Manager or its Connected Persons.

The underlying assets of the Fund will be invested primarily in international bonds (both developed and developing markets).

The Manager currently intends to achieve this investment objective by investing as a feeder fund solely in the units of JPMorgan SAR Global Bond Fund (the "**Underlying Fund**"). The Underlying Fund is an approved pooled investment fund ("**APIF**") by the Mandatory Provident Fund Schemes Authority (the "**Authority**") under the Mandatory Provident Fund Schemes (General) Regulation (the "**Regulation**"), was authorised as a unit trust by the SFC[1] under the *Securities Ordinance* of Hong Kong and is now deemed to have been authorised as a collective investment scheme under section 104 of the SFO.

JPMorgan Funds (Asia) Limited is the administrator of the Underlying Fund and JPMorgan Asset Management (Asia Pacific) Limited has been appointed as the manager in relation to the investments of the Underlying Fund. JPMorgan Asset Management (Asia Pacific) Limited has further appointed JPMorgan Asset Management (UK) Limited and J.P. Morgan Investment Management Inc. as the sub-managers of the Underlying Fund.

The investment objective of the Underlying Fund is to provide investors with long term capital growth in Hong Kong dollar terms through a portfolio consisting primarily of international bonds (both developed and developing markets).

The manager of the Underlying Fund integrates financially material environmental, social and governance factors as part of the Underlying Fund's investment process. Please refer to the sub-section entitled "ESG Integration" under the section entitled "PURPOSE AND POLICIES" for details.

Subject to the approval of the Authority and the SFC, the manager of the Underlying Fund may change the investment policy of the Underlying Fund by giving three months' notice (or such other notice period as the Authority or the SFC may determine) to the trustee and the unitholders of the Underlying Fund. The proposed asset allocation of the Underlying Fund shall be as follows:

70-100%	net asset value in international bonds of developed markets and developing markets
0-30%	net asset value in cash and other investments as permitted under the Regulation

Subject to the requirements under the Code, the Underlying Fund may invest up to 30% of its total net asset value in instruments with loss-absorption features (e.g. contingent convertible debt securities, certain types of senior non-preferred debts, etc.).

3. Investment Restrictions and Guidelines of the Underlying Fund

The Underlying Fund is subject to the investment and borrowing restrictions in Schedule 1 of the Regulation and the Code. For the avoidance of doubt, the investments by the Underlying Fund shall comply with the more stringent restrictions and requirements as between the Regulation and the Code.

The following investment restrictions and guidelines shall apply to the Underlying Fund calculated as at the immediately preceding valuation:-

(i) Subject to the restrictions applicable to deposits under the Regulation and the Code, the aggregate value of the Underlying Fund's investment in, or exposure to, any one person/entity may not exceed 10 per cent of its total net asset value.

[1] SFC authorisation is not a recommendation or endorsement of the Underlying Fund nor does it guarantee the commercial merits of the Underlying Fund or its performance. It does not mean that the Underlying Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

For the purposes of (i),

(a) where the Underlying Fund is invested in a relevant investment, the amount invested in the relevant investment is also to be taken into account in the manner specified by the Authority when ascertaining the total amount invested in the securities and other permissible investments issued by the issuer who issues the underlying investment of the relevant investment; and

(b) where the repayment of principal or the payment of interest in respect of a debt security issued by a person is guaranteed by another person, the debt security is to be regarded as also issued by the other person.

(i(A)) Subject to (i) above and the applicable requirements under the Regulation and the Code, the aggregate value of the Underlying Fund's investments in, or exposure to, entities within the same group may not exceed 20% of its total net asset value.

For the purpose of (iA), "entities within the same group" means entities which are included in the same group for the purposes of consolidated financial statements prepared in accordance with internationally recognized accounting standards.

(ii) The Underlying Fund may not hold more than 10 per cent of the shares of a particular class or the total amount of debt securities issued by any single issuer.

(iii) The Underlying Fund's investments in debt securities should comply with section 7 of Schedule 1 of the Regulation.

(iv) Notwithstanding (i) and (ii), up to 30 per cent of the Underlying Fund's total net asset value may be invested in debt securities issued by or in respect of which the repayment of the principal and the payment of interest is unconditionally guaranteed by an exempt authority of the same issue.

(v) Subject to (iv) and the provisions of Schedule 1 of the Regulation, the Underlying Fund may invest all of its assets in debt securities issued by or in respect of which the repayment of the principal and the payment of interest is unconditionally guaranteed by an exempt authority so long as they comprise at least six different issues.

For the purposes of (iv) and (v),

(a) "**exempt authority**" has the meaning as defined in section 7 of Schedule 1 to the Regulation and the relevant guidelines; and

(b) debt securities issued by or in respect of which the repayment of the principal and the payment of interest is unconditionally guaranteed by an exempt authority will be regarded as being of a different issue if, even though they are issued by the same person, they are issued on different terms whether as to repayment dates, interest rates, the identity of the guarantor, or otherwise.

(v(A)) Funds of the Underlying Fund may be placed on deposit with an authorised financial institution or an eligible overseas bank, subject to the restrictions under the Regulation and the Code.

(vi) (a) The Underlying Fund may invest in warrants listed on an approved stock exchange or an approved futures exchange in accordance with the requirements under the Regulation and the Code for hedging purposes.

(b) In addition to (a) above, the value of the Underlying Fund's investment in warrants listed on an approved stock exchange or an approved futures exchange not held for hedging purposes may not exceed their respective investment limits as stipulated under Schedule 1 of the Regulation and must be in accordance with the requirements under the Regulation and the Code.

(vii) The writing of uncovered options by the Underlying Fund is prohibited.

(viii) The writing of call options by the Underlying Fund on investments is prohibited.

(ix) The Underlying Fund may enter into financial futures contracts and financial option contracts for hedging purposes in accordance with the requirements under the Regulation and the Code.

(x) In addition to (ix), if financial futures contracts or financial option contracts are entered into for the purposes other than hedging, the manager and/or the sub-manager of the Underlying Fund shall ensure that the effective exposure (as defined in Schedule 1 of the Regulation) of the Underlying Fund in such contracts does not exceed 10 per cent of the market value of the Underlying Fund.

(xi) The assets in the Underlying Fund should not be applied for the acquisition of financial futures contracts or financial option contracts, unless there is established and maintained in respect of the Underlying Fund an effective system for monitoring the risks inherent in dealing in contracts of those kinds. In addition, a financial futures contract or a financial option contract may be acquired only if the trustee and the manager and/or the sub-manager of the Underlying Fund have special qualifications approved or specified by the Authority.

(xii) The value of the Underlying Fund's holding of (i) fully-paid up shares listed on a stock exchange that is not an approved stock exchange, other than the shares of a company that is a collective investment scheme; (ii) securities that are approved, or are of a kind approved, by the Authority, other than shares listed on an approved stock exchange; and (iii) units or shares in other collective investment schemes may not in aggregate exceed 10 per cent of its total net asset value. The collective investment schemes shall comply with section 8 of Schedule 1 to the Regulation and shall be authorised by the SFC in accordance with the requirements under the SFO. In addition, there shall be no increase in the overall total of any costs and charges payable to the manager or the sub-manager of the Underlying Fund or any of their connected persons by the Underlying Fund if the Underlying Fund invests in other collective investment schemes managed by the manager or the sub-manager of the Underlying Fund or any of their connected persons.

(xiii) The Underlying Fund may not 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 and interests in real estate investment trusts which are permissible under Schedule 1 of the Regulation).

(xiv) No short sale may be made by the Underlying Fund.

(xv) Subject to (xxi) and (xxiii) below, the Underlying Fund may not lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.

(xvi) The Underlying Fund may not acquire any asset or engage in any transaction which involves the assumption of any liability which is unlimited.

(xvi(A)) The liability of unitholders of the Underlying Fund must be limited to their investments in the Underlying Fund.

(xvii) The Underlying Fund may not invest in any security of any class in any company or body if any director or officer of the manager and/or the sub-manager of the Underlying Fund individually owns more than 0.5 per cent of the total nominal amount of all the issued securities of that class or collectively the directors and officers of the manager and/or the sub-manager of the Underlying Fund own more than 5 per cent of those securities.

(xviii) The portfolio of the Underlying Fund may not include any security where a call is to be made for any sum unpaid on that security.

(xix) The trust deed of the Underlying Funds provides that the value of the Underlying Fund's investments in securities and other financial products or instruments that are neither listed, quoted nor dealt in on a market may not exceed 15 per cent of its total net asset value. Notwithstanding such provisions in the trust deed, the value of such investments of the Underlying Fund may not exceed 10 per cent of its total net asset value.

(xx) Notwithstanding any other provisions contained in this section, the Underlying Fund may invest only in the investments permitted under and in accordance with Part V and Schedule 1 of the Regulation and the manager and/or the sub-manager of the Underlying Fund is required to comply with any guidelines relating to forbidden investment practices issued by the Authority.

(xxi) Borrowing securities for the purposes of the Underlying Fund is prohibited.

(xxii) The assets in the Underlying Fund should not be the subject of a reverse repurchase agreement under which the trustee of the Underlying Fund agrees to buy a debt security from a person and to resell it to that person at a specified date in the future for an agreed price.

(xxiii) Although the trust deed of the Underlying Fund contains provisions which allow the manager to, on behalf of the Underlying Fund, enter into securities lending arrangements and repurchase agreements, the manager of the Underlying Fund does not currently intend to enter into such arrangements and/or agreements. Should the manager of the Underlying Fund decide to enter into these arrangements and/or agreements, these arrangements and/or agreements will be in accordance with the Regulation. This Explanatory Memorandum will be amended and unitholders will be provided with not less than one month's (or such other period as the SFC may require) prior written notification in respect of such amendment.

(xxiv) The Underlying Fund may not invest in the securities of the trustee, the manager and/or the sub-manager, or any custodian appointed under the Underlying Fund except where any of these parties is a substantial financial institution as defined in the Regulation.

Subject to Part V and Schedule 1 of the Regulation, the Code and the above restrictions, the Underlying Fund may acquire derivatives such as forward contracts, options, warrants and futures and may, under limited circumstances as considered appropriate by the manager and/or the sub-manager of the Underlying Fund, hold substantial amounts of cash or cash based instruments in its portfolio.

The Underlying Fund may place cash on deposit with the trustee of the Underlying Fund, the manager and/or the sub-manager of the Underlying Fund or any of their connected persons provided that such person is permitted to accept deposits provided that such cash deposit shall be maintained in a manner that is in the best interests of the unitholders, having regard to the prevailing commercial rate for deposits of similar type, size and term negotiated at arm's length in accordance with ordinary and normal course of business. The amount that may be placed on deposit should not exceed the limit stipulated in section 11 of Schedule 1 to the Regulation.

In addition, the Underlying Fund may invest (directly or indirectly) up to 20 per cent of its net assets in onshore debt securities issued in Mainland China.

The currency exposure of the assets of the Underlying Fund will be hedged back into Hong Kong dollar such that the Underlying Fund's effective currency exposure to Hong Kong dollar will be at least 30 per cent.

The above investment restrictions may be varied from time to time subject to the approval of the trustee of the Underlying Fund or the SFC or the Authority where required. If there is any change in the investment requirements specified in the Regulation, the investment restrictions described above will be changed accordingly and where necessary, the offering documents will be updated accordingly.

4. Borrowing Policy of the Underlying Fund

Subject to section 4 of Schedule 1 of the Regulation and any other statutory requirements and limitations, the trustee of the Underlying Fund may borrow up to 10 per cent of the net asset value of the Underlying Fund at the time the borrowing is made. Borrowings may be made only to pay redemption proceeds or settle a transaction relating to the acquisition of securities or other investments in respect of the Underlying Fund where at the time the decision to enter into the transactions was made, it was unlikely that the borrowing would be necessary.

5. Use of Derivatives and Leverage of the Underlying Fund

Subject to investment restrictions applicable to the Underlying Fund, the Underlying Fund may acquire financial derivative instruments for hedging purpose. If financial derivative instruments are used for non-hedging purposes, the Underlying Fund will follow the applicable investment restrictions. The Underlying Fund is not expected to incur any leverage arising from the use of derivatives. The Underlying Fund's net derivative exposure as defined under the Code may be up to 50% of the Underlying Fund's net asset value.

6. Distribution Policy of the Underlying Fund

The trust deed of the Underlying Fund provides for the payment of distributions. The current intention of the manager of the Underlying Fund, however, is that income will be retained for reinvestment.

7. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
Administration Units	HK dollars
Investment Units	HK dollars

8. Duration of the Fund

Unless terminated earlier, the Fund will terminate automatically on the date immediately preceding the eightieth anniversary of the date of the Trust Deed. The Manager or the Trustee may, in certain circumstances, terminate the Fund at any time. Such circumstances include the termination of the Underlying Fund, or such other underlying fund as the Fund is then investing in, the passing of any law which renders it illegal or, in the opinion of the Manager, impracticable or inadvisable to continue the Fund or where the aggregate net asset value of all units in issue falls below HK$20,000,000. The Fund may also be terminated by the Trustee and the Manager with the approval of an Extraordinary Resolution of the unitholders at any time.

Any unclaimed proceeds or other cash held by the Trustee upon termination of the Fund ("Unclaimed Proceeds"), may at the expiration of twelve months from the date upon which the same were payable be paid into court subject to the right of the Trustee to deduction therefrom any expenses it may incur in making such payment. However, if it is in the opinion of the Manager that the expenses required for making an application to pay the Unclaimed Proceeds into court equal or exceed the amount of the Unclaimed Proceeds, the Manager may, after consultation with the Trustee, donate the Unclaimed Proceeds to charity.

9. Fees and Charges

The Manager currently receives a management fee at the rate of 0.8 per cent per annum of the net asset value of the Fund. The fees of the Sub-Managers will be borne by the Manager. For investment in unit trusts or other collective investment schemes managed by the Manager, the Investment Manager, Sub-Managers or any of their Connected Persons, the fee of the Manager will be adjusted taking into account the management fee levied by such unit trust or other collective investment scheme to the extent attributable to the Fund's interest in such unit trust or scheme and in any event the aggregate management fee payable by the Fund shall not exceed the current rate of 0.8 per cent per annum of net asset value of the Fund.

Accordingly, there will be no double charging of either the preliminary charge, realisation charge or management fee. The management fee of the Underlying Fund currently ranges between zero per cent and 1.2 per cent per annum.

The trustee fee applicable to the Fund is currently at 0% per annum.

The trustee of the Underlying Fund is currently charging the Underlying Fund a trustee fee at the rate of 0.0295% per annum.

10. Sub-Managers

JPMorgan Asset Management (UK) Limited, a company incorporated in the United Kingdom.

J.P. Morgan Investment Management Inc., a company incorporated in the United States of America.

JPMorgan Provident Greater China Fund

1. Date of Trust Deed

12 July 2007

2. Investment Objective and Policy

The primary objective of the Fund is to maximise its long-term capital appreciation in Hong Kong dollar terms. The Fund seeks to achieve the investment objectives through a collective investment scheme managed by the Manager or its Connected Persons.

The underlying assets of the Fund will be invested primarily in securities of companies based or operating principally in countries in the People's Republic of China, Hong Kong, Macau or Taiwan ("**Greater China Region**") and the majority of these companies will be listed on a stock exchange in Hong Kong or Taiwan.

The Manager currently intends to achieve this investment objective by investing as a feeder fund solely in the units of JPMorgan SAR Greater China Fund (the "**Underlying Fund**"). The Underlying Fund is an approved pooled investment fund ("**APIF**") by the Mandatory Provident Fund Schemes Authority (the "**Authority**") under the Mandatory Provident Fund Schemes (General) Regulation (the "**Regulation**"), was authorised as a unit trust by the SFC[1] under the *Securities Ordinance* of Hong Kong and is now deemed to have been authorised as a collective investment scheme under section 104 of the SFO.

JPMorgan Funds (Asia) Limited is the administrator of the Underlying Fund and JPMorgan Asset Management (Asia Pacific) Limited has been appointed as the manager in relation to the investments of the Underlying Fund while JPMorgan Asset Management (Taiwan) Limited has been appointed to provide non-discretionary investment advice to the manager of the Underlying Fund.

The investment objective of the Underlying Fund is to provide investors with long term capital growth in HK dollar terms through a portfolio consisting primarily of securities of companies based or operating principally in the Greater China Region and the majority of these companies will be listed on a stock exchange in Hong Kong or Taiwan.

The manager of the Underlying Fund integrates financially material environmental, social and governance factors as part of the Underlying Fund's investment process. Please refer to the sub-section entitled "ESG Integration" under the section entitled "PURPOSE AND POLICIES" for details.

Subject to the approval of the Authority and the SFC, the manager of the Underlying Fund may change the investment policy of the Underlying Fund by giving three months' notice (or such other notice period as the Authority or the SFC may determine) to the trustee and the unitholders of the Underlying Fund. The proposed asset allocation of the Underlying Fund shall be as follows:

70-100%	net asset value in Greater China equities
0-30%	net asset value in other equities
0-30%	net asset value in bonds*

* For cash management purpose only.

3. Investment Restrictions and Guidelines of the Underlying Fund

The Underlying Fund is subject to the investment and borrowing restrictions in Schedule 1 of the Regulation and the Code. For the avoidance of doubt, the investments by the Underlying Fund shall comply with the more stringent restrictions and requirements as between the Regulation and the Code.

The following investment restrictions and guidelines shall apply to the Underlying Fund calculated as at the immediately preceding valuation:-

(i) Subject to the restrictions applicable to deposits under the Regulation and the Code, the aggregate value of the Underlying Fund's investment in, or exposure to, any one person/entity may not exceed 10 per cent of its total net asset value.

For the purposes of (i),

[1] SFC authorisation is not a recommendation or endorsement of the Underlying Fund nor does it guarantee the commercial merits of the Underlying Fund or its performance. It does not mean that the Underlying Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

(a) where the Underlying Fund is invested in a relevant investment, the amount invested in the relevant investment is also to be taken into account in the manner specified by the Authority when ascertaining the total amount invested in the securities and other permissible investments issued by the issuer who issues the underlying investment of the relevant investment; and

(b) where the repayment of principal or the payment of interest in respect of a debt security issued by a person is guaranteed by another person, the debt security is to be regarded as also issued by the other person.

(i(A)) Subject to (i) above and the applicable requirements under the Regulation and the Code, the aggregate value of the Underlying Fund's investments in, or exposure to, entities within the same group may not exceed 20% of its total net asset value.

For the purpose of (iA), "entities within the same group" means entities which are included in the same group for the purposes of consolidated financial statements prepared in accordance with internationally recognized accounting standards.

(ii) The Underlying Fund may not hold more than 10 per cent of the shares of a particular class or the total amount of debt securities issued by any single issuer.

(iii) The Underlying Fund's investments in debt securities should comply with section 7 of Schedule 1 of the Regulation.

(iv) Notwithstanding (i) and (ii), up to 30 per cent of the Underlying Fund's total net asset value may be invested in debt securities issued by or in respect of which the repayment of the principal and the payment of interest is unconditionally guaranteed by an exempt authority of the same issue.

(v) Subject to (iv) and the provisions of Schedule 1 of the Regulation, the Underlying Fund may invest all of its assets in debt securities issued by or in respect of which the repayment of the principal and the payment of interest is unconditionally guaranteed by an exempt authority so long as they comprise at least six different issues.

For the purposes of (iv) and (v),

(a) "**exempt authority**" has the meaning as defined in section 7 of Schedule 1 to the Regulation and the relevant guidelines; and

(b) debt securities issued by or in respect of which the repayment of the principal and the payment of interest is unconditionally guaranteed by an exempt authority will be regarded as being of a different issue if, even though they are issued by the same person, they are issued on different terms whether as to repayment dates, interest rates, the identity of the guarantor, or otherwise.

(v(A)) Funds of the Underlying Fund may be placed on deposit with an authorised financial institution or an eligible overseas bank, subject to the restrictions under the Regulation and the Code.

(vi) The value of the Underlying Fund's holding of securities of companies which are based or operating principally in the Greater China Region shall be not less than 70 per cent of its net asset value.

(vii) (a) The Underlying Fund may invest in warrants listed on an approved stock exchange or an approved futures exchange in accordance with the requirements under the Regulation and the Code for hedging purposes.

(b) In addition to (a) above, the value of the Underlying Fund's investment in warrants listed on an approved stock exchange or an approved futures exchange not held for hedging purposes may not exceed their respective investment limits as stipulated under Schedule 1 of the Regulation and must be in accordance with the requirements under the Regulation and the Code.

(viii) The writing of uncovered options by the Underlying Fund is prohibited.

(ix) The writing of call options by the Underlying Fund on investments is prohibited.

(x) The Underlying Fund may enter into financial futures contracts and financial option contracts for hedging purposes in accordance with the requirements under the Regulation and the Code.

(xi) In addition to (x), if financial futures contracts or financial option contracts are entered into for the purposes other than hedging, the manager and/or the sub-manager of the Underlying Fund shall ensure that the effective exposure (as defined in Schedule 1 of the Regulation) of the Underlying Fund in such contracts does not exceed 10 per cent of the market value of the Underlying Fund.

(xii) The assets in the Underlying Fund should not be applied for the acquisition of financial futures contracts or financial option contracts, unless there is established and maintained in respect of the Underlying Fund an effective system for monitoring the risks inherent in dealing in contracts of those kinds. In addition, a financial futures contract or a financial option contract may be acquired only if the trustee and the manager of the Underlying Fund have special qualifications approved or specified by the Authority.

(xiii) The value of the Underlying Fund's holding of (i) fully-paid up shares listed on a stock exchange that is not an approved stock exchange, other than the shares of a company that is a collective investment scheme; (ii) securities that are approved, or are of a kind approved, by the Authority, other than shares listed on an approved stock exchange; and (iii) units or shares in other collective investment schemes may not in aggregate exceed 10 per cent of its total net asset value. The collective investment schemes shall comply with section 8 of Schedule 1 to the Regulation and shall be authorised by the SFC in accordance with the requirements under the SFO. In addition, there shall be no increase in the overall total of any costs and charges payable to the manager of the Underlying Fund or any of its connected persons by the Underlying Fund if the Underlying Fund invests in other collective investment schemes managed by the manager of the Underlying Fund or any of its connected persons.

(xiv) The Underlying Fund may not 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 and interests in real estate investment trusts which are permissible under Schedule 1 of the Regulation).

(xv) No short sale may be made by the Underlying Fund.

(xvi) Subject to (xxii) and (xxiv) below, the Underlying Fund may not lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.

(xvii) The Underlying Fund may not acquire any asset or engage in any transaction which involves the assumption of any liability which is unlimited.

(xvii(A)) The liability of unitholders of the Underlying Fund must be limited to their investments in the Underlying Fund.

(xviii) The Underlying Fund may not invest in any security of any class in any company or body if any director or officer of the manager of the Underlying Fund individually owns more than 0.5 per cent of the total nominal amount of all the issued securities of that class or collectively the directors and officers of the manager of the Underlying Fund own more than 5 per cent of those securities.

(xix) The portfolio of the Underlying Fund may not include any security where a call is to be made for any sum unpaid on that security.

(xx) The trust deed of the Underlying Funds provides that the value of the Underlying Fund's investments in securities and other financial products or instruments that are neither listed, quoted nor dealt in on a market may not exceed 15 per cent of its total net asset value. Notwithstanding such provisions in the trust deed, the value of such investments of the Underlying Fund may not exceed 10 per cent of its total net asset value.

(xxi) Notwithstanding any other provisions contained in this section, the Underlying Fund may invest only in the investments permitted under and in accordance with Part V and Schedule 1 of the Regulation and the manager of the Underlying Fund is required to comply with any guidelines relating to forbidden investment practices issued by the Authority.

(xxii) Borrowing securities for the purposes of the Underlying Fund is prohibited.

(xxiii) The assets in the Underlying Fund should not be the subject of a reverse repurchase agreement under which the trustee of the Underlying Fund agrees to buy a debt security from a person and to resell it to that person at a specified date in the future for an agreed price.

(xxiv) Although the trust deed of the Underlying Fund contains provisions which allow the manager to, on behalf of the Underlying Fund, enter into securities lending arrangements and repurchase agreements, the manager of the Underlying Fund does not currently intend to enter into such arrangements and/or agreements. Should the manager of the Underlying Fund decide to enter into these arrangements and/or agreements, these arrangements and/or agreements will be in accordance with the Regulation. This Explanatory Memorandum will be amended and unitholders will be provided with not less than one month's (or such other period as the Authority or the SFC may require) prior written notification in respect of such amendment.

(xxv) The Underlying Fund may not invest in the securities of the trustee, the manager, or any custodian appointed under the Underlying Fund except where any of these parties is a substantial financial institution as defined in the Regulation.

(xxvi) The Underlying Fund may not invest (directly or indirectly) more than 10% of its net assets in China A and/or B shares. This Explanatory Memorandum will be amended and unitholders will be provided with not less than one month's (or such other period as the Authority or the SFC may require) prior written notification should there be any change in the Underlying Fund's investment policy in China A and/or B shares.

(xxvii) At least 30 per cent of the assets of the Underlying Fund must be held in HK dollar currency investments, as measured by the effective currency exposure in accordance with section 16 of Schedule 1 to the Regulation.

