Prospectus

Allianz Global Investors Choice Fund

November 2023

IMPORTANT: If you are in any doubt about the contents of this Prospectus you should seek independent professional financial advice.

The distribution of this Prospectus and the offering of Units in certain jurisdictions may be restricted, and, accordingly, persons into whose possession this Prospectus comes are required by Allianz Global Investors Asia Pacific Limited (the "Manager") to inform themselves about, and to observe, any such restrictions. This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

Distribution of this Prospectus is not authorised unless it is accompanied by a copy of the latest annual report (if any) of the Trust and, if later, a copy of the most recent interim report thereof, each of which shall, on issue thereof, be deemed to form part of this Prospectus.

The Units are offered on the basis of the information and representations contained in this Prospectus and any further information given, or representations made, by any person may not be relied upon as having been authorised by the Manager or HSBC Institutional Trust Services (Asia) Limited (the "Trustee"). Neither the delivery of this Prospectus nor the issue of Units shall under any circumstances create any implication that there has been no change in the affairs of the Trust since the date hereof.

The Units of the Sub-Funds or Trust have not been, and will not be, registered under the United States Securities Act of 1933 as amended (the "Securities Act") or under the securities laws of any state of the United States of America. The Units may not be directly or indirectly offered or sold in the United States of America or otherwise sold or transferred to or for the account, interest or benefit of any US Person, as defined in Regulation S of the Securities Act. Applicants may be required to declare that they are not a US Person and are not applying for Units for on behalf of any US Person nor acquiring Units with the intent to sell them to a US Person. The Units must also not be offered, sold to or transferred to or for the account of or benefit of any U.S. Taxpayer (as defined).

The attention of U.S. Persons or U.S Taxpayers is drawn to the section headed "Restrictions on Unitholders" in "6. Additional Information" and the compulsory realization powers of the Manager referred to therein.

Persons interested in acquiring Units should inform themselves as to:

(i) the legal requirements within the countries of their nationality, residence, ordinary residence or domicile for such acquisition;
(ii) any foreign exchange restrictions or exchange control requirements which they might encounter on the acquisition or sale of Units; and
(iii) the income tax and other taxation consequences which might be relevant to the acquisition, holding or disposal of Units.

It should be appreciated that the value of Units can fall as well as rise. It should also be appreciated that under certain circumstances the realisation of Units may be restricted.

The Manager accepts full responsibility for the accuracy of the information contained in the Prospectus and confirm, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other material facts the omission of which would make any statement misleading. This Prospectus may from time to time be updated. Intending applicants for Units should ask the Manager if any supplements to this Prospectus or any later prospectus have been issued.

The Trust is a collective investment scheme pursuant to the provisions of Section 75 of the Financial Services Act 1986 (the "FSA") of the United Kingdom. The Trust is not, however, a recognised scheme for the purposes of the FSA and, accordingly, Units may only be promoted in the United Kingdom by authorised persons to other persons authorised under the FSA to carry on investment business, persons whose ordinary business involves the acquisition and disposal of property of the same kind as the property in which the Trust invests, or otherwise in accordance with the Financial Services (Promotion of Unregulated Schemes) Regulations 1991. This document has not been approved for the purposes of Section 57 of the FSA by a person authorised under the FSA. Accordingly, this Prospectus may only be issued or passed on in the United Kingdom to persons who are of a kind described in Article 11(3) (as amended) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1996 or are persons to whom the document may otherwise lawfully be issued or passed on.

The Trust and each of its Sub-Funds listed under the section headed "Sub-Funds" have been approved by the Mandatory Provident Fund Schemes Authority ("MPFA") under section 6 of the Mandatory Provident Fund Schemes (General) Regulation and authorised by the Securities and Futures Commission ("SFC") under section 104 of the Securities and Futures Ordinance. This Prospectus has been authorised by the SFC. Such authorisation does not indicate official recommendation or endorsement of the Manager or the Sub-Funds by the MPFA and SFC, nor does it guarantee the commercial merits of the Manager or the Sub-Funds or their performance. Neither does it mean the Manager or any Sub-Fund is suitable for all investors, nor is it an endorsement of its suitability for any particular investor or class of investors. This Prospectus is published in English and Chinese.

Investors may contact the Manager for any enquires or complaints in relation to the Trust or any of its sub-funds. To contact the Manager, investors may either:

- write to the Manager at 32/F, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong; or
- call Allianz Global Investors Retirement Services Hotline at 2238 8238.

The Manager will respond to any enquiry or complaint promptly.

November 2023

CONTACT DETAILS

For enquiries, please contact

Allianz Global Investors Retirement Services Hotline: 2238 8238

Email: hkretirement@allianzgi.com

Website: hk.allianzgi.com

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1. Manager and Trustee

MANAGER AND REGISTRAR
Allianz Global Investors Asia Pacific Limited
32/F, Two Pacific Place
88 Queensway, Admiralty
Hong Kong

DIRECTORS OF THE MANAGER
Mr. Raymond C.K. Chan
Ms. Wun Wun Lung
Mr. Ka Yiu Desmond Ng
Ms. Tze Ling Yu
Mr. Khalil Soubra

TRUSTEE AND CUSTODIAN

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central, Hong Kong

AUDITORS
PricewaterhouseCoopers, Certified Public Accountants, 21/F, Edinburgh Tower, 15 Queen's Road Central, Hong Kong

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

2. The Trust

INTRODUCTION

Allianz Global Investors Choice Fund is an open-ended unit trust established under the laws of Hong Kong pursuant to the Trust Deed. The Trust has an umbrella structure and can offer units (“Units”) in different sub-funds (“Sub-Funds”) to investors on a continuing basis. Units may also be issued in different classes in relation to any Sub-Fund (“Classes”) and each Class of Units in relation to any particular Sub-Fund may be subject to different conditions, including the amount of minimum subscription, the minimum holding, the level of any initial charge on the issue of Units, the level of any switching fee, the number of free switches permitted each year and the level of management fee or trustee fee payable in relation to that particular Class. The Trust Deed provides for Units to be issued, and confers upon the Unitholders the right to have their Units realised, based upon the NAV per Unit of the relevant Class of Units of the relevant Sub-Fund.

It is the Manager’s present intention that the Trust serve primarily as an investment vehicle for retirement and provident funds.

SUB-FUNDS

The following eighteen Sub-Funds are being offered for subscription on the terms of this Prospectus and those of the Trust Deed:

Equity Fund
Allianz Choice Asian Fund
Allianz Choice “Best Styles” Europe Fund
Allianz Choice “Best Styles” US Fund
Allianz Choice China A-Shares Fund
Allianz Choice Greater China Fund
Allianz Choice Hong Kong Fund
Allianz Choice Japan Fund
Allianz Choice Global Equity Fund

Fixed Income Fund
Allianz Choice Global Fixed Income Fund

Mixed Assets Fund
Allianz Choice Flexi Balanced Fund
Allianz Choice Balanced Fund
Allianz Choice Capital Stable Fund
Allianz Choice Growth Fund
Allianz Choice Oriental Fund
Allianz Choice Stable Growth Fund

Money Market Fund
Allianz Choice RMB Money Market Fund
Allianz Choice HK$ Cash Fund
Allianz Choice HK$ Liquidity Fund

The Sub-Funds have been approved as APIFs by the MPFA under section 6 of the MPF Regulation and authorised by the SFC pursuant to section 104 of the Securities and Futures Ordinance although only Ordinary Class Units will be available for investment by MPF Schemes. In granting such approval and authorisation neither the MPFA nor the SFC makes any official recommendation or endorsement of any Sub-Fund nor do they guarantee the commercial merits of any Sub-Fund or its performance. They do not mean any Sub-Fund is suitable for all investors nor endorse any Sub-Fund's suitability for any particular investor or class of investors. They do not take any responsibility for the financial soundness of the Trust or any Sub-Fund or for the correctness of any statements made or opinions expressed in this regard.

CLASSES OF UNITS

In respect of each Sub-Fund, there will be the following Classes of Units:

Sub-Funds	Classes of Units
All Sub-Funds except the Allianz Choice RMB Money Market Fund, Allianz Choice HK$ Liquidity Fund and the Allianz Choice HK$ Cash Fund	Ordinary Class - A Ordinary Class - B Ordinary Class - C Ordinary Class - I Ordinary Class - F Administration Class - A Administration Class - B
Allianz Choice RMB Money Market Fund	Ordinary Class Ordinary Class - C Ordinary Class - I Ordinary Class - F Administration Class
Allianz Choice HK$ Liquidity Fund	Ordinary Class Ordinary Class - I Ordinary Class - F

	Administration Class
Allianz Choice HK$ Cash Fund	Ordinary Class Ordinary Class - I Ordinary Class - F Administration Class

Classes of Units with a Share Class Currency different to the Fund Currency of the Sub-Fund may be issued as set out in the table below. The Share Class Currency of a Class of Units is indicated in bracket after the name of the Share Class (e.g. Ordinary Class – C (HKD) for Ordinary Class – C with a HKD Share Class Currency).

The principal differences between the different Classes of Units are summarised in the table below.

Class of Units (Note 1)	Fund Currency	Share Class Currency	General requirement for investment	Management Fee	Administration Fee
In respect of all Sub-Funds except Allianz Choice Japan Fund, Allianz Choice "Best Styles" Europe Fund, Allianz Choice "Best Styles" US Fund, Allianz Choice Global Fixed Income Fund, Allianz Choice Hong Kong Fund, Allianz Choice RMB Money Market Fund, Allianz Choice HK$ Liquidity Fund and Allianz Choice HK$ Cash Fund:					
Ordinary Class - A	Hong Kong dollars	Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes For other investors: each investor plans to have a total investment exceeding HK$50 million in the Trust	0.45%p.a.	N/A
Ordinary Class - B		Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes For other investors: each investor plans to have a total investment of between HK$20 million and HK$50 million in the Trust	0.65%p.a.	N/A
Ordinary Class - C		Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes For other investors: each investor plans to have a total investment of less than HK$20 million in the Trust	1.5%p.a.	N/A
Ordinary Class - I		Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Ordinary Class - F		Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Administration Class - A		Hong Kong dollars	For ORSO Schemes: as agreed between the Manager and the trustee of such schemes	0.45%p.a	0.45%p.a.
Administration Class - B		Hong Kong dollars		0.65%p.a.	0.45%p.a.
In respect of Allianz Choice Hong Kong Fund:					
Ordinary Class - A	Hong Kong dollars	Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes For other investors: each investor plans to have a	0.45%p.a.	N/A

			total investment exceeding HK$50 million in the Trust		
Ordinary Class - B		Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes	0.65%p.a.	N/A
			For other investors: each investor plans to have a total investment of between HK$20 million and HK$50 million in the Trust		
Ordinary Class - C		Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes	1.5%p.a.	N/A
			For other investors: each investor plans to have a total investment of less than HK$20 million in the Trust		
		Chinese Renminbi	If the Sub-Fund has not been MRF Approved: For all investors other than retirement and provident funds If the Sub-Fund has been MRF Approved: For Mainland investors only	1.5%p.a.	N/A
Ordinary Class - I		Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Ordinary Class - F		Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Administration Class - A		Hong Kong dollars	For ORSO Schemes: as agreed between the Manager and the trustee of such schemes	0.45%p.a	0.45%p.a.
Administration Class - B		Hong Kong dollars		0.65%p.a.	0.45%p.a.
In respect of Allianz Choice "Best Styles" Europe Fund:					
Ordinary Class - A	Euro	Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes	0.45%p.a.	N/A
			For other investors: each investor plans to have a total investment exceeding HK$50 million in the Trust		
Ordinary Class - B		Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes	0.65%p.a.	N/A
			For other investors: each investor plans to have a total investment of between HK$20 million and HK$50 million in the Trust		
Ordinary Class - C		Hong Kong dollars	For retirement and provident funds: as agreed between the	1.5%p.a.	N/A

			Manager and the trustee of such schemes For other investors: each investor plans to have a total investment of less than HK$20 million in the Trust		
Ordinary Class - I		Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Ordinary Class - F		Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Administration Class - A		Hong Kong dollars	For ORSO Schemes: as agreed between the Manager and the trustee of such schemes	0.45%p.a	0.45%p.a.
Administration Class - B		Hong Kong dollars		0.65%p.a.	0.45%p.a.
In respect of Allianz Choice "Best Styles" US Fund:					
Ordinary Class - A	US dollars	Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes For other investors: each investor plans to have a total investment exceeding HK$50 million in the Trust	0.45%p.a.	N/A
Ordinary Class - B		Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes For other investors: each investor plans to have a total investment of between HK$20 million and HK$50 million in the Trust	0.65%p.a.	N/A
Ordinary Class - C		Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes For other investors: each investor plans to have a total investment of less than HK$20 million in the Trust	1.5%p.a.	N/A
Ordinary Class - I		Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Ordinary Class - F		Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Administration Class - A		Hong Kong dollars	For ORSO Schemes: as agreed between the Manager and the trustee of such schemes	0.45%p.a	0.45%p.a.
Administration Class - B		Hong Kong dollars		0.65%p.a.	0.45%p.a.
In respect of Allianz Choice Japan Fund:					
Ordinary Class - A	Japanese Yen	Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes	0.45%p.a.	N/A

			For other investors: each investor plans to have a total investment exceeding HK$50 million in the Trust		
Ordinary Class - B		Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes For other investors: each investor plans to have a total investment of between HK$20 million and HK$50 million in the Trust	0.65%p.a.	N/A
Ordinary Class - C		Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes For other investors: each investor plans to have a total investment of less than HK$20 million in the Trust	1.5%p.a.	N/A
Ordinary Class - I		Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Ordinary Class - F		Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Administration Class - A		Hong Kong dollars	For ORSO Schemes: as agreed between the Manager and the trustee of such schemes	0.45%p.a	0.45%p.a.
Administration Class - B		Hong Kong dollars		0.65%p.a.	0.45%p.a.
In respect of Allianz Choice Global Fixed Income Fund:					
Ordinary Class - A	USD	Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes For other investors: each investor plans to have a total investment exceeding HK$50 million in the Trust	0.45%p.a.	N/A
Ordinary Class - B		Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes For other investors: each investor plans to have a total investment of between HK$20 million and HK$50 million in the Trust	0.65%p.a.	N/A
Ordinary Class - C		Hong Kong dollars	For retirement and provident funds: as agreed between the Manager and the trustee of such schemes For other investors: each investor plans to have a total investment of less than HK$20 million in the Trust	1.00%p.a.	N/A
Ordinary Class - I		Hong Kong	For funds / portfolios	Nil	N/A