For the purposes of the Fund, sub-paragraph (xviii) above shall not apply.

Subject to Part V and Schedule 1 of the Regulation, the Code and the above restrictions, the Underlying Fund may acquire derivatives such as options, warrants and futures. The Underlying Fund may also acquire forward contracts for hedging purposes and may, under limited circumstances as considered appropriate by the manager of the Underlying Fund, hold substantial amounts of cash or cash based instruments in its portfolio.

The Underlying Fund may place cash on deposit with the trustee of the Underlying Fund, the manager of the Underlying Fund or any of their connected persons provided that such person is permitted to accept deposits provided that such cash deposit shall be maintained in a manner that is in the best interests of the unitholders, having regard to the prevailing commercial rate for deposits of similar type, size and term negotiated at arm's length in accordance with ordinary and normal course of business. The amount that may be placed on deposit should not exceed the limit stipulated in section 11 of Schedule 1 to the Regulation.

The above investment restrictions may be varied from time to time subject to the approval of the trustee of the Underlying Fund or the SFC or the Authority where required. If there is any change in the investment requirements specified in the Regulation, the investment restrictions described above will be changed accordingly and where necessary, the offering documents will be updated accordingly.

4. Borrowing Policy of the Underlying Fund

Subject to section 4 of Schedule 1 of the Regulation and any other statutory requirements and limitations, the trustee of the Underlying Fund may borrow up to 10 per cent of the net asset value of the Underlying Fund. Borrowings may be made only to pay redemption proceeds or settle a transaction relating to the acquisition of securities or other investments in respect of the Underlying Fund where at the time the decision to enter into the transactions was made, it was unlikely that the borrowing would be necessary.

5. Use of Derivatives and Leverage of the Underlying Fund

Subject to investment restrictions applicable to the Underlying Fund, the Underlying Fund may acquire financial derivative instruments for hedging purpose. If financial derivative instruments are used for non-hedging purposes, the Underlying Fund will follow the applicable investment restrictions. The Underlying Fund is not expected to incur any leverage arising from the use of derivatives. The Underlying Fund's net derivative exposure as defined under the Code may be up to 50% of the Underlying Fund's net asset value.

6. Distribution Policy of the Underlying Fund

The trust deed of the Underlying Fund provides for the payment of distributions. The current intention of the manager of the Underlying Fund, however, is that income will be retained for reinvestment.

7. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
Administration Units	HK dollars
Investment Units	HK dollars

8. Duration of the Fund

Unless terminated earlier, the Fund will terminate automatically on the date immediately preceding the eightieth anniversary of the date of the Trust Deed. The Manager or the Trustee may, in certain circumstances, terminate the Fund at any time. Such circumstances include the termination of the Underlying Fund, or such other underlying fund as the Fund is then investing in, the passing of any law which renders it illegal or, in the opinion of the Manager, impracticable or inadvisable to continue the Fund or where the aggregate net asset value of all units in issue falls below HK$20,000,000. The Fund may also be terminated by the Trustee and the Manager with the approval of an Extraordinary Resolution of the unitholders at any time.

Any unclaimed proceeds or other cash held by the Trustee upon termination of the Fund ("Unclaimed Proceeds"), may at the expiration of twelve months from the date upon which the same were payable be paid into court subject to the right of the Trustee to deduction therefrom any expenses it may incur in making such payment. However, if it is in the opinion of the Manager that the expenses required for making an application to pay the Unclaimed Proceeds into court equal or exceed the amount of the Unclaimed Proceeds, the Manager may, after consultation with the Trustee, donate the Unclaimed Proceeds to charity.

9. Fees and Charges

The Manager currently receives a management fee at the rate of 1.0 per cent per annum of the net asset value of the Fund. For investment in unit trusts or other collective investment schemes managed by the Manager, the Investment Manager or any of their Connected Persons, the fee of the Manager will be adjusted taking into account the management fee levied by such unit trust or other collective investment scheme to the extent attributable to the Fund's interest in such unit trust or scheme and in any event the aggregate management fee payable by the Fund shall not exceed the current rate of 1.0 per cent per annum of net asset value of the Fund.

Accordingly, there will be no double charging of either the preliminary charge, realisation charge or management fee. The management fee of the Underlying Fund currently ranges between zero per cent and 1.2 per cent per annum.

The trustee fee applicable to the Fund is currently at 0% per annum.

The trustee of the Underlying Fund is currently charging the Underlying Fund a trustee fee at the rate of 0.0295% per annum.

JPMorgan Provident HK$ Money Fund

1. Date of Trust Deed

7 December 1998

2. Investment Objective and Policy

The investment objective of the Fund is to provide investors with the opportunity to invest in short term deposits and debt securities.

The Manager presently intends to achieve this investment objective by investing as a feeder fund solely in the units of the JPMorgan Money Fund - HK$ (the "**Underlying Fund**").

The Underlying Fund is a sub-fund of JPMorgan Money Fund, a unit trust authorised by the SFC[1] under the *Securities Ordinance* of Hong Kong and is now deemed to have been authorised as a collective investment scheme under section 104 of the SFO. JPMorgan Funds (Asia) Limited is the manager of the Underlying Fund and JPMorgan Asset Management (Asia Pacific) Limited has been appointed as the investment manager in relation to the investments of the Underlying Fund.

The investment objective of the Underlying Fund is to provide an efficient vehicle for holding liquid assets currently denominated in the currency of Hong Kong.

In order to minimize such risks to capital, the manager of the Underlying Fund will invest funds solely in short-term deposits and high quality money market instruments with unexpired maturities of less than 397 days (or 2 years in the case of public sector investments). The weighted average maturity of the Underlying Fund's deposits and other investments will not exceed 60 days. In selecting investments, the manager of the Underlying Fund will seek the highest interest rates available from deposits and short-term instruments of issuers considered by it to be of high standing.

The investment manager of the Underlying Fund integrates financially material environmental, social and governance factors as part of the Underlying Fund's investment process. Please refer to the sub-section entitled "ESG Integration" under the section entitled "PURPOSE AND POLICIES" for details.

3. Investment Restrictions and Guidelines of the Underlying Fund

The investment restrictions and guidelines applicable to the Underlying Fund are summarized as follows:-

The manager of the Underlying Fund may not make or add to any investment or deposit for the account of the Underlying Fund if as a result:

(a) the aggregate value of the Underlying Fund's investments in, or exposure to, any single entity (other than Government and other public securities) through the following exceeding 10% of the total net asset value of the Underlying Fund:

  (i) investments in securities issued by that entity;

  (ii) exposure to that entity through underlying assets of financial derivative instruments; and

  (iii) net counterparty exposure to that entity arising from transactions of over-the-counter financial derivative instruments.

(b) the aggregate value of the Underlying Fund's investments in, or exposure to, entities within the same group through the following exceeding 20% of the total net asset value of the Underlying Fund:

  (i) investments in securities issued by those entities;

  (ii) exposure to those entities through underlying assets of financial derivative instruments; and

  (iii) net counterparty exposure to those entities arising from transactions of over-the-counter financial derivative instruments.

[1] SFC authorisation is not a recommendation or endorsement of the Underlying Fund nor does it guarantee the commercial merits of the Underlying Fund or its performance. It does not mean that the Underlying Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

For the purposes herein, "entities within the same group" means entities which are included in the same group for the purposes of consolidated financial statements prepared in accordance with internationally recognized accounting standards.

(c) the value of the Underlying Fund's cash deposits made with the same entity or entities within the same group exceeding 20% of the total net asset value of the Underlying Fund provided that the 20% limit may be exceeded in the following circumstances:

(i) cash held before the launch of the Underlying Fund and for a reasonable period thereafter prior to the initial subscription proceeds being fully invested; or

(ii) cash proceeds from liquidation of investments prior to the merger or termination of the Underlying Fund, whereby the placing of cash deposits with various financial institutions would not be in the best interests of investors; or

(iii) cash proceeds received from subscriptions pending investments and cash held for the settlement of redemption and other payment obligations, whereby the placing of cash deposits with various financial institutions would be unduly burdensome and the cash deposits arrangement would not compromise investors' interests.

For the purposes herein, "cash deposits" generally refer to those that are repayable on demand or have the right to be withdrawn by the Fund and not referable to provision of property or services.

(d) notwithstanding sub-paragraphs (a) and (c) above, the aggregate value of the Underlying Fund's holding of instruments issued by a single entity, together with any deposits held with that same issuer may not exceed 10% of the total net asset value of the Underlying Fund except:-

(i) the value of the Underlying Fund's holding of instruments and deposits issued by a single entity may be increased to 25% of the total net asset value of the Underlying Fund if the entity is a substantial financial institution, provided that the total value of such holding does not exceed 10% of the entity's share capital and non-distributable capital reserves; or

(ii) up to 30% of the Portfolio's total net asset value may be invested in Government and other public securities of the same issue; or

(iii) in respect of any deposit of less than US$1,000,000 or its equivalent in the base currency of the Underlying Fund where the Underlying Fund cannot otherwise diversify as a result of its size;

(e) notwithstanding sub-paragraphs (b) and (c) above, the aggregate value of the Underlying Fund's investments in entities within the same group through instruments and deposits may not exceed 20% of its total net asset value provided that:

(i) the aforesaid limit will not apply in respect of cash deposit of less than US$ 1,000,000 or its equivalent in the base currency of the Underlying Fund, where it cannot otherwise diversify as a result of its size;

(ii) where the entity is a substantial financial institution and the total amount does not exceed 10% of the entity's share capital and non-distributable capital reserves, the limit may be increased to 25%;

For the purpose of the sub-paragraphs above, "Government and other public securities" means any investment issued by, or the payment of principal and interest on which is guaranteed by, a government or any fixed-interest investment issued by its public or local authorities or other multilateral agencies.

In addition, the manager of the Underlying Fund may not for the account of the portfolio in the Underlying Fund: -

(i) invest in any security of any class in any company or body if any director or officer of the manager, the investment manager or sub-manager of the Underlying Fund individually owns more than 0.5%, or collectively they own more than 5%, of the total nominal amount of all the issued securities of that class; or

(ii) lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person; or

(iii) acquire any asset or engage in any transaction which involves the assumption of any liability by the Underlying Fund which is unlimited; or

(iv) invest in any security where a call is to be made for any sum unpaid on that security, unless the call could be met in full out of cash or near cash from the Underlying Fund's portfolio whereby such amount of cash or near cash has not been segregated to cover a future or contingent commitment arising from transaction in financial derivative instruments.

Where a breach of any of the above investment limits occurs, the manager and investment manager of the Underlying Fund will as a priority objective within a reasonable period of time take all steps as are necessary to remedy the situation taking due account of the interests of unitholders.

4. Borrowing Policy of the Underlying Fund

The trust deed of the Underlying Fund permits borrowings to be undertaken for the account of the portfolio in the trust only for a temporary basis for the purpose of realising units or meeting operating expenses, but only up to a limit of 10% of the total net asset value of the relevant portfolio. The portfolio's assets may be charged or pledged as security for any such borrowings.

5. Additional Risk Factors

Risk related to money fund – Investment in the Underlying Fund is not the same as placing funds on deposit with a bank or deposit-taking institution. The manager has no obligation to redeem units at the issue price (or the net asset value per unit on the issue of such units) and the Underlying Fund is not subject to the supervision of the Hong Kong Monetary Authority.

6. Distribution Policy of the Underlying Fund

The trust deed of the Underlying Fund provides for the payment of distributions. The current intention of the manager of the Underlying Fund, however, is that income will be retained for reinvestment.

7. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
Administration Units	HK dollars
Investment Units	HK dollars

8. Realisations

The amount due on the realisation of units will normally be paid within three business days and in any event not later than one calendar month after the date of actual receipt by the Manager of a duly completed realisation request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.

9. Duration of the Fund

Unless terminated earlier, the Fund will terminate automatically on the date immediately preceding the eightieth anniversary of the date of the Trust Deed. The Trustee may, in certain circumstances, terminate the Fund at any time. Such circumstances include the passing of any law which renders it illegal to continue the Fund. The Fund may, in certain circumstances, also be terminated by the Manager. Such circumstances include the termination of the Underlying Fund, or such other underlying fund as the Fund is then investing, the passing of any law which renders it illegal or, in the opinion of the Manager, impracticable or inadvisable to continue the Fund or the situation where the aggregate net asset value of all units in issue falls below HK$100,000,000. Three months' notice will be given to unitholders. The Fund may also be terminated by Extraordinary Resolution of the unitholders at any time.