		dollars	which are either managed or advised by the Manager or as agreed by the Manager		
Ordinary Class - F		Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Administration Class - A		Hong Kong dollars	For ORSO Schemes: as agreed between the Manager and the trustee of such schemes	0.45%p.a	0.45%p.a.
Administration Class - B		Hong Kong dollars		0.65%p.a.	0.45%p.a.
In respect of Allianz Choice RMB Money Market Fund:					
Ordinary Class		Hong Kong dollars	For all investors other than MPF Conservative Funds of MPF Schemes	0.25%p.a.	N/A
Ordinary Class		Chinese Renminbi	For all investors other than MPF Conservative Funds of MPF Schemes	0.25%p.a.	N/A
Ordinary Class - C		Chinese Renminbi	For non-MPF investors with which the Manager enters into a separate distribution agreement	0.30%p.a.	N/A
Ordinary Class - I	Chinese Renminbi	Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Ordinary Class - F		Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Administration Class		Hong Kong dollars	For ORSO Schemes: as agreed between the Manager and the trustee of such schemes	0.25%p.a.	0.45%p.a.
Administration Class		Chinese Renminbi	For ORSO Schemes: as agreed between the Manager and the trustee of such schemes	0.25%p.a.	0.45%p.a.
In respect of Allianz Choice HK$ Liquidity Fund:					
Ordinary Class		Hong Kong dollars	For MPF Conservative Funds of MPF Schemes and, if agreed by the Manager, other retirement and provident funds	0.25%p.a.	N/A
Ordinary Class - I	Hong Kong dollars	Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Ordinary Class - F		Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Administration Class		Hong Kong dollars	For ORSO Schemes: as agreed between the Manager and the trustee of such schemes	0.25%p.a.	0.45%p.a.
In respect of Allianz Choice HK$ Cash Fund:					
Ordinary Class		Hong Kong dollars	For all investors other than MPF Conservative Funds of MPF Schemes	0.25%p.a.	N/A
Ordinary Class - I	Hong Kong dollars	Hong Kong dollars	For funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager	Nil	N/A
Ordinary Class -		Hong Kong	For funds / portfolios	Nil	N/A

F		dollars	which are either managed or advised by the Manager or as agreed by the Manager		
Administration Class		Hong Kong dollars	For ORSO Schemes: as agreed between the Manager and the trustee of such schemes	0.25%p.a.	0.45%p.a.

Note 1

The Class of Units in which an investor invests will be determined by the Manager at the time when the application is received by the Manager, having regard to factors such as the anticipated level of annual investment by an investor, the number of employees in a retirement scheme and other information which the Manager may consider relevant except that only Ordinary Class Units will be issued to MPF Schemes.

Unless otherwise agreed by the Manager, the Ordinary Class – I Units are only available to funds / portfolios which are either managed or advised by the Manager or as agreed by the Manager. The Manager shall have the sole and absolute discretion to accept or reject an application for subscription in the Ordinary Class – I Units. Currently, the Manager does not plan to charge any management fee for the Ordinary Class – I Units.

Unless otherwise agreed by the Manager, the Ordinary Class – F Units are only available to funds / portfolios which are either managed or advised or as agreed by the Manager. The Manager shall have the sole and absolute discretion to accept or reject an application for subscription in the Ordinary Class – F Units. There is no management fee and registrar's fee for the Ordinary Class – F Units.

Administration Class Units are tailored toward ORSO Schemes, whether MPF-Exempt or not, whose employers:

- require independent and professional administration services to be provided to their scheme by an administrator;
- have appointed such an administrator for their scheme (the "Administrator"); and
- wish the Administrator to provide or continue to provide administration services to members of their scheme who invest in a Sub-Fund.

Investors should note that Units in the Administration Class of HK$ Liquidity Fund will only be issued to MPF-Exempt ORSO Schemes whose administrators had agreed with the Manager, prior to 1st March 2001, to invest in such Class. The Class is otherwise closed to other investors.

In order to reflect the fact that different management fees may apply to different Classes of Units and to maintain the respective interests of Unitholders of the different Classes in each Sub-Fund, each Unit of a particular Class will represent a certain number of undivided shares in each Sub-Fund (the "Shares") and the Trust Deed contains provisions pursuant to which the number of Shares represented by each Unit of any particular Class will be adjusted on each Valuation Day to take into account the level of fees which applies to that Class of Units.

The higher the fee level applying to a Class of Units, the smaller the number of Shares in the relevant Sub-Fund represented by a Unit of that Class will be. For example, the number of Shares represented by an "Ordinary Class - B" Unit will gradually reduce as compared with the number of Shares represented by an "Ordinary Class - A" Unit since the level of management fee applicable to each "Ordinary Class - B" Unit is higher than that applicable to each "Ordinary Class - A" Unit.

INVESTMENT OBJECTIVES AND POLICY

Each of the Sub-Funds has a separate and distinct investment objective and policy determined by the risk profile of the relevant Sub-Fund, the details of which are as follows:-

Allianz Choice Greater China Fund aims to achieve long-term capital growth by investing primarily in (i) the equity markets of Hong Kong and Taiwan; or (ii) companies that derive a predominant portion of their revenue and/or profits from Greater China, which includes Mainland China, Hong Kong, Macau and Taiwan. The Sub-Fund may invest less than 30% of its NAV in China A-Shares either (i) directly via the Stock Connect and/or the QFI Regime or (ii) (where applicable) indirectly through other eligible instruments (if any) as permitted by the relevant regulations from time to time. The Sub-Fund will invest at least 70% of its assets (and normally up to 100%) in (i) and (ii) as stated above with the remaining invested in short term fixed-interest securities and/or cash for cash management purpose. The Sub-Fund will not enter into any financial futures contracts or financial option contracts other than for hedging purpose. The Sub-Fund will maintain the effective currency exposure to Hong Kong dollars of not less than 30% of its total NAV.

Allianz Choice Oriental Fund aims to provide investors with long-term capital appreciation and income by investing in debt securities, convertible debt securities and equities of companies in the Asia Pacific region including, but not limited to, Japan, Korea, Mainland China, Australia, Taiwan and Hong Kong. To achieve its investment objective, the Sub-Fund will invest approximately (i) between 75% and 100% of its assets in Asia Pacific equities and the rest in debt securities or convertible debt securities in strong equity market conditions; (ii) between 65% and 75% of its assets in Asia Pacific equities and the rest in debt securities and convertible debt securities in normal equity market conditions; and (iii) between 50% and 75% in Asia Pacific equities and the rest in debt securities or convertible debt securities in weak equity market conditions. The Sub-Fund may invest less than 30% of its NAV in China A-Shares, either (i) directly via the Stock Connect and/or the QFI Regime or (ii) (where applicable) indirectly through other eligible instruments (if any) as permitted by the relevant regulations from time to time. Up to 10% of the Sub-Fund's assets may be invested in non-Asia Pacific debt securities and convertible debt securities, such as US treasury inflation-protected securities and treasury bonds. The Sub-Fund will not enter into any financial futures contracts or financial option contracts other than for hedging purpose. The Sub-Fund will maintain the effective currency exposure to Hong Kong dollars of not less than 30% of its total NAV.

Allianz Choice Hong Kong Fund aims to achieve long term capital growth by investing primarily (i.e. not less than 70% of its NAV) in Hong Kong equities, including Chinese securities listed in Hong Kong. For the remaining portion of its assets, the Sub-Fund may invest less than 30% of its NAV in China A-Shares, which are related to Hong Kong by either being traded via the Stock Connect or having businesses in or relations to Hong Kong (e.g. part of the revenues being derived in Hong Kong and/or providing goods/services and/or having operations in Hong Kong). Such investment in China A-Shares may be made either (i) directly via the Stock Connect and/or the QFI Regime or (ii) (where applicable) indirectly through other eligible instruments (if any) as permitted by the relevant regulations from time to time.