Any unclaimed proceeds or other cash held by the Trustee upon termination of the Fund ("Unclaimed Proceeds"), may at the expiration of twelve months from the date upon which the same were payable be paid into court subject to the right of the Trustee to deduction therefrom any expenses it may incur in making such payment. However, if it is in the opinion of the Manager that the expenses required for making an application to pay the Unclaimed Proceeds into court equal or exceed the amount of the Unclaimed Proceeds, the Manager may, after consultation with the Trustee, donate the Unclaimed Proceeds to charity.

10. Fees and Charges

Since JPMorgan Funds (Asia) Limited currently levies a management fee at the rate of up to 0.25% per annum of the net asset value of the Underlying Fund, the Manager has no present intention to charge a Management Fee in respect of the Fund. Accordingly, there will be no increase in the overall total of the preliminary charge, realisation charge or management fee or any other costs and charges payable to the management company or any of its Connected Persons.

The trustee fee applicable to the Fund is currently at 0% per annum.

The trustee of the Underlying Fund is currently charging the Underlying Fund a trustee fee at the rate of 0.018% per annum.

JPMorgan Provident Hong Kong Fund

1. Date of Trust Deed

20 September 2006

2. Investment Objective and Policy

The primary objective of the Fund is to maximise its long-term capital appreciation in Hong Kong dollar terms. The Fund seeks to achieve the investment objectives through a collective investment scheme managed by the Manager or its Connected Persons.

The underlying assets of the Fund will be invested primarily in securities of companies either listed, based, or operating principally in Hong Kong.

The Manager currently intends to achieve this investment objective by investing as a feeder fund solely in the units of JPMorgan SAR Hong Kong Fund (the "**Underlying Fund**"). The Underlying Fund is an approved pooled investment fund ("**APIF**") by the Mandatory Provident Fund Schemes Authority (the "**Authority**") under the Mandatory Provident Fund Schemes (General) Regulation (the "**Regulation**"), was authorised as a unit trust by the SFC[1] under the *Securities Ordinance* of Hong Kong and is now deemed to have been authorised as a collective investment scheme under section 104 of the SFO.

JPMorgan Funds (Asia) Limited is the administrator of the Underlying Fund and JPMorgan Asset Management (Asia Pacific) Limited has been appointed as the manager in relation to the investments of the Underlying Fund.

The investment objective of the Underlying Fund is to provide investors with long term capital growth in HK dollar terms through a portfolio consisting primarily of securities of companies either listed, based, or operating principally in Hong Kong.

The manager of the Underlying Fund integrates financially material environmental, social and governance factors as part of the Underlying Fund's investment process. Please refer to the sub-section entitled "ESG Integration" under the section entitled "PURPOSE AND POLICIES" for details.

Subject to the approval of the Authority and the SFC, the manager of the Underlying Fund may change the investment policy of the Underlying Fund by giving three months' notice (or such other notice period as the Authority or the SFC may determine) to the trustee and the unitholders of the Underlying Fund. The proposed asset allocation of the Underlying Fund shall be as follows:

70-100%	net asset value in Hong Kong equities
0-30%	net asset value in bonds*

* For cash management purpose only.

3. Investment Restrictions and Guidelines of the Underlying Fund

The Underlying Fund is subject to the investment and borrowing restrictions in Schedule 1 of the Regulation and the Code. For the avoidance of doubt, the investments by the Underlying Fund shall comply with the more stringent restrictions and requirements as between the Regulation and the Code.

The following investment restrictions and guidelines shall apply to the Underlying Fund calculated as at the immediately preceding valuation:-

(i) Subject to the restrictions applicable to deposits under the Regulation and the Code, the aggregate value of the Underlying Fund's investment in, or exposure to, any one person/entity may not exceed 10 per cent of its total net asset value.

For the purposes of (i),

(a) where the Underlying Fund is invested in a relevant investment, the amount invested in the relevant investment is also to be taken into account in the manner specified by the Authority when ascertaining

[1] SFC authorisation is not a recommendation or endorsement of the Underlying Fund nor does it guarantee the commercial merits of the Underlying Fund or its performance. It does not mean that the Underlying Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

the total amount invested in the securities and other permissible investments issued by the issuer who issues the underlying investment of the relevant investment; and

(b) where the repayment of principal or the payment of interest in respect of a debt security issued by a person is guaranteed by another person, the debt security is to be regarded as also issued by the other person.

(i(A)) Subject to (i) above and the applicable requirements under the Regulation and the Code, the aggregate value of the Underlying Fund's investments in, or exposure to, entities within the same group may not exceed 20% of its total net asset value.

For the purpose of (iA), "entities within the same group" means entities which are included in the same group for the purposes of consolidated financial statements prepared in accordance with internationally recognized accounting standards.

(ii) The Underlying Fund may not hold more than 10 per cent of the shares of a particular class or the total amount of debt securities issued by any single issuer.

(iii) The Underlying Fund's investments in debt securities should comply with section 7 of Schedule 1 of the Regulation.

(iv) Notwithstanding (i) and (ii), up to 30 per cent of the Underlying Fund's total net asset value may be invested in debt securities issued by or in respect of which the repayment of the principal and the payment of interest is unconditionally guaranteed by an exempt authority of the same issue.

(v) Subject to (iv) and the provisions of Schedule 1 of the Regulation, the Underlying Fund may invest all of its assets in debt securities issued by or in respect of which the repayment of the principal and the payment of interest is unconditionally guaranteed by an exempt authority so long as they comprise at least six different issues.

For the purposes of (iv) and (v),

(a) "**exempt authority**" has the meaning as defined in section 7 of Schedule 1 to the Regulation and the relevant guidelines; and

(b) debt securities issued by or in respect of which the repayment of the principal and the payment of interest is unconditionally guaranteed by an exempt authority will be regarded as being of a different issue if, even though they are issued by the same person, they are issued on different terms whether as to repayment dates, interest rates, the identity of the guarantor, or otherwise.

(v(A)) Funds of the Underlying Fund may be placed on deposit with an authorised financial institution or an eligible overseas bank, subject to the restrictions under the Regulation and the Code.

(vi) The value of the Underlying Fund's holding of securities of companies which are either listed, based, or operating principally in Hong Kong shall be not less than 70 per cent of its net asset value.

(vii) (a) The Underlying Fund may invest in warrants listed on an approved stock exchange or an approved futures exchange in accordance with the requirements under the Regulation and the Code for hedging purposes.

(b) In addition to (a) above, the value of the Underlying Fund's investment in warrants listed on an approved stock exchange or an approved futures exchange not held for hedging purposes may not exceed their respective investment limits as stipulated under Schedule 1 of the Regulation and must be in accordance with the requirements under the Regulation and the Code.

(viii) The writing of uncovered options by the Underlying Fund is prohibited.

(ix) The writing of call options by the Underlying Fund on investments is prohibited.

(x) The Underlying Fund may enter into financial futures contracts and financial option contracts for hedging purposes in accordance with the requirements under the Regulation and the Code.

(xi) In addition to (x), if financial futures contracts or financial option contracts are entered into for the purposes other than hedging, the manager and/or the sub-manager of the Underlying Fund shall ensure that the effective exposure (as defined in Schedule 1 of the Regulation) of the Underlying Fund in such contracts does not exceed 10 per cent of the market value of the Underlying Fund.

(xii) The assets in the Underlying Fund should not be applied for the acquisition of financial futures contracts or financial option contracts, unless there is established and maintained in respect of the Underlying Fund an effective system for monitoring the risks inherent in dealing in contracts of those kinds. In addition, a financial futures contract or a financial option contract may be acquired only if the trustee and the manager of the Underlying Fund have special qualifications approved or specified by the Authority.

(xiii) The value of the Underlying Fund's holding of (i) fully-paid up shares listed on a stock exchange that is not an approved stock exchange, other than the shares of a company that is a collective investment scheme; (ii) securities that are approved, or are of a kind approved, by the Authority, other than shares listed on an approved stock exchange; and (iii) units or shares in other collective investment schemes may not in aggregate exceed 10 per cent of its total net asset value. The collective investment schemes shall comply with section 8 of Schedule 1 to the Regulation and shall be authorised by the SFC in accordance with the requirements under the SFO. In addition, there shall be no increase in the overall total of any costs and charges payable to the manager of the Underlying Fund or any of its connected persons by the Underlying Fund if the Underlying Fund invests in other collective investment schemes managed by the manager of the Underlying Fund or any of its connected persons.

(xiv) The Underlying Fund may not 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 and interests in real estate investment trusts which are permissible under Schedule 1 of the Regulation).

(xv) No short sale may be made by the Underlying Fund.

(xvi) Subject to (xxii) and (xxiv) below, the Underlying Fund may not lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.

(xvii) The Underlying Fund may not acquire any asset or engage in any transaction which involves the assumption of any liability which is unlimited.

(xvii(A)) The liability of unitholders of the Underlying Fund must be limited to their investments in the Underlying Fund.

(xviii) The Underlying Fund may not invest in any security of any class in any company or body if any director or officer of the manager of the Underlying Fund individually owns more than 0.5 per cent of the total nominal amount of all the issued securities of that class or collectively the directors and officers of the manager of the Underlying Fund own more than 5 per cent of those securities.

(xix) The portfolio of the Underlying Fund may not include any security where a call is to be made for any sum unpaid on that security.

(xx) The trust deed of the Underlying Funds provides that the value of the Underlying Fund's investments in securities and other financial products or instruments that are neither listed, quoted nor dealt in on a market may not exceed 15 per cent of its total net asset value. Notwithstanding such provisions in the trust deed, the value of such investments of the Underlying Fund may not exceed 10 per cent of its total net asset value.

(xxi) Notwithstanding any other provisions contained in this section, the Underlying Fund may invest only in the investments permitted under and in accordance with Part V and Schedule 1 of the Regulation and the manager of the Underlying Fund is required to comply with any guidelines relating to forbidden investment practices issued by the Authority.

(xxii) Borrowing securities for the purposes of the Underlying Fund is prohibited.

(xxiii) The assets in the Underlying Fund should not be the subject of a reverse repurchase agreement under which the trustee of the Underlying Fund agrees to buy a debt security from a person and to resell it to that person at a specified date in the future for an agreed price.

(xxiv) Although the trust deed of the Underlying Fund contains provisions which allow the manager to, on behalf of the Underlying Fund, enter into securities lending arrangements and repurchase agreements, the manager of the Underlying Fund does not currently intend to enter into such arrangements and/or agreements. Should the manager of the Underlying Fund decide to enter into these arrangements and/or agreements, these arrangements and/or agreements will be in accordance with the Regulation. This Explanatory Memorandum will be amended and unitholders will be provided with not less than one month's (or such other period as the Authority or the SFC may require) prior written notification in respect of such amendment.

(xxv) The Underlying Fund may not invest in the securities of the trustee, the manager, or any custodian appointed under the Underlying Fund except where any of these parties is a substantial financial institution as defined in the Regulation.

(xxvi) The assets of the Underlying Fund will be invested in either HK dollar denominated instruments or where invested into non-Hong Kong instruments, the currency exposure will be hedged back into HK dollars, i.e. the Underlying Fund will have an effective 100 per cent exposure to HK dollar.

Subject to Part V and Schedule 1 of the Regulation, the Code and the above restrictions, the Underlying Fund may acquire derivatives such as forward contracts, options, warrants and futures and may, under limited circumstances as considered appropriate by the manager of the Underlying Fund, hold substantial amounts of cash or cash based instruments in its portfolio.

The Underlying Fund may place cash on deposit with the trustee of the Underlying Fund, the manager of the Underlying Fund or any of their connected persons provided that such person is permitted to accept deposits provided that such cash deposit shall be maintained in a manner that is in the best interests of the unitholders, having regard to the prevailing commercial rate for deposits of similar type, size and term negotiated at arm's length in accordance with ordinary and normal course of business. The amount that may be placed on deposit should not exceed the limit stipulated in section 11 of Schedule 1 to the Regulation.

The above investment restrictions may be varied from time to time subject to the approval of the trustee of the Underlying Fund or the SFC or the Authority where required. If there is any change in the investment requirements specified in the Regulation, the investment restrictions described above will be changed accordingly and where necessary, the offering documents will be updated accordingly.

4. Borrowing Policy of the Underlying Fund

Subject to section 4 of Schedule 1 of the Regulation and any other statutory requirements and limitations, the trustee of the Underlying Fund may borrow up to 10 per cent of the net asset value of the Underlying Fund. Borrowings may be made only to pay redemption proceeds or settle a transaction relating to the acquisition of securities or other investments in respect of the Underlying Fund where at the time the decision to enter into the transactions was made, it was unlikely that the borrowing would be necessary.

5. Use of Derivatives and Leverage of the Underlying Fund

Subject to investment restrictions applicable to the Underlying Fund, the Underlying Fund may acquire financial derivative instruments for hedging purpose. If financial derivative instruments are used for non-hedging purposes, the Underlying Fund will follow the applicable investment restrictions. The Underlying Fund is not expected to incur any leverage arising from the use of derivatives. The Underlying Fund's net derivative exposure as defined under the Code may be up to 50% of the Underlying Fund's net asset value.