Allianz Choice Asian Fund aims to achieve long term capital growth by investing primarily in Asian equities, principally in equity markets of Asia.

The Sub-Fund will invest:

- at least 70% of its assets in equities of companies that are incorporated in Asian countries / regions or that derive a predominant portion of their revenue and / or profits from Asian countries / regions which may include but are not limited to Mainland China, Hong Kong, Singapore, South Korea, Taiwan, India, Philippines, Thailand and Malaysia, but not including Japan; and

- up to 30% of its assets in other markets or securities other than those mentioned above such as cash and / or money market instruments and / or short term fixed-interest securities which satisfy the minimum credit rating requirements set out by MPFA.

The Sub-Fund may invest less than 30% of its NAV in China A-Shares, either (i) directly via the Stock Connect and/or the QFI Regime or (ii) (where applicable) indirectly through other eligible instruments (if any) as permitted by the relevant regulations from time to time.

The equities invested by the Sub-Fund are broadly diversified (in terms of industry sectors and / or companies of a particular capital size). The Sub-Fund targets to mainly invest in equities that are listed and traded on stock exchange approved by MPFA.

The Sub-Fund currently does not intend to engage in stock lending transactions and/or repurchase agreements and the Sub-Fund will not engage in reverse-repurchase agreements. The Sub-Fund will not enter into any financial futures contracts or financial option contracts other than for hedging purpose.

Allianz Choice Growth Fund aims to maximise long term overall returns by investing primarily in global equities. This Sub-Fund may invest in the countries comprised in the MSCI World Index which covers all the major world stock markets including those in Japan, North America, Asia and Europe.

This Sub-Fund is a fund of funds investing substantially all its assets in (i) other Sub-Funds of the Trust ("Underlying APIFs") and/or (ii) ITCIS ("Underlying ITCIS") as determined by the Manager from time to time to be appropriate to provide the desired investment exposure for this Sub-Fund based on its investment objective and policy. All Underlying APIFs are approved as APIFs by the MPFA and authorised by the SFC and all Underlying ITCIS are approved by the MPFA. In granting such approval and authorisation neither the MPFA nor the SFC makes any official recommendation or endorsement of any Underlying APIF or Underlying ITCIS (as the case may be) nor do they guarantee the commercial merits of any Underlying APIF or Underlying ITCIS or its performance. They do not mean any Underlying APIF or Underlying ITCIS is suitable for all investors nor endorse its suitability for any particular investor or class of investors.

The Sub-Fund may invest at least 80% and up to 100% of its assets in global equities and up to 20% of its assets in fixed-interest securities via the Underlying APIFs and/or Underlying ITCIS. Generally, the Sub-Fund is expected to invest 90% of its assets in global equities and 10% in fixed-interest securities via the Underlying APIFs and/or Underlying ITCIS. The Sub-Fund will invest in 5 or more Underlying APIFs and/or Underlying ITCIS. Through its investment in the Underlying APIFs and/or Underlying ITCIS, the Sub-Fund may have an exposure of less than 30% of its NAV to China A-Shares.

It is expected that the Sub-Fund will invest 70% to 100% of its NAV in the Underlying APIFs and not more than 30% of its NAV in the Underlying ITCIS.

The Underlying APIFs and the Underlying ITCIS will be actively selected and the extent of the Sub-Fund's investment in such underlying funds will be allocated by the Manager by reference to their underlying investments. In particular, the Sub-Fund may invest up to 40% of its total NAV in the Allianz Choice Hong Kong Fund which aims to achieve long term capital growth by investing primarily in Hong Kong equities, including Chinese securities listed in Hong Kong. For details, please refer to the section headed "Investment Objectives and Policy" in "2. The Trust" of the Prospectus.

Through the Underlying APIFs and the Underlying ITCIS, the Sub-Fund will:

- primarily invest in equities which are broadly diversified (in terms of industry sectors and / or companies of a particular capital size) with a majority of which are listed and traded on stock exchange approved by MPFA; and

- invest in fixed-interest securities which carry a rating of BBB- or above (as rated by Standard & Poor's) or Baa3 or above (as rated by Moody's Investors Services Inc.) or which in the opinion of the Manager would be rated in the range of such rating and fulfill the minimum credit rating requirements set out by MPFA and broadly diversified, for example in terms of the number of issuers. Where the Underlying ITCIS in which the Sub-Fund invests tracks a bond index, such bond index will not have a significant portion of the constituent securities that do not satisfy the minimum credit rating requirements set out by MPFA.

The Sub-Fund may also hold cash for ancillary purposes. The Underlying ITCIS may engage in security lending transactions and/or repurchase agreements. The Sub-Fund and the Underlying APIFs will not enter into any financial futures contracts or financial option contracts other than for hedging purpose, although the Underlying ITCIS may enter into financial derivatives for hedging or non-hedging purpose.

Allianz Choice Balanced Fund aims to achieve a high level (above market) of overall return over the long term by investing in a diversified portfolio of global equities and fixed-interest securities. This Sub-Fund is expected to invest 70% of its assets in equities and 30% in fixed-interest securities. The fixed income portion will consist of a range of instruments issued in countries around the world. The equity portion of the Sub-Fund will be invested primarily in the Hong Kong, Japan, North American and European markets with a smaller proportion, being invested, at the discretion of the Manager, in other Asian countries and emerging markets. Such smaller proportion of the equity portion of the Sub-Fund may be invested in China A-Shares, in which the Sub-Fund may invest less than 30% of its equity portion. For the avoidance of doubt, the limit of the Sub-Fund's investment in China A-Shares is calculated based on the Sub-Fund's equity portion (instead of the Sub-Fund's NAV).

This Sub-Fund is a fund of funds investing substantially all its assets in (i) other Sub-Funds of the Trust ("Underlying APIFs") and/or (ii) ITCIS ("Underlying ITCIS") as determined by the Manager from time to time to be appropriate to provide the desired investment exposure for this Sub-Fund based on its investment objective and policy. All Underlying APIFs are approved as APIFs by the MPFA and authorised by the SFC and all Underlying ITCIS are approved by the MPFA. In granting such approval and authorisation neither the MPFA nor the SFC makes any official recommendation or endorsement of any Underlying APIF or Underlying ITCIS (as the case may be) nor do they guarantee the commercial merits of any Underlying APIF or Underlying ITCIS or its performance. They do not mean any Underlying APIF or Underlying ITCIS is suitable for all investors nor endorse its suitability for any particular investor or class of investors.

The Sub-Fund may invest at least 60% and up to 80% of its assets in global equities (out of which less than 30% of such equity portion of the Sub-Fund may be invested in China A-Shares) and at least 20% and up to 40% of its assets in fixed-interest securities via the Underlying APIFs and/or Underlying ITCIS. The Sub-Fund will invest in 5 or more Underlying APIFs and/or Underlying ITCIS.

It is expected that the Sub-Fund will invest 70% to 100% of its NAV in the Underlying APIFs and not more than 30% of its NAV in the Underlying ITCIS.

The Underlying APIFs and the Underlying ITCIS will be actively selected and the extent of the Sub-Fund's investment in such underlying funds will be allocated by the Manager by reference to their underlying investments. In particular, The Sub-Fund may invest up to 40% of its total NAV in the Allianz Choice Global Fixed Income Fund which aims to achieve long-term capital growth and income primarily through investment in a diversified portfolio of global fixed-income securities denominated in multiple currencies. For details, please refer to the section headed "Investment Objectives and Policy" in "2. The Trust" of the Prospectus.

Through the Underlying APIFs and the Underlying ITCIS, the Sub-Fund will:

- primarily invest in equities which are broadly diversified (in terms of industry sectors and / or companies of a particular capital size) with a majority of which are listed and traded on stock exchange approved by MPFA; and
- invest in fixed-interest securities which carry a rating of BBB- or above (as rated by Standard & Poor's) or Baa3 or above (as rated by Moody's Investors Services Inc.) or which in the opinion of the Manager would be rated in the range of such rating and fulfill the minimum credit rating requirements set out by MPFA and broadly diversified, for example in terms of the number of issuers. Where the Underlying ITCIS in which the Sub-Fund invests tracks a bond index, such bond index will not have a significant portion of the constituent securities that do not satisfy the minimum credit rating requirements set out by MPFA.

The Sub-Fund may also hold cash for ancillary purposes. The Underlying ITCIS may engage in security lending transactions and/or repurchase agreements. The Sub-Fund and the Underlying APIFs will not enter into any financial futures contracts or financial option contracts other than for hedging purpose, although the Underlying ITCIS may enter into financial derivatives for hedging or non-hedging purpose.

Allianz Choice Stable Growth Fund aims to achieve a stable overall return over the long term by investing in a diversified portfolio of global equities and fixed-interest securities. This Sub-Fund is expected to invest 50% of its assets in equities and 50% in fixed-interest securities. The fixed income portion will consist of a range of instruments issued in countries around the world. The equity portion of the Sub-Fund will be invested primarily in the Hong Kong, Japan, North American and European markets with a smaller proportion being invested, at the discretion of the Manager, in other Asian countries and emerging markets. Such smaller proportion of the equity portion of the Sub-Fund may be invested in China A-Shares, in which the Sub-Fund may invest less than 30% of its equity portion. For the avoidance of doubt, the limit of the Sub-Fund's investment in China A-Shares is calculated based on the Sub-Fund's equity portion (instead of the Sub-Fund's NAV).

This Sub-Fund is a fund of funds investing substantially all its assets in (i) other Sub-Funds of the Trust ("Underlying APIFs") and/or (ii) ITCIS ("Underlying ITCIS") as determined by the Manager from time to time to be appropriate to provide the desired investment exposure for this Sub-Fund based on its investment objective and policy. All Underlying APIFs are approved as APIFs by the MPFA and authorised by the SFC and all Underlying ITCIS are approved by the MPFA. In granting such approval and authorisation neither the MPFA nor the SFC makes any official recommendation or endorsement of any Underlying APIF or Underlying ITCIS (as the case may be) nor do they guarantee the commercial merits of any Underlying APIF or Underlying ITCIS or its performance. They do not mean any Underlying APIF or Underlying ITCIS is suitable for all investors nor endorse its suitability for any particular investor or class of investors.

The Sub-Fund may invest at least 40% and up to 60% of its assets in global equities (out of which less than 30% of such equity portion of the Sub-Fund may be invested in China A-Shares) and at least 40% and up to 60% of its assets in fixed-interest securities via the Underlying APIFs and/or Underlying ITCIS. The Sub-Fund will invest in 5 or more Underlying APIFs and/or Underlying ITCIS.

It is expected that the Sub-Fund will invest 70% to 100% of its NAV in the Underlying APIFs and not more than 30% of its NAV in the Underlying ITCIS.

The Underlying APIFs and the Underlying ITCIS will be actively selected and the extent of the Sub-Fund's investment in such underlying funds will be allocated by the Manager by reference to their underlying investments. In particular, the Sub-Fund may invest up to 60% of its total NAV in the Allianz Choice Global Fixed Income Fund which aims to achieve long-term capital growth and income primarily through investment in a diversified portfolio of global fixed-income securities denominated in multiple currencies. For details, please refer to the section headed "Investment Objectives and Policy" in "2. The Trust" of the Prospectus.

Through the Underlying APIFs and the Underlying ITCIS, the Sub-Fund will:

- invest in equities which are broadly diversified (in terms of industry sectors and / or companies of a particular capital size) with a majority of which are listed and traded on stock exchange approved by MPFA; and

- invest in fixed-interest securities which carry a rating of BBB- or above (as rated by Standard & Poor's) or Baa3 or above (as rated by Moody's Investors Services Inc.) or which in the opinion of the Manager would be rated in the range of such rating and fulfill the minimum credit rating requirements set out by MPFA and broadly diversified, for example in terms of the number of issuers. Where the Underlying ITCIS in which the Sub-Fund invests tracks a bond index, such bond index will not have a significant portion of the constituent securities that do not satisfy the minimum credit rating requirements set out by MPFA.

The Sub-Fund may also hold cash for ancillary purposes. The Underlying ITCIS may engage in security lending transactions and/or repurchase agreements. The Sub-Fund and the Underlying APIFs will not enter into any financial futures contracts or financial option contracts other than for hedging purpose, although the Underlying ITCIS may enter into financial derivatives for hedging or non-hedging purpose.

Allianz Choice Capital Stable Fund aims to provide investors with capital preservation combined with steady capital appreciation over the long term by investing in a diversified portfolio of global equities and fixed-interest securities. This Sub-Fund is expected to invest 30% of its assets in equities and 70% in fixed-interest securities. The fixed income portion will consist of a range of instruments issued in countries around the world. The equity portion of the Sub-Fund will be invested primarily in the Hong Kong, Japan, North American and European markets with a smaller proportion, being invested, at the discretion of the Manager, in other Asian countries and emerging markets. Such smaller proportion of the equity portion of the Sub-Fund may be invested in China A-Shares, in which the Sub-Fund may invest in less than 30% of its equity portion in China A-Shares. For the avoidance of doubt, the limit of the Sub-Fund's investment in China A-Shares is calculated based on the Sub-Fund's equity portion (instead of the Sub-Fund's NAV).

This Sub-Fund is a fund of funds investing substantially all its assets in (i) other Sub-Funds of the Trust ("Underlying APIFs") and/or (ii) ITCIS ("Underlying ITCIS") as determined by the Manager from time to time to be appropriate to provide the desired investment exposure for this Sub-Fund based on its investment objective and policy. All Underlying APIFs are approved as APIFs by the MPFA and authorised by the SFC and all Underlying ITCIS are approved by the MPFA. In granting such approval and authorisation neither the MPFA nor the SFC makes any official recommendation or endorsement of any Underlying APIF or Underlying ITCIS (as the case may be) nor do they guarantee the commercial merits of any Underlying APIF or Underlying ITCIS or its performance. They do not mean any Underlying APIF or Underlying ITCIS is suitable for all investors nor endorse its suitability for any particular investor or class of investors.

The Sub-Fund may invest at least 20% and up to 40% of its assets in global equities (out of which less than 30% of such equity portion of the Sub-Fund may be invested in China A-Shares) and at least 60% and up to 80% of its assets in fixed-interest securities via the Underlying APIFs and/or Underlying ITCIS. The Sub-Fund will invest in 5 or more Underlying APIFs and/or Underlying ITCIS.

It is expected that the Sub-Fund will invest 70% to 100% of its NAV in the Underlying APIFs and not more than 30% of its NAV in the Underlying ITCIS.