6. Distribution Policy of the Underlying Fund

The trust deed of the Underlying Fund provides for the payment of distributions. The current intention of the manager of the Underlying Fund, however, is that income will be retained for reinvestment.

7. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
Administration Units	HK dollars
Investment Units	HK dollars

8. Duration of the Fund

Unless terminated earlier, the Fund will terminate automatically on the date immediately preceding the eightieth anniversary of the date of the Trust Deed. The Manager or the Trustee may, in certain circumstances, terminate the Fund at any time. Such circumstances include the termination of the Underlying Fund, or such other underlying fund as the Fund is then investing in, the passing of any law which renders it illegal or, in the opinion of the Manager, impracticable or inadvisable to continue the Fund or where the aggregate net asset value of all units in issue falls below HK$20,000,000. The Fund may also be terminated by the Trustee and the Manager with the approval of an Extraordinary Resolution of the unitholders at any time.

Any unclaimed proceeds or other cash held by the Trustee upon termination of the Fund ("Unclaimed Proceeds"), may at the expiration of twelve months from the date upon which the same were payable be paid into court subject to the right of the Trustee to deduction therefrom any expenses it may incur in making such payment. However, if it is in the opinion of the Manager that the expenses required for making an application to pay the Unclaimed Proceeds into court equal or exceed the amount of the Unclaimed Proceeds, the Manager may, after consultation with the Trustee, donate the Unclaimed Proceeds to charity.

9. Fees and Charges

The Manager currently receives a management fee at the rate of 1.0 per cent per annum of the net asset value of the Fund. For investment in unit trusts or other collective investment schemes managed by the Manager, the Investment Manager or any of their Connected Persons, the fee of the Manager will be adjusted taking into account the management fee levied by such unit trust or other collective investment scheme to the extent attributable to the Fund's interest in such unit trust or scheme and in any event the aggregate management fee payable by the Fund shall not exceed the current rate of 1.0 per cent per annum of net asset value of the Fund.

Accordingly, there will be no double charging of either the preliminary charge, realisation charge or management fee. The management fee of the Underlying Fund currently ranges between zero per cent and 1.2 per cent per annum.

The trustee fee applicable to the Fund is currently at 0% per annum.

The trustee of the Underlying Fund is currently charging the Underlying Fund a trustee fee at the rate of 0.0295% per annum.

JPMorgan Provident US$ Money Fund

1. Date of Trust Deed

31 August 2000

2. Investment Objective and Policy

The investment objective of the Fund is to provide investors with the opportunity to invest in short term deposits and debt securities.

The Manager presently intends to achieve this investment objective by investing as a feeder fund solely in the JPM USD Money Market VNAV A (acc) - USD share class of the JPMorgan Funds - USD Money Market VNAV Fund (the "**Underlying Fund**")[1]. The Underlying Fund is a sub-fund of JPMorgan Funds ("**JPMF**") authorised by the SFC[2] under section 104 of the SFO.

The Underlying Fund is a sub-fund of JPMF, a limited liability investment company with variable share capital.

JPMF is an authorised investment fund in Luxembourg and managed by JPMorgan Asset Management (Europe) S.à r.l.. JPMorgan Investment Management Inc. has been appointed as the investment manager in relation to the investments of the Underlying Fund.

The investment objective of the Underlying Fund is to achieve a return in USD in line with prevailing money market rates whilst aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity by investing in USD denominated short-term debt securities (including money market instruments, eligible securitisations and asset-backed commercial paper) and deposits with credit institutions.

The Underlying Fund will invest all of its assets, excluding cash and cash equivalents, in USD denominated short term[3] debt securities[4] (including money market instruments, eligible securitisations and asset-backed commercial paper) and deposits with credit institutions.

The investment manager of the Underlying Fund integrates financially material environmental, social and governance factors as part of the Underlying Fund's investment process. Please refer to the sub-section entitled "ESG Integration" under the section entitled "PURPOSE AND POLICIES" for details.

In addition to receiving a favourable credit quality assessment pursuant to the internal credit procedures of the management company of the Underlying Fund, debt securities with a long-term rating will be rated at least A and debt securities with a short-term rating will be rated at least A-1 by Standard & Poor's or otherwise similarly rated by another independent rating agency[5].

The Underlying Fund may also invest in unrated debt securities of comparable credit quality to those specified above[6].

The weighted average maturity of the Underlying Fund's investments will not exceed 60 days and the initial or remaining maturity of each debt security will not exceed 397 days at the time of purchase.

[1] The Underlying Fund does not have a constant net asset value. The management company of the Underlying Fund has no obligation to redeem shares of the Underlying Fund at the offer value.
[2] SFC authorisation is not a recommendation or endorsement of the Underlying Fund nor does it guarantee the commercial merits of the Underlying Fund or its performance. It does not mean that the Underlying Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.
[3] Short-term debt securities also include debt securities for which a long term rating has been assigned by credit rating agencies with a remaining maturity not exceeding 397 days at the time of purchase.
[4] These debt securities may be rated by an independent rating agency or unrated.
[5] Independent rating agencies include Standard & Poor's, Moody's and Fitch.
[6] The investment manager of the Underlying Fund assigns an internal credit rating to all debt securities, whether they are rated or unrated by an independent credit rating agency. Credit research of debt securities involves qualitative and quantitative analysis as well as peer group comparison. Ongoing monitoring on debt securities is performed by the portfolio management team and a dedicated risk team.

The Underlying Fund may have exposure to investments in zero or negative yielding[7] securities in adverse market conditions.

Cash and cash equivalents may be held on an ancillary basis.

The Underlying Fund may at any time enter into reverse repurchase transactions.[8] The expected proportion of the assets under management of the Underlying Fund that could be subject to reverse repurchase transactions fluctuates between 0% and 30%, subject to a maximum of 100%.

The Underlying Fund will not invest more than 10% of its net asset value in securities issued or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade. The Underlying Fund does not intend to invest in financial derivative instruments for any purposes.

For these purposes:

"asset-backed commercial paper" or **"ABCP"** refers to a short-term debt, generally limited to a maturity of no more than 397 days and is issued on a discount basis. The proceeds of ABCP issuance are primarily used to obtain interests in various assets for example trade receivables, consumer debt receivables or auto loans. Such financings may take the form of a traditional asset purchase or a secured loan.

"money market instrument" refers to a financial instrument that is liquid and has a value that can be accurately determined at any time, and that meets certain quality and maturity requirements.

"reverse repurchase transaction" refers to the purchase of securities and the simultaneous commitment to sell such securities back at an agreed upon price on an agreed upon date.

"weighted average maturity" refers to the average length of time to legal maturity or, if shorter, to the next interest rate reset to a money market rate, of all of the underlying assets in the money market fund reflecting the relative holdings in each asset.

3. Investment Restrictions and Guidelines of the Underlying Fund

The following investment restrictions and guidelines shall apply to the Underlying Fund:

I) The Underlying Fund may exclusively invest in the following eligible assets:

A) Money market instrument that fulfils all of the following requirements:

a) It falls within the following categories:

i) Money market instruments admitted to official listing on a stock exchange; and/or

ii) Money market instruments dealt in on another Regulated Market; and/or

iii) Money market instruments other than those dealt in on a Regulated Market, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:

1. issued or guaranteed by a central, regional or local authority or by a central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a non-EU Member State or, in case of a Federal State, by one of the members

[7] In adverse market conditions, investments in short-term debt securities may generate a zero or negative yield. A short-term debt security may have a negative yield if, for example, the security has a zero coupon (i.e. it is a security that normally earns a positive yield by being purchased at a price below its final maturity value, such as a three month US Treasury Bill) and in adverse market conditions is available for purchase only at a price above its final maturity value.

[8] All income generated from reverse repurchase transactions entered into by the Underlying Fund will accrue to the Underlying Fund. The Underlying Fund will only enter into transactions with counterparties which the management company of the Underlying Fund believes to be creditworthy. Approved counterparties will typically have a credit rating of A- or above as rated by Standard & Poor's or otherwise similarly rated by Moody's and Fitch. Counterparties will comply with prudential rules considered by the CSSF as equivalent to EU prudential rules. The collateral underlying the reverse repurchase transactions will only include USD denominated short-term debt securities valued greater than or equal to the value of the reverse repurchase transactions.

making up the federation, or by a public international body to which one or more EU Member States belong; or

2. issued by an undertaking, any securities of which are dealt in on Regulated Markets referred to in a) i) and ii) above; or

3. issued or guaranteed by a credit institution which has its registered office in a country subject to prudential supervision, in accordance with criteria defined by European law, or by a credit institution which is subject to and complies with prudential rules considered by the Commission de Surveillance du Secteur Financier ("**CSSF**") to be at least as stringent as those laid down by European law; or

4. issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in 1, 2 or 3 above and provided that the issuer is a company whose capital and reserves amount to at least ten million Euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

b) it displays one of the following alternative characteristics:

i) it has a legal maturity at issuance of 397 days or less; or

ii) it has a residual maturity of 397 days or less.

c) the issuer of the money market instrument and the quality of the money market instrument have received a favourable credit quality assessment pursuant to the internal credit quality assessment procedures established by the management company of JPMF (the "**Internal Credit Procedures**").

This requirement shall not apply to money market instruments issued or guaranteed by the EU, a central authority or central bank of an EU Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility.

d) where the Underlying Fund invests in a securitisation or ABCP, it is subject to the requirements laid down in B) below.

B) a) Eligible securitisations and asset-backed commercial paper (ABCPs) provided that the securitisation or ABCP is sufficiently liquid, has received a favourable credit quality assessment pursuant to the Internal Credit Procedures, and is any of the following:

i) a securitisation referred to in Article 13 of Commission Delegated Regulation (EU) 2015/61;

ii) an ABCP issued by an ABCP programme which:

1. is fully supported by a regulated credit institution that covers all liquidity, credit and material dilution risks, as well as ongoing transaction costs and ongoing programme-wide costs related to the ABCP, if necessary to guarantee the investor the full payment of any amount under the ABCP;

2. is not a re-securitisation and the exposures underlying the securitisation at the level of each ABCP transaction do not include any securitisation position;

3. does not include a synthetic securitisation as defined in point (11) of Article 242 of Regulation (EU) No 575/2013;

iii) a simple, transparent and standardised (STS) securitisation, as determined in accordance with the criteria and conditions laid down in Articles 20, 21 and 22 of Regulation (EU) 2017/2402 of the European Parliament and of the Council, or an STS ABCP, as determined in accordance with the criteria and conditions laid down in Articles 24, 25 and 26 of that Regulation.

b) The Underlying Fund may invest in the securitisations or ABCPs provided any of the following conditions is fulfilled, as applicable:

i) the legal maturity at issuance of the securitisations referred to in a) i) above is two years or less and the time remaining until the next interest rate reset date is 397 days or less;

ii) the legal maturity at issuance or residual maturity of the securitisations or ABCPs referred to in a) ii) and iii) above is 397 days or less; or

iii) the securitisations referred to in points a) i) and iii) above are amortising instruments and have a weighted average life of two years or less.

C) Deposits with credit institutions provided that all of the following conditions are fulfilled:

a) the deposit is repayable on demand or is able to be withdrawn at any time;

b) the deposit matures in no more than 12 months; and

c) the credit institution has its registered office in an EU Member State or, where the credit institution has its registered office in a third country, it is subject to prudential rules considered equivalent to those laid down in European law in accordance with the procedure laid down in Article 107(4) of Regulation (EU) No 575/2013.

D) Reverse repurchase transactions provided that all of the following conditions are fulfilled:

a) JPMF has the right to terminate the agreement at any time upon giving prior notice of no more than two working days;

b) the assets received by JPMF as part of a reverse repurchase transaction shall:

i) be money market instruments that fulfil the requirements set out in I) A) above;

ii) have a market value which is at all times at least equal to the cash paid out;

iii) not be sold, reinvested, pledged or otherwise transferred;

iv) not include securitisations and ABCPs;

v) be sufficiently diversified with a maximum exposure to a given issuer of 15% of the Underlying Fund's net asset value, except where those assets take the form of money market instruments that fulfil the requirements of III) a) vii) below; and

vi) be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

By way of derogation from i) above, the Underlying Fund may receive as part of a reverse repurchase transaction liquid transferable securities or money market instruments other than those referred to in I) A) above provided that those assets comply with one of the following conditions:

1. they are issued or guaranteed by the EU, a central authority or central bank of an EU Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility provided that a favourable credit quality assessment has been received pursuant to the Internal Credit Procedures above; or

2. they are issued or guaranteed by a central authority or central bank of a third country, provided that a favourable credit quality assessment has been received pursuant to the Internal Credit Procedures.