The Underlying APIFs and the Underlying ITCIS will be actively selected and the extent of the Sub-Fund's investment in such underlying funds will be allocated by the Manager by reference to their underlying investments. In particular, the Sub-Fund may invest up to 80% of its total NAV in the Allianz Choice Global Fixed Income Fund which aims to achieve long-term capital growth and income primarily through investment in a diversified portfolio of global fixed-income securities denominated in multiple currencies. For details, please refer to the section headed "Investment Objectives and Policy" in "2. The Trust" of the Prospectus.

Through the Underlying APIFs and the Underlying ITCIS, the Sub-Fund will:

- invest in equities which are broadly diversified (in terms of industry sectors and / or companies of a particular capital size) with a majority of which are listed and traded on stock exchange approved by MPFA; and

- primary invest in fixed-interest securities which carry a rating of BBB- or above (as rated by Standard & Poor's) or Baa3 or above (as rated by Moody's Investors Services Inc.) or which in the opinion of the Manager would be rated in the range of such rating and fulfill the minimum credit rating requirements set out by MPFA and broadly diversified, for example in terms of the number of issuers. Where the Underlying ITCIS in which the Sub-Fund invests tracks a bond index, such bond index will not have a significant portion of the constituent securities that do not satisfy the minimum credit rating requirements set out by MPFA.

The Sub-Fund may also hold cash for ancillary purposes. The Underlying ITCIS may engage in security lending transactions and/or repurchase agreements. The Sub-Fund and the Underlying APIFs will not enter into any financial futures contracts or financial option contracts other than for hedging purpose, although the Underlying ITCIS may enter into financial derivatives for hedging or non-hedging purpose.

Allianz Choice Flexi Balanced Fund aims to achieve performance target not related to an index, and long term capital preservation with minimized short term volatility by investing in a diversified portfolio of global equities and fixed-interest securities. The Sub-Fund may invest less than 30% of its assets in debt instruments with loss-absorption features (including contingent convertible bonds, senior non-preferred debt securities, instruments issued under the resolution regime for financial institutions and other capital instruments issued by banks or other financial institutions). This Sub-Fund is expected to adopt a dynamic asset allocation strategy in order to achieve optimal return under evolving market conditions. In strong equity markets, the Sub-Fund may invest up to 50% of its assets in equities. In weaker equity market conditions, the portfolio of the Sub-Fund may be rebalanced to preserve capital through the holding of fixed-interest securities which satisfy the minimum credit rating requirements set out by MPFA. If market conditions so require, the Sub-Fund may hold no equities and invest fully in fixed-interest securities and cash only. Fixed-interest securities and cash are extensively used as a buffer when the general equity outlook seems uninspiring, but they may be reduced when it is deemed appropriate. It is expected that under normal circumstances, at least 75% of the assets of the Sub-Fund will be invested in fixed-interest securities and cash in order to minimize short term volatility.

Up to 100% of Sub-Fund assets may be held in deposits, cash and/or invested directly in money market instruments and/or (up to 10% of Sub-Fund assets) in money market funds on a temporary basis for liquidity management and/or defensive purpose and/or any other exceptional circumstances (eg. market crash or major crisis), and if the Manager considers it in the best interest of the Sub-Fund.

Allianz Choice "Best Styles" Europe Fund aims to achieve long-term capital growth by investing primarily in equity markets of Europe.

The Sub-Fund will invest:

- at least 70% of its assets in equities of companies that are incorporated in European countries or that derive a predominant portion of their revenue and / or profits from European countries which may include but are not limited to UK, France, Switzerland, Germany; and
- whilst up to 30% of its assets may be invested in other securities which may include for example, equities and equity-related securities (e.g. ADR, GDR) other than those mentioned above, cash and / or money market instruments.

The equities invested by the Sub-Fund are broadly diversified (in terms of industry sectors and / or companies of a particular capital size). The Sub-Fund targets to invest in equities that are listed and traded on stock exchange approved by MPFA.

The Sub-Fund currently does not intend to engage in stock lending transactions and/or repurchase agreements and the Sub-Fund will not engage in reverse-repurchase agreements. The Sub-Fund will not enter into any financial futures contracts or financial option contracts other than for hedging purpose. The Sub-Fund will not seek to maintain a minimum level of 30% currency exposure to HK dollars.

The term "Best Styles" used in the name of the Sub-Fund refers to the description of the Manager's investment strategy whereby the selection of securities is based on a combination of fundamental analysis and quantitative risk management and securities are analyzed and selected in accordance with a diversified blend of five different investment style orientations. Each investment style is formulated by a combination of various bottom-up stock selection parameters. For the avoidance of doubt, the term "Best Styles" is the brand name for this proprietary investment strategy. Accordingly, "Best Styles" is a brand name only and it is not indicative of the Sub-Fund's performance or returns.

Allianz Choice "Best Styles" US Fund aims to achieve long-term capital growth by investing primarily in equity markets of United States.

The Sub-Fund will invest:

- at least 70% of its assets in equities of companies that are incorporated in the United States or that derive a predominant portion of their revenue and / or profits from the United States; and
- whilst up to 30% of its assets may be invested in other securities which may include for example, equities and equity-related securities (e.g. ADR, GDR) other than those mentioned above, cash and / or money market instruments.

The equities invested by the Sub-Fund are broadly diversified (in terms of industry sectors and / or companies of a particular capital size). The Sub-Fund targets to invest in equities that are listed and traded on stock exchange approved by MPFA.

The Sub-Fund currently does not intend to engage in stock lending transactions and/or repurchase agreements and the Sub-Fund will not engage in reverse-repurchase agreements. The Sub-Fund will not enter into any financial futures contracts or financial option contracts other than for hedging purpose. The Sub-Fund will not seek to maintain a minimum level of 30% currency exposure to HK dollars.

The term "Best Styles" used in the name of the Sub-Fund refers to the description of the Manager's investment strategy whereby the selection of securities is based on a combination of fundamental analysis and quantitative risk management and securities are analyzed and selected in accordance with a diversified blend of five different investment style orientations. Each investment style is formulated by a combination of various bottom-up stock selection parameters. For the avoidance of doubt, the term "Best Styles" is the brand name for this proprietary investment strategy. Accordingly, "Best Styles" is a brand name only and it is not indicative of the Sub-Fund's performance or returns.

Allianz Choice Global Fixed Income Fund aims to achieve long-term capital growth and income primarily through investment in a diversified portfolio of global fixed-income securities denominated in multiple currencies.

The Sub-Fund will invest:

- at least 70% of its assets in global fixed-income securities of investment grade with a rating of BBB- or above (as rated by Standard & Poor's) or Baa3 or above (as rated by Moody's Investors Services Inc.) or which in the opinion of the Manager would be rated in the range of such rating; and

- whilst up to 30% of the Sub-Fund's assets may be invested in other securities which may include for example, cash and money market instruments.

The Sub-Fund may invest less than 30% of its assets in instruments with loss-absorption features (including contingent convertible bonds, senior non-preferred debt securities, instruments issued under the resolution regime for financial institutions and other capital instruments issued by banks or other financial institutions).

The range of global fixed income securities invested by the Sub-Fund must meet the minimum credit rating requirement of the MPFA and are broadly diversified which may include for example, interest bearing securities (in various currencies) issued by governments, institutions and corporations in developed and emerging markets.

The Sub-Fund currently does not intend to engage in repurchase agreements and the Sub-Fund will not engage in reverse-repurchase agreements. The Sub-Fund will not enter into any financial futures contracts or financial option contracts other than for hedging purpose.

Allianz Choice Japan Fund aims to achieve capital appreciation in the long-term by investing primarily in the equity markets of Japan.

The Sub-Fund will invest:

- at least 70 % of its assets in equities of companies which are incorporated in Japan or that derive a predominant portion of their revenue and / or profits from Japan; and

- whilst up to 30% of its assets may be invested in other securities which may include for example, equities and equity-related securities (e.g. ADR, GDR) other than those mentioned above, cash and / or money market instruments.

The equities invested by the Sub-Fund are broadly diversified (in terms of industry sectors and / or companies of a particular capital size). The Sub-Fund targets to invest in equities that are listed and traded on stock exchange approved by MPFA.

The Sub-Fund currently does not intend to engage in stock lending transactions and/or repurchase agreements and the Sub-Fund will not engage in reverse-repurchase agreements. The Sub-Fund will not enter into any financial futures contracts or financial option contracts other than for hedging purpose. The Sub-Fund will not seek to maintain a minimum level of 30% currency exposure to HK dollars.

Allianz Choice Global Equity Fund aims to attain long-term capital growth by investing primarily in global equity markets.

The Sub-Fund will invest:

- at least 70% of its NAV in equities of companies globally, with a focus on stock selection based on a combination of bottom-up parameters, fundamental analysis and individual merits of the stocks but free from benchmark, geographical and sector constraints; and

- less than 30% of its NAV in short-term fixed-interest securities and/or cash for cash management purposes.

The equities invested by the Sub-Fund are broadly diversified (in terms of industry sectors and / or companies of a particular capital size). The Sub-Fund targets to mainly invest in equities that are listed and traded on stock exchange approved by MPFA.

Up to 10% of the Sub-Fund's NAV may be invested in China A-Shares, either directly via Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect or (where applicable) indirectly through other eligible instruments (if any) as permitted by the relevant regulations from time to time.

The Sub-Fund currently does not intend to engage in stock lending transactions and/or repurchase agreements and the Sub-Fund will not engage in reverse-repurchase agreements. The Sub-Fund will only enter into financial futures contracts, financial option contracts, warrants and/or currency forward contracts for hedging purpose and will not invest in any other financial derivative instruments. The Sub-Fund will seek to maintain a minimum level of 30% currency exposure to HK dollars.

Allianz Choice China A-Shares Fund aims to attain long-term capital growth by investing primarily in China A-shares equity market.

The Sub-Fund will invest at least 70% of its NAV in China A-Shares equity market (including China A-Shares listed on ChiNext Market and/or the Science and Technology Innovation Board ("STAR Board")) via the Stock Connect and the QFI Regime. The Sub-Fund may invest up to 100% of its NAV in China A-Shares listed on ChiNext Market and/or the STAR Board. For the avoidance of doubt, the Sub-Fund will not invest 70% or more of its NAV in China A-Shares solely via the QFI Regime. The Sub-Fund is not subject to any limitation on the industry, sector or market capitalisation of the China A-Shares in which it may invest.

The Sub-Fund will invest less than 30% of its NAV in other markets or securities other than those mentioned above such as money-market instruments and/or cash for cash management purposes. The Sub-Fund will not invest in onshore debt instruments issued within Mainland China.

The Sub-Fund will not engage in stock lending transactions, repurchase agreements and/or reverse-repurchase agreements. The Sub-Fund will only enter into financial futures contracts, financial option contracts, warrants and/or currency forward contracts for hedging purpose and will not invest in any other financial derivative instruments. The Sub-Fund will seek to maintain an effective currency exposure of not less than 30% of its NAV to HK dollars.

Allianz Choice RMB Money Market Fund aims to provide a convenient and realizable medium of investment and seek income and capital gains over the long run by investing at least 70% of its assets in RMB denominated certificates of deposit and bank deposits and the Sub-Fund can invest up to 30% of its assets in high quality RMB denominated fixed interest securities (e.g. bond / notes) whose credit rating meet the minimum requirement set by the MPFA (currently rated as Baa3 or above by Moody's Investor Services Inc. or BBB- or above by Standard & Poor's Corporation or similar rating by the other recognized rating agencies approved by the MPFA). The Sub-Fund can also invest up to 10% of its assets in fixed interest securities, bank deposits and other monetary instruments such as short term bills, commercial paper and treasury bills in non-RMB denominated currencies such as Hong Kong dollar and US dollar.

This Sub-Fund invests (i) at least 90% of its assets in investments denominated and settled in RMB, issued in Hong Kong or outside the People's Republic of China, (ii) up to 10% of its assets in investments denominated and settled in currencies other than RMB for various purposes including but not limited to diversification, market liquidity and fund liquidity purposes.

The Sub-Fund must maintain a portfolio with weighted average maturity not exceeding 60 days and a weighted average life not exceeding 120 days and must not purchase instruments with a remaining maturity of more than 397 days, or two years in the case of government and other public securities.

The Sub-Fund will not invest in any securities issued within the People's Republic of China through the Qualified Foreign Institutional Investor (QFII) program. The Sub-Fund will not enter into any financial futures contracts or financial option contracts other than for hedging purpose. Currently the Sub-Fund has no intention to enter into any securities lending / repurchase agreement.

The Sub-Fund will not invest in securities issued by 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 selection of the interest-bearing securities is based on, amongst others (1) credit rating (2) issuer's credit profile and (3) country exposure.

Allianz Choice HK$ Liquidity Fund aims to provide a convenient and easily realisable medium of investment for investors who require a level of income combined with a high degree of capital protection by investing in HK dollar denominated bank deposits and other high quality HK dollar denominated fixed interest and other monetary instruments. HK$ Liquidity Fund is designed for investment by the MPF Conservative Funds of MPF Schemes and is a low-risk investment option which protects investors against investment losses resulting from market fluctuations or volatility.

Allianz Choice HK$ Cash Fund aims to provide a convenient and easily realisable medium of investment for investors who require an income stream combined with a high degree of capital protection by investing in HK dollar denominated bank deposits and other high quality HK dollar denominated fixed interest and other monetary instruments. HK$ Cash Fund is a low-risk investment option which protects investors against investment losses arising from market fluctuations or volatility. Unlike HK$ Liquidity Fund, HK$ Cash Fund will not be subject to Section 37 of the MPF Regulation as referred to in the paragraph titled "Fees Chargeable to HK$ Liquidity Fund" under the section headed "Fees and Charges" in "3. Management and Administration" of the Prospectus and is open for investment by investors other than the MPF Conservative Funds of MPF Schemes.

Investors should be aware that the Allianz Choice RMB Money Market Fund, Allianz Choice HK$ Liquidity Fund and Allianz Choice HK$ Cash Fund are not subject to the supervision of the Hong Kong Monetary Authority in Hong Kong and that subscribing for Units in any of these Sub-Funds is not the same as placing monies on deposit with a bank or deposit-taking company. The Manager has no obligation to realise Units in either of these Sub-Funds at the price at which they were originally issued.

Investors should refer to the paragraph titled "Risk Profile of the Sub-Funds" under the section headed "Investment Objectives and Policy" and the paragraphs titled "Investment Restrictions" and "Investment Prohibitions" under the section headed "Investment Restrictions" in "2. The Trust" of the Prospectus for the Sub-Fund's general risk factors, investment restrictions and investment prohibitions.

Risk Profile of the Sub-Funds

The following describes the risk profile of each of the Sub-Funds as determined by the Manager based on the investment objective and policy of the Sub-Funds and is relative among the Sub-Funds. Investors should note that the risk profile is provided for reference only and does not take into account investors' own risk tolerance level and financial circumstances.