The assets received as part of a reverse repurchase transaction in accordance with the above shall fulfil the diversification requirements described under III) a) vii).

c) The investment manager of the Underlying Fund shall ensure that it is able to recall the full amount of cash at any time on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase transaction shall be used for the calculation of the net asset value per share of the Underlying Fund.

E) Units or shares of any other short-term money market funds (“**targeted MMF**”) provided that all of the following conditions are fulfilled:

a) no more than 10% of the assets of the targeted MMF are able, according to its fund rules or instruments of incorporation, to be invested in aggregate in units or shares of other targeted MMFs;

b) the targeted MMF does not hold units or shares of the acquiring Underlying Fund;

c) the targeted MMF is authorised under the MMF Regulation.

II) The Underlying Fund may hold ancillary liquid assets.

III) a) i) The investment manager of the Underlying Fund will invest no more than 5% of the assets of the Underlying Fund in money market instruments, securitisations and ABCPs issued by the same issuing body.

The investment manager of the Underlying Fund may not invest more than 10% of the assets of the Underlying Fund in deposits made with the same credit institution, unless the structure of the Luxembourg banking sector is such that there are insufficient viable credit institutions to meet that diversification requirement and it is not economically feasible for the Underlying Fund to make deposits in another EU Member State, in which case up to 15% of its assets may be deposited with the same credit institution.

ii) By way of derogation from the first paragraph of III) a) i) above, the Underlying Fund may invest up to 10% of its assets in money market instruments, securitisations and ABCPs issued by the same body provided that the total value of such money market instruments, securitisations and ABCPs held by the Underlying Fund in each issuing body in which it invests more than 5% of its assets does not exceed 40% of the value of its assets.

iii) The aggregate of all of the Underlying Fund’s exposures to securitisations and ABCPs shall not exceed 20% of its assets, whereby up to 15% of the Underlying Fund’s assets may be invested in securitisations and ABCPs that do not comply with the criteria for the identification of simple, transparent and standardised (STS) securitisations and ABCPs.

iv) The aggregate amount of cash provided to the same counterparty acting on behalf of the Underlying Fund in reverse repurchase transactions shall not exceed 15% of the assets of the Underlying Fund.

v) Notwithstanding the individual limits laid down in paragraph III) a) i), the investment manager of the Underlying Fund shall not combine, for the Underlying Fund, any of the following:

1. investments in money market instruments, securitisations and ABCPs issued by, and/ or

2. deposits made with a single body,

in excess of 15% of the Underlying Fund’s assets.

vi) The limit of 15% laid down in III) a) v) above would be increased to a maximum of 20% in money market instruments and deposits to the extent the structure of the Luxembourg financial market would be such that there are insufficient viable financial institutions to meet that diversification requirement and it is not economically feasible to use financial institutions in other EU Member States.

vii) Notwithstanding the provisions outlined in III) a) i), JPMF is authorised to invest up to 100% of the assets of the Underlying Fund, in accordance with the principle of risk spreading, in money market instruments issued or guaranteed separately or jointly by the EU, the national, regional and local administrations of the EU Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a member state of the OECD, Group of Twenty or Singapore, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more EU Member States belong, provided that the Underlying Fund holds money market instruments from at least six different issues by an issuer and that the Underlying Fund limits the investment in money market instruments from the same issue to a maximum of 30% of the total assets of the Underlying Fund.

viii) The limit laid down in the first paragraph of III) a) i) may be of a maximum of 10% for certain bonds when they are issued by a credit institution which has its registered office in an EU Member State and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must be invested in accordance with the law, in assets which, during the whole period of validity of the bonds, are capable of covering claims attached to the bonds and which, in case of failure of the issuer, would be used on a priority basis for the repayment of the principal and payment of accrued interest.

If the Underlying Fund invests more than 5% of its assets in the bonds referred to in the above paragraph and issued by one issuer, the total value of such investments may not exceed 40% of the value of the assets of the Underlying Fund.

ix) Notwithstanding the individual limits laid down in III) a) i), the Underlying Fund may invest no more than 20% of its assets in bonds issued by a single credit institution where the requirements set out in point (f) of Article 10(1) or point (c) of Article 11(1) of Delegated Regulation (EU) 2015/61 are met, including any possible investment in assets referred to in III) a) viii) above.

Where the Underlying Fund invests more than 5% of its assets in the bonds referred to in the above paragraph issued by a single issuer, the total value of those investments shall not exceed 60% of the value of the assets of the Underlying Fund, including any possible investment in assets referred to in III) a) viii) above, respecting the limits set out therein.

Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with Directive 2013/34/EU or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in section III) a).

IV) a) JPMF may not acquire on behalf of the Underlying Fund more than 10% of money market instruments, securitisations and ABCPs of the same issuer.

b) Paragraph a) above shall not apply as regards money market instruments issued or guaranteed by the EU, national, regional and local administrations of the EU Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more EU Member States belong.

V) a) JPMF may acquire units or shares of targeted MMFs as defined under paragraph I) E) provided that, in principle, no more than 10% in total of the Underlying Fund's assets be invested in units or shares of targeted MMFs.

The Underlying Fund may be allowed to invest more than 10% of its assets in units or shares of other targeted MMFs in which case it will be explicitly mentioned in its investment policy.

b) JPMF may acquire units or shares of another targeted MMF provided that it represents no more than 5% of the Underlying Fund's assets.

c) The Underlying Fund, which is allowed to derogate from the first paragraph of item V) a) above, may not invest in aggregate more than 17.5% of its assets in units or shares of other targeted MMFs.

d) By derogation to b) and c) above, the Underlying Fund may either:

i) be a feeder money market fund investing at least 85% of its assets in another single targeted MMF which is an Undertaking for Collective Investment in Transferable Securities ("UCITS") in accordance with Article 58 of the UCITS Directive; or

ii) invest up until 20% of its assets in each of other targeted MMFs with a maximum of 30% in aggregate of its assets in targeted MMFs which are not UCITS in accordance with Article 55 of the UCITS Directive,

provided that the following conditions are met:

a. the Underlying Fund is marketed solely through an employee savings scheme governed by national law and which has only natural persons as investors; and

b. the employee savings scheme referred to above only allows investors to redeem their investment subject to restrictive redemption terms which are laid down in national law, whereby redemptions may only take place in certain circumstances that are not linked to market developments.

e) The management company of JPMF or other related company as defined below may not levy any subscription or redemption fee on the units or shares of the targeted MMF, nor may the management company of JPMF levy any annual management and advisory fee if it invests in units or shares of other money market funds which:

i) it manages itself either directly or indirectly; or

ii) are managed by a company with which it is related by virtue of:

1. common management, or
2. common control, or
3. a direct or indirect interest of more than 10% of the capital or the votes.

If the Underlying Fund invests 10% or more in targeted MMFs, JPMF will indicate in its annual report the total management fee charged both to the Underlying Fund and to the targeted MMFs in which the Underlying Fund has invested during the relevant period.

f) The underlying investments held by the targeted MMF in which JPMF invests do not have to be considered for the purpose of the investment restrictions set forth under III) a) above.

g) The Underlying Fund may act as a master fund for other funds.

h) Notwithstanding the foregoing, the Underlying Fund may subscribe, acquire and/or hold securities to be issued or issued by one or more money market sub-funds of JPMF (qualifying as short-term money market fund) without JPMF being subject to the requirements of the Law of 10 August 1915 on commercial companies, as amended, with respect to the subscription, acquisition and/or the holding by a company of its own shares, under the condition however that:

1. the targeted money market sub-fund does not, in turn, invest in the Underlying Fund invested in this targeted money market sub-fund; and

2. no more than 10% of the assets that the targeted money market sub-fund whose acquisition is contemplated may be in units of UCITS and/or other Undertakings for Collective Investment ("UCIs"); and

3. voting rights, if any, attaching to the shares of the targeted money market sub-fund are suspended for as long as they are held by the Underlying Fund and without prejudice to the appropriate processing in the accounts and the periodic reports; and

4. in any event, for as long as these securities are held by the Underlying Fund, their value will not be taken into consideration for the calculation of the net assets of JPMF for the purposes of verifying the minimum threshold of the net assets imposed by the Luxembourg law.

VI) In addition, the Underlying Fund will not:

a) invest in assets other than those referred to under I) above;

b) short sell money market instruments, securitisations, ABCPs and units or shares of other money market funds;

c) take direct or indirect exposure to equity or commodities, including via derivatives, certificates representing them, indices based on them, or any other means or instrument that would give an exposure to them;

d) enter into securities lending agreements or securities borrowing agreements, or any other agreement that would encumber the assets of JPMF; or

e) borrow and lend cash.

The Underlying Fund must ensure an adequate spread of investment risks by sufficient diversification.

VII) JPMF will in addition comply with such further restrictions in relation to the Underlying Fund as may be required by the regulatory authorities in which the shares are marketed.

The aggregate value of the Underlying Fund's holding of instruments and deposits issued by a single issuer may not exceed 10% of the total net asset value of the Underlying Fund except:

(i) where the issuer is a substantial financial institution[9] and the total amount does not exceed 10% of the issuer's issued capital and published reserves, the limit may be increased to 15%; or

(ii) in the case of government and other public securities, up to 30% may be invested in the same issue; or

(iii) in respect of any deposit of less than USD 1,000,000, where the Underlying Fund cannot otherwise diversify as a result of its size.

In addition, JPMF for the Underlying Fund shall comply on an ongoing basis with all of the following portfolio requirements:

i) the Underlying Fund's portfolio is to have a weighted average maturity of no more than 60 days;

ii) the Underlying Fund's portfolio is to have a weighted average life of no more than 120 days, subject to the provision of the MMF Regulation;

[9] "Substantial financial institution" as defined in the Code on Unit Trusts and Mutual Funds of the SFC means financial institution with a minimum paid-up capital of HK$150,000,000 or its equivalent in foreign currency.

iii) at least 7.5% of the Underlying Fund's assets are to be comprised of daily maturing assets, reverse repurchase transactions which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day; and

iv) at least 15% of the Underlying Fund's assets are to be comprised of weekly maturing assets, reverse repurchase transactions which are able to be terminated by giving prior notice of five working days, or cash which is able to be withdrawn by giving prior notice of five working days. Up to 7.5% of the Underlying Fund's assets may be invested in money market instruments or units or shares of other short-term money market funds provided that they are able to be redeemed and settled within five working days.

For these purposes:

"**EU Member State**" refers to a member state of the European Union ("EU").

"**MMF Regulation**" refers to the Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on Money Market Funds as may be amended or replaced from time to time.

"**Regulated Market**" refers to the market defined in item 14 of Article 4 of the European Parliament and the Council Directive 2004/39/EC of 21 April 2004 on markets in financial instruments, as well as any other market in an Eligible State which is regulated, operates regularly and is recognised and open to the public. "**Eligible State**" refers to any EU Member State, any member state of the Organisation for Economic Co-operation and Development ("**OECD**"), and any other state which the directors of JPMF deem appropriate with regard to the investment objectives of each sub-fund of JPMF. Eligible States in this category include countries in Africa, the Americas, Asia, Australasia and Europe.

"**UCITS Directive**" refers to EC Directive 2009/65 of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), as amended or replaced from time to time.

"**weighted average life**" refers to the average length of time to legal maturity of all of the underlying assets in a money market fund reflecting the relative holdings in each asset.

4. Borrowing Policy of the Underlying Fund

The Underlying Fund will not borrow cash.

5. Use of Derivatives and Leverage of the Underlying Fund

The Underlying Fund will not use derivatives for any purposes.

6. Additional Risk Factors

(i) Risk related to money fund - Investment in the Underlying Fund is not the same as placing funds on deposit with a bank or deposit-taking institution. The manager has no obligation to redeem units at the issue price (or the net asset value per unit on the issue of such units) and the Underlying Fund is not subject to the supervision of the Hong Kong Monetary Authority. As a result, investors may get back less than they originally invested.

(ii) Risk related to reverse repurchase transactions - The counterparty of reverse repurchase transactions may fail to meet its obligations which could result in losses to the Underlying Fund. In the event of the failure of the counterparty with which cash has been placed, there is the risk that the value of the collateral received may be less than the cash placed out which may be due to factors including inaccurate pricing of the collateral, adverse market movements in the value of the collateral, a deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded. Locking cash in transactions of significant size or duration, delays in recovering cash placed out, or difficulty in realising collateral may restrict the ability of the Underlying Fund to meet redemption requests or fund security purchases.

7. Distribution Policy of the Underlying Fund

The Underlying Fund will not normally pay dividends.

8. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
Administration Units	US dollars
Investment Units	US dollars

9. Bases of Valuations

Valuations of investments of this Fund will be expressed in US dollars.

10. Realisations

The amount due on the realisation of units will normally be paid within five business days and in any event not later than one calendar month after the date of actual receipt by the Manager of a duly completed realisation request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.

11. Duration of the Fund

Unless terminated earlier, the Fund will terminate automatically on the date immediately preceding the eightieth anniversary of the date of the Trust Deed. The Trustee may, in certain circumstances, terminate the Fund at any time.

Such circumstances include the passing of any law which renders it illegal to continue the Fund. The Fund may, in certain circumstances, also be terminated by the Manager. Such circumstances include the termination of the Underlying Fund, or such other underlying fund as the Fund is then investing, the passing of any law which renders it illegal or, in the opinion of the Manager, impracticable or inadvisable to continue the Fund or the situation where the aggregate net asset value of all units in issue falls below US$10,000,000. Three months' notice will be given to unitholders. The Fund may also be terminated by Extraordinary Resolution of the unitholders at any time.

Any unclaimed proceeds or other cash held by the Trustee upon termination of the Fund ("Unclaimed Proceeds"), may at the expiration of twelve months from the date upon which the same were payable be paid into court subject to the right of the Trustee to deduction therefrom any expenses it may incur in making such payment. However, if it is in the opinion of the Manager that the expenses required for making an application to pay the Unclaimed Proceeds into court equal or exceed the amount of the Unclaimed Proceeds, the Manager may, after consultation with the Trustee, donate the Unclaimed Proceeds to charity.

12. Fees and Charges

Since the manager of the Underlying Fund currently levies a management and advisory fee at the rate of 0.25% per annum of the net asset value of the Underlying Fund, the Manager has no present intention to charge a management fee in respect of the Fund. Accordingly, there will be no increase in the overall total of the preliminary charge, realisation charge or management fee or any other costs and charges payable to the management company or any of its Connected Persons.

The trustee fee applicable to the Fund is currently at 0% per annum.

JPMorgan Provident Balanced Fund

1. Date of Trust Deed

29 September 1995

2. Investment Objective and Policy

The investment objective of the Fund is to maximize its long term capital appreciation in Hong Kong dollars terms, while tolerating a moderate level of risks.

The Fund is a fund of funds. The Fund seeks to achieve these investment objectives by investing primarily (i.e. at least 70% of its net asset value) in a professionally managed portfolio of interests in collective investment schemes (including exchange-traded funds) managed by the Manager or its Connected Persons and passively-managed exchange-traded funds managed by unaffiliated management companies (collectively, "Underlying Funds").

Other than non-eligible schemes not authorized by the SFC (to which the Fund's aggregate exposure shall not exceed 10% of its net asset value) and exchange-traded funds, the Fund will only invest in collective investment schemes which are either authorised by the SFC[1] or eligible schemes in accordance with the list of recognised jurisdictions published by the SFC, provided that investment in any one of such schemes may not exceed 30% of the Fund's total net asset value unless otherwise specified below. The Fund may invest in an Underlying Fund of which the net derivative exposure as defined under the Code may be more than 50% of the Underlying Fund's net asset value.

The Fund may invest up to 10% of its net asset value in Underlying Funds which are exchange-traded funds managed by the Manager or its Connected Persons or passively-managed exchange-traded funds managed by unaffiliated management companies.

The Investment Manager integrates financially material environmental, social and governance factors as part of the Fund's investment process. Please refer to the sub-section entitled "ESG Integration" under the section entitled "PURPOSE AND POLICIES" for details.

The underlying asset mix of the Fund (through investment in the Underlying Funds) will have an exposure in both global equity markets, where the growth opportunities and higher returns are normally available, and bond markets, where capital and income stability are normally found. The Fund invests with no prescribed asset class, regional, country, industry sector or market capitalisation limits for investment by the Underlying Funds.

The Fund may acquire financial derivative instruments for both investment and hedging purposes.

The Fund may invest up to 40% of its net asset value in the units of JPMorgan SAR Hong Kong Fund, which is an approved pooled investment fund by the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes (General) Regulation, and was authorised as a unit trust by the SFC[1] under the Securities Ordinance of Hong Kong and is now deemed to have been authorised as a collective investment scheme under section 104 of the SFO. The investment policy of JPMorgan SAR Hong Kong Fund is to provide investors with long term capital growth in HK dollar terms through a portfolio consisting primarily of securities of companies either listed, based, or operating principally in Hong Kong.

3. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
Administration Units	HK dollars
Investment Units	HK dollars
Distribution Units	HK dollars
Distribution Units – R	HK dollars

[1] SFC authorisation is not a recommendation or endorsement of the Underlying Fund nor does it guarantee the commercial merits of the Underlying Fund or its performance. It does not mean that the Underlying Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

4. Duration of the Fund

Unless terminated earlier, the Fund will terminate automatically on the eightieth anniversary of the date of the Trust Deed. The Manager or the Trustee may, in certain circumstances, terminate the Fund at any time. Such circumstances include the passing of any law which renders it illegal to continue the Fund or, in the opinion of the Manager, impracticable or inadvisable to continue the Fund or the situation where the aggregate net asset value of all units in issue falls below HK$20,000,000. The Fund may also be terminated by Extraordinary Resolution of the unitholders at any time.

Any unclaimed proceeds or other cash held by the Trustee upon termination of the Fund ("Unclaimed Proceeds"), may at the expiration of twelve months from the date upon which the same were payable be paid into court subject to the right of the Trustee to deduction therefrom any expenses it may incur in making such payment. However, if it is in the opinion of the Manager that the expenses required for making an application to pay the Unclaimed Proceeds into court equal or exceed the amount of the Unclaimed Proceeds, the Manager may, after consultation with the Trustee, donate the Unclaimed Proceeds to charity.

5. Fees and Charges

For Administration Units, Investment Units and Distribution Units - R, the Manager currently receives an annual management fee of 1% of the net asset value of the relevant Class. For Distribution Units, the Manager currently receives an annual management fee of 1.25% of the net asset value of the relevant Class. For investment in unit trusts or other collective investment schemes, including exchange-traded fund, managed by the Manager or certain management companies connected with the Manager, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the Fund's interest in such unit trust or scheme. Accordingly, there will be no double charging of either the preliminary charge, realisation charge or management fee in respect of investment in such unit trust or scheme.

The Trustee currently receives an annual trustee fee of USD25,000.

6. Initial Issue Price

The first issue of units of the following Class will be made at the price below, excluding the preliminary charge:

Class	Initial issue price per unit, excluding the preliminary charge
Distribution Units	HK$10.00
Distribution Units – R	HK$10.00

The initial issue of units of other Classes has ended.

JPMorgan Provident Capital Fund

1. Date of Trust Deed

29 September 1995

2. Investment Objective and Policy

The investment objective of the Fund is to minimize its short term capital risk in Hong Kong dollar terms, while providing the potential for some capital appreciation.

The Fund is a fund of funds. The Fund seeks to achieve these investment objectives by investing primarily (i.e. at least 70% of its net asset value) in a professionally managed portfolio of interests in collective investment schemes (including exchange-traded funds) managed by the Manager or its Connected Persons and passively-managed exchange-traded funds managed by unaffiliated management companies (collectively, “Underlying Funds”).

Other than non-eligible schemes not authorized by the SFC (to which the Fund’s aggregate exposure shall not exceed 10% of its net asset value) and exchange-traded funds, the Fund will only invest in collective investment schemes which are either authorised by the SFC[1] or eligible schemes in accordance with the list of recognised jurisdictions published by the SFC, provided that investment in any one of such schemes may not exceed 30% of the Fund’s total net asset value unless otherwise specified below. The Fund may invest in an Underlying Fund of which the net derivative exposure as defined under the Code may be more than 50% of the Underlying Fund’s net asset value.

The Fund may invest up to 10% of its net asset value in Underlying Funds which are exchange-traded funds managed by the Manager or its Connected Persons or passively-managed exchange-traded funds managed by unaffiliated management companies.

The Investment Manager integrates financially material environmental, social and governance factors as part of the Fund’s investment process. Please refer to the sub-section entitled “ESG Integration” under the section entitled “PURPOSE AND POLICIES” for details.

The underlying asset mix of the Fund (through investment in the Underlying Funds) will have the majority of investment in fixed income securities to ensure that the capital value and income stability of the portfolio is maintained whilst balancing this with a minority of exposure to global equities to provide the potential for some capital appreciation for the portfolio. By having significantly more exposure in bonds than in global equities, the short term volatility of the portfolio should be minimized whilst still maintaining the potential of modest return in the long term. The Fund invests with no prescribed regional, country, industry sector or market capitalisation limits for investment by the Underlying Funds.

The Fund may acquire financial derivative instruments for both investment and hedging purposes.

The Fund may invest up to 40% of its net asset value in the units of JPMorgan SAR Global Bond Fund, which is an approved pooled investment fund by the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes (General) Regulation, and was authorised as a unit trust by the SFC[1] under the Securities Ordinance of Hong Kong and is now deemed to have been authorised as a collective investment scheme under section 104 of the SFO. The investment policy of JPMorgan SAR Global Bond Fund is to provide investors with long term capital growth in Hong Kong dollar terms through a portfolio consisting primarily of international bonds (both developed and developing markets).

[1] SFC authorisation is not a recommendation or endorsement of the Underlying Fund nor does it guarantee the commercial merits of the Underlying Fund or its performance. It does not mean that the Underlying Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

3. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
Administration Units	HK dollars
Investment Units	HK dollars
Distribution Units	HK dollars
Distribution Units – R	HK dollars

4. Duration of the Fund

Unless terminated earlier, the Fund will terminate automatically on the eightieth anniversary of the date of the Trust Deed. The Manager or the Trustee may, in certain circumstances, terminate the Fund at any time. Such circumstances include the passing of any law which renders it illegal to continue the Fund or, in the opinion of the Manager, impracticable or inadvisable to continue the Fund or the situation where the aggregate net asset value of all units in issue falls below HK$20,000,000. The Fund may also be terminated by Extraordinary Resolution of the unitholders at any time.

Any unclaimed proceeds or other cash held by the Trustee upon termination of the Fund ("Unclaimed Proceeds"), may at the expiration of twelve months from the date upon which the same were payable be paid into court subject to the right of the Trustee to deduction therefrom any expenses it may incur in making such payment. However, if it is in the opinion of the Manager that the expenses required for making an application to pay the Unclaimed Proceeds into court equal or exceed the amount of the Unclaimed Proceeds, the Manager may, after consultation with the Trustee, donate the Unclaimed Proceeds to charity.

5. Fees and Charges

For Administration Units, Investment Units and Distribution Units – R, the Manager currently receives an annual management fee of 0.8% of the net asset value of the relevant Class. For Distribution Units, the Manager currently receives an annual management fee of 1.25% of the net asset value of the relevant Class. For investment in unit trusts or other collective investment schemes, including exchange-traded fund, managed by the Manager or certain management companies connected with the Manager, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the Fund's interest in such unit trust or scheme. Accordingly, there will be no double charging of either the preliminary charge, realisation charge or management fee in respect of investment in such unit trust or scheme.

The Trustee currently receives an annual trustee fee of USD25,000.

6. Initial Issue Price

The first issue of units of the following Class will be made at the price below, excluding the preliminary charge:

Class	Initial issue price per unit, excluding the preliminary charge
Distribution Units	HK$10.00
Distribution Units – R	HK$10.00

The initial issue of units of other Classes has ended.

JPMorgan Provident Growth Fund

1. Date of Trust Deed

15 August 1995

2. Investment Objective and Policy

The investment objective of the Fund is to maximize its long term capital appreciation in Hong Kong dollar terms, while tolerating a moderately high level of risks.

The Fund is a fund of funds. The Fund seeks to achieve these investment objectives by investing primarily (at least 70% of its total net asset value) in a professionally managed portfolio of interests in collective investment schemes (including exchange-traded funds) managed by the Manager or its Connected Persons and passively-managed exchange-traded funds managed by unaffiliated management companies (collectively, "Underlying Funds").

Other than non-eligible schemes not authorized by the SFC (to which the Fund's aggregate exposure shall not exceed 10% of its net asset value) and exchange-traded funds, the Fund will only invest in collective investment schemes which are either authorised by the SFC[1] or eligible schemes in accordance with the list of recognised jurisdictions published by the SFC, provided that investment in any one of such schemes may not exceed 30% of the Fund's total net asset value unless otherwise specified below The Fund may invest in an Underlying Fund of which the net derivative exposure as defined under the Code may be more than 50% of the Underlying Fund's net asset value.

The Fund may invest up to 10% of its net asset value in Underlying Funds which are exchange-traded funds managed by the Manager or its Connected Persons or passively-managed exchange-traded funds managed by unaffiliated management companies.

The Investment Manager integrates financially material environmental, social and governance factors as part of the Fund's investment process. Please refer to the sub-section entitled "ESG Integration" under the section entitled "PURPOSE AND POLICIES" for details.

The underlying asset mix of the Fund (through investment in the Underlying Funds) will have the majority of investment in global equity markets to seek potential higher returns although the Fund may be weighted towards Hong Kong and Asian markets at the discretion of the Manager, whilst balancing this with a minority of exposure to fixed income securities to maintain capital value and income stability. The Fund invests with no prescribed industry sector or market capitalisation limits for investment by the Underlying Funds.

The Fund may acquire financial derivative instruments for both investment and hedging purposes.

Whilst the policy of the Manager is that the non-cash assets of the Fund should be kept invested in pursuit of the stated objectives, cash reserves may be held from time to time to protect the Fund's assets or to meet investment opportunities as they arise.

The Fund may invest up to 40% of its net asset value in the units of JPMorgan SAR Hong Kong Fund, which is an approved pooled investment fund by the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes (General) Regulation, and was authorised as a unit trust by the SFC[1] under the Securities Ordinance of Hong Kong and is now deemed to have been authorised as a collective investment scheme under section 104 of the SFO. The investment policy of JPMorgan SAR Hong Kong Fund is to provide investors with long term capital growth in HK dollar terms through a portfolio consisting primarily of securities of companies either listed, based, or operating principally in Hong Kong.

[1] SFC authorisation is not a recommendation or endorsement of the Underlying Fund nor does it guarantee the commercial merits of the Underlying Fund or its performance. It does not mean that the Underlying Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

3. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
Administration Units	HK dollars
Investment Units	HK dollars
Distribution Units	HK dollars
Distribution Units – R	HK dollars

4. Duration of the Fund

Unless terminated earlier, the Fund will terminate automatically on the eightieth anniversary of the date of the Trust Deed. The Manager or the Trustee may, in certain circumstances, terminate the Fund at any time. Such circumstances include the passing of any law which renders it illegal to continue the Fund or, in the opinion of the Manager, impracticable or inadvisable to continue the Fund or the situation where the aggregate net asset value of all units in issue falls below HK$20,000,000. The Fund may also be terminated by Extraordinary Resolution of the unitholders at any time.

Any unclaimed proceeds or other cash held by the Trustee upon termination of the Fund ("Unclaimed Proceeds"), may at the expiration of twelve months from the date upon which the same were payable be paid into court subject to the right of the Trustee to deduction therefrom any expenses it may incur in making such payment. However, if it is in the opinion of the Manager that the expenses required for making an application to pay the Unclaimed Proceeds into court equal or exceed the amount of the Unclaimed Proceeds, the Manager may, after consultation with the Trustee, donate the Unclaimed Proceeds to charity.

5. Fees and Charges

For Administration Units, Investment Units and Distribution Units – R, the Manager currently receives an annual management fee of 1% of the net asset value of the relevant Class. For Distribution Units, the Manager currently receives an annual management fee of 1.25% of the net asset value of the relevant Class. For investment in unit trusts or other collective investment schemes, including exchange-traded fund, managed by the Manager or certain management companies connected with the Manager, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the Fund's interest in such unit trust or scheme. Accordingly, there will be no double charging of either the preliminary charge, realisation charge or management fee in respect of investment in such unit trust or scheme.

The Trustee currently receives an annual trustee fee of USD25,000.

6. Initial Issue Price

The first issue of units of the following Class will be made at the price below, excluding the preliminary charge:

Class	Initial issue price per unit, excluding the preliminary charge
Distribution Units	HK$10.00
Distribution Units – R	HK$10.00

The initial issue of units of other Classes has ended.

JPMorgan Provident High Growth Fund

1. Date of Trust Deed

8 December 2003

2. Investment Objective and Policy

The investment objective of the Fund is to maximize its long-term capital appreciation in Hong Kong dollar terms, while tolerating a high level of risks.

The Fund is a fund of funds. The Fund seeks to achieve these investment objectives by investing primarily (at least 70% of its total net asset value) in a professionally managed portfolio of interests in collective investment schemes (including exchange-traded funds) managed by the Manager or its Connected Persons and passively-managed exchange-traded funds managed by unaffiliated management companies (collectively, "Underlying Funds").

Other than non-eligible schemes not authorized by the SFC (to which the Fund's aggregate exposure shall not exceed 10% of its net asset value) and exchange-traded funds, the Fund will only invest in collective investment schemes which are either authorised by the SFC[1] or eligible schemes in accordance with the list of recognised jurisdictions published by the SFC, provided that investment in any one of such schemes may not exceed 30% of the Fund's total net asset value unless otherwise specified below. The Fund may invest in an Underlying Fund of which the net derivative exposure as defined under the Code may be more than 50% of the Underlying Fund's net asset value.

The Fund may invest up to 10% of its net asset value in Underlying Funds which are exchange-traded funds managed by the Manager or its Connected Persons or passively-managed exchange-traded funds managed by unaffiliated management companies.

The Investment Manager integrates financially material environmental, social and governance factors as part of the Fund's investment process. Please refer to the sub-section entitled "ESG Integration" under the section entitled "PURPOSE AND POLICIES" for details.

The Fund (through investment in the Underlying Funds) will have significantly more exposure in global equities than a traditional growth fund. The underlying assets of the Fund (through investment in the Underlying Funds) will primarily be invested in global equity markets although the Fund may be weighted towards Hong Kong and Asian markets at the discretion of the Manager. By investing primarily in the equity markets, higher potential returns will usually be available as compared to investing in fixed income securities or bonds. However, the investments in equities will, to a certain extent, be subject to the short term volatility of the equity markets, which means that the risks associated with the investments will be higher as compared with investments in fixed income securities or bonds. The Fund invests with no prescribed industry sector or market capitalisation limits for investment by the Underlying Funds.

The Fund may acquire financial derivative instruments for both investment and hedging purposes.

Whilst the policy of the Manager is that the non-cash assets of the Fund should be kept invested in pursuit of the stated objectives, cash reserves may be held from time to time to protect the Fund's assets or to meet investment opportunities as they arise.

The Fund may invest up to 40% of its net asset value in the units of JPMorgan SAR Hong Kong Fund, which is an approved pooled investment fund by the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes (General) Regulation, and was authorised as a unit trust by the SFC[1] under the Securities Ordinance of Hong Kong and is now deemed to have been authorised as a collective investment scheme under section 104 of the SFO. The investment policy of JPMorgan SAR Hong Kong Fund is to provide investors with long term capital growth in HK dollar terms through a portfolio consisting primarily of securities of companies either listed, based, or operating principally in Hong Kong.

[1] SFC authorisation is not a recommendation or endorsement of the Underlying Fund nor does it guarantee the commercial merits of the Underlying Fund or its performance. It does not mean that the Underlying Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

3. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
Administration Units	HK dollars
Investment Units	HK dollars

4. Duration of the Fund

Unless terminated earlier, the Fund will terminate automatically on the date immediately preceding the eightieth anniversary of the date of the Trust Deed. The Manager or the Trustee may, in certain circumstances, terminate the Fund at any time. Such circumstances include the passing of any law which renders it illegal to continue the Fund or, in the opinion of the Manager, impracticable or inadvisable to continue the Fund or the situation where the aggregate net asset value of all units in issue falls below HK$20,000,000. The Fund may also be terminated by Extraordinary Resolution of the unitholders at any time.

Any unclaimed proceeds or other cash held by the Trustee upon termination of the Fund (“Unclaimed Proceeds”), may at the expiration of twelve months from the date upon which the same were payable be paid into court subject to the right of the Trustee to deduction therefrom any expenses it may incur in making such payment. However, if it is in the opinion of the Manager that the expenses required for making an application to pay the Unclaimed Proceeds into court equal or exceed the amount of the Unclaimed Proceeds, the Manager may, after consultation with the Trustee, donate the Unclaimed Proceeds to charity.

5. Fees and Charges

For Administration Units and Investment Units, the Manager currently receives an annual management fee of 1.0% of the net asset value of the relevant Class. For investment in unit trusts or other collective investment schemes, including exchange-traded fund, managed by the Manager or certain management companies connected with the Manager, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the Fund’s interest in such unit trust or scheme. Accordingly, there will be no double charging of either the preliminary charge, realisation charge or management fee in respect of investment in such unit trust or scheme.

The Trustee currently receives an annual trustee fee of USD25,000.

JPMorgan Provident Stable Capital Fund

1. Date of Trust Deed

14 January 2002

2. Investment Objective and Policy

The investment objective of the Fund is to outperform Hong Kong dollar deposit rates over the long term, while tolerating a conservative level of risks.

The Fund is a fund of funds. The Fund seeks to achieve these investment objectives by investing primarily (at least 70% of its total net asset value) in a professionally managed portfolio consisting primarily of interests in collective investment schemes (including exchange-traded funds) managed by the Manager or its Connected Persons and passively-managed exchange-traded funds managed by unaffiliated management companies (collectively, "Underlying Funds").

Other than non-eligible schemes not authorized by the SFC (to which the Fund's aggregate exposure shall not exceed 10% of its net asset value) and exchange-traded funds, the Fund will only invest in collective investment schemes which are either authorised by the SFC[1] or eligible schemes in accordance with the list of recognised jurisdictions published by the SFC, provided that investment in any one of such schemes may not exceed 30% of the Fund's total net asset value unless otherwise specified below. The Fund may invest in an Underlying Fund of which the net derivative exposure as defined under the Code may be more than 50% of the Underlying Fund's net asset value.

The Fund may invest up to 10% of its net asset value in Underlying Funds which are exchange-traded funds managed by the Manager or its Connected Persons or passively-managed exchange-traded funds managed by unaffiliated management companies.

The Investment Manager integrates financially material environmental, social and governance factors as part of the Fund's investment process. Please refer to the sub-section entitled "ESG Integration" under the section entitled "PURPOSE AND POLICIES" for details.

The underlying assets of the Fund (through investment in the Underlying Funds) will primarily be invested in cash and fixed income securities to ensure that the capital value and income stability of the portfolio is maintained. The principal means by which moderate growth is achieved is through investment in convertible bond collective investment scheme(s). In addition, there may be some limited exposure to global equities through investing in collective investment scheme(s) as and when the market conditions are deemed appropriate. The Fund invests with no prescribed regional, country, industry sector or market capitalisation limits for investment by the Underlying Funds.

The Fund may acquire financial derivative instruments for both investment and hedging purposes.

The Fund may invest up to 40% of its net asset value in the units of JPMorgan SAR HK$ Bond Fund, which is an approved pooled investment fund by the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes (General) Regulation, and was authorised as a unit trust by the SFC[1] under the Securities Ordinance of Hong Kong and is now deemed to have been authorised as a collective investment scheme under section 104 of the SFO. The investment policy of JPMorgan SAR HK$ Bond Fund is to provide investors with long term capital growth in HK dollar terms through a portfolio consisting primarily of Hong Kong dollar denominated bonds (including government and corporate bonds).

[1] SFC authorisation is not a recommendation or endorsement of the Underlying Fund nor does it guarantee the commercial merits of the Underlying Fund or its performance. It does not mean that the Underlying Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

3. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
Administration Units	HK dollars
Investment Units	HK dollars

4. Duration of the Fund

Unless terminated earlier, the Fund will terminate automatically on the date immediately preceding the eightieth anniversary of the date of the Trust Deed. The Manager or the Trustee may, in certain circumstances, terminate the Fund at any time. Such circumstances include the passing of any law which renders it illegal to continue the Fund or, in the opinion of the Manager, impracticable or inadvisable to continue the Fund or the situation where the aggregate net asset value of all units in issue falls below US$20,000,000. The Fund may also be terminated by Extraordinary Resolution of the unitholders at any time.

Any unclaimed proceeds or other cash held by the Trustee upon termination of the Fund ("Unclaimed Proceeds"), may at the expiration of twelve months from the date upon which the same were payable be paid into court subject to the right of the Trustee to deduction therefrom any expenses it may incur in making such payment. However, if it is in the opinion of the Manager that the expenses required for making an application to pay the Unclaimed Proceeds into court equal or exceed the amount of the Unclaimed Proceeds, the Manager may, after consultation with the Trustee, donate the Unclaimed Proceeds to charity.

5. Fees and Charges

For Administration Units and Investment Units, the Manager currently receives an annual management fee of 1.0% of the net asset value of the relevant Class. For investment in unit trusts or other collective investment schemes, including exchange-traded fund, managed by the Manager or certain management companies connected with the Manager, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the Fund's interest in such unit trust or scheme. Accordingly, there will be no double charging of either the preliminary charge, realisation charge or management fee in respect of investment in such unit trust or scheme.

The Trustee currently receives an annual trustee fee of USD25,000.