Names of Sub-Funds	**Description**
Allianz Choice Asian Fund	This Sub-Fund is suitable for investors who are willing to assume a relatively higher level of risk.
Allianz Choice "Best Styles" Europe Fund	
Allianz Choice "Best Styles" US Fund	
Allianz Choice China A-Shares Fund	
Allianz Choice Greater China Fund	
Allianz Choice Growth Fund	
Allianz Choice Hong Kong Fund	
Allianz Choice Japan Fund	
Allianz Choice Oriental Fund	

Allianz Choice Global Equity Fund	
Allianz Choice Balanced Fund	This Sub-Fund is suitable for investors who are willing to assume an above average level of risk.
Allianz Choice Stable Growth Fund	This Sub-Fund is suitable for investors who are willing to assume a medium level of risk.
Allianz Choice Flexi Balanced Fund	This Sub-Fund is suitable for investors who are willing to assume a relatively low level of risk.
Allianz Choice Capital Stable Fund	
Allianz Choice Global Fixed Income Fund	
Allianz Choice RMB Money Market Fund	
Allianz Choice HK$ Cash Fund	This Sub-Fund is suitable for investors who are willing to assume the lowest level of risk.
Allianz Choice HK$ Liquidity Fund	

Except for the Allianz Choice RMB Money Market Fund, Allianz Choice HK$ Liquidity Fund and Allianz Choice HK$ Cash Fund, the Sub-Funds will usually invest in securities which are readily marketable, although a proportion of each Sub-Fund may consist of investments in smaller quoted companies whose shares are often lightly traded.

While the investment policy for each Sub-Fund (except for the Allianz Choice RMB Money Market Fund, Allianz Choice HK$ Liquidity Fund and Allianz Choice HK$ Cash Fund) is to remain fully invested in securities (either via direct investment or via the Underlying APIFs and/or the Underlying ITCIS), if market conditions make it appropriate, significant cash or short-term deposits may be held temporarily in a currency or currencies considered to be advantageous to the relevant Sub-Fund.

Before making any investment decision, investors should consider their own specific circumstances, including, without limitation, their own risk tolerance level, financial circumstances, and investment objectives. If in doubt, investors should consult their stockbrokers, bank managers, solicitors, accountants, representative banks or other financial advisers.

It is the Manager's intention to take long-term positions in any investment made for the Sub-Funds. However, market conditions may, at times, make it appropriate for investments to be disposed of after only a short period of holding, subject always to applicable regulations.

Investments may only be acquired for any Sub-Fund in those countries or markets where the Trustee is satisfied that suitable arrangements can be made for their custody.

It should be appreciated that in certain market conditions the value of Units, and the income from them (if any), may fall.

RISK FACTORS

Investors should note that investment in the Sub-Funds involves risk. The relevant risk factors which should be considered prior to investment in a Sub-Fund include the following:

General Investment Risk

A Sub-Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses which may adversely impact the NAV of the Sub-Fund. There is no guarantee of the repayment of principal.

Interest Rate Risk

To the extent that a Sub-Fund invests in interest-bearing securities, it is subject to interest rate risk. In general, the prices of interest-bearing securities rise when interest rates fall, whilst their prices fall when interest rates rise. If market interest rates rise, the value of the interest-bearing assets held by the Sub-Fund may decline substantially and negatively affect the performance of such Sub-Fund. This applies to an even greater degree if a Sub-Fund also holds interest-bearing securities with a longer time to maturity and a lower nominal interest rate.

Currency Risk

Underlying investments of a Sub-Fund may be denominated in currencies other than the base currency of a Sub-Fund. If a Sub-Fund holds assets denominated in foreign currencies, it is exposed to a currency risk if foreign currency positions have not been hedged or if there is any change in the relevant exchange control regulations. Any devaluation of the foreign currency against the base currency of the Sub-Fund would cause the value of the assets denominated in the foreign currency to fall. Also, a Class of Units of a Sub-Fund may be designated in a currency other than the base currency of the Sub-Fund, which may expose you to additional currency risk. The NAV of the Sub-Fund may be affected unfavorably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.

Creditworthiness Risk

The creditworthiness (solvency and willingness to pay) of the issuer of a security or money-market instrument held by a Sub-Fund may subsequently fall. This usually leads to drops in the price of the security which surpass those caused by general market fluctuations. Further, there is a risk that the credit rating of certain debt securities, or the issuers of debt securities, may be downgraded due to adverse market conditions. This may lead to a fall in the NAV of the Sub-Fund and the performance of the Sub-Fund will be adversely affected.

Company-Specific Risk

The price development of the securities and money-market instruments held by a Sub-Fund is also dependent on company-specific factors, for example, the issuer's business situation. If the company-specific factors deteriorate, the price of the respective security may drop significantly and for an extended period of time, possibly even without regard to an otherwise generally positive market trend.

Risk of Settlement Default

The issuer of a security held by a Sub-Fund or the debtor of a claim belonging to a Sub-Fund may become insolvent. This could cause those assets of the Sub-Fund becoming economically worthless.

Credit / Counterparty Risk

To the extent that a Sub-Fund invests in debt securities and/or fixed-interest securities, such Sub-Fund is exposed to the credit/default risk of issuers of debt securities and/or fixed-interest securities that the Sub-Fund may invest in.

A Sub-Fund may enter into transactions on over-the-counter (OTC) markets, which will expose the Sub-Fund to the credit of its counterparty. In the event of a bankruptcy or insolvency of a counterparty, the Sub-Fund could experience delays in liquidating the position which may result in significant losses. There is also a possibility that the above agreements are terminated due, for instance, to bankruptcy, supervening illegality or change in the relevant tax or accounting laws.

RMB denominated fixed income securities are typically unsecured debt obligations and are not supported by any collateral. Investments in these securities will expose the Sub-Fund to the credit/insolvency risk of its counterparties as an unsecured creditor. The issuers of money market instruments held by the Sub-Fund may default on its obligation and the Sub-Fund will not recover its investment. In addition, the Sub-Fund may not get the interest payment it is entitled to.

European Country Risk

The European financial markets have experienced volatility and adverse trends in recent years and these events have adversely affected the exchange rate of the Euro and may continue to significantly affect European countries. To the extent that a Sub-Fund is denominated in Euro or which invests in European countries, in light of the ongoing concerns on the sovereign debt risk of certain countries within the Eurozone, the Sub-Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. There is the possibility that economic and financial difficulties in Europe may continue to get worse or spread within and outside the Europe, and may lead to one or several European Union members exiting the Eurozone, credit downgrading or default of a sovereign within the Eurozone. While the governments of many European countries, the European Commission, the European Central Bank, the International Monetary Fund and other authorities are taking measures (such as undertaking economic reforms and imposing austerity measures on citizens) to address the current fiscal conditions and concerns, these austerity measures and reforms may not have the desired effect, and the future stability and growth of Europe is therefore uncertain. The effect of such potential events on the Sub-Funds which are denominated in Euro or which invest in instruments predominantly tied to Europe is impossible to predict. Any adverse events such as the above events may have a negative impact on the NAV of the Sub-Funds which are denominated in Euro or which invest in instruments predominantly tied to Europe. In June 2016, the United Kingdom voted to leave the European Union following a referendum referred to as "Brexit", and has officially withdrew from the European Union on 31 January 2020. Brexit may result in increased market volatility and cause additional market disruption on a global basis. The effects of Brexit remain uncertain at this time and could negatively impact the value of a Sub-Fund's investments.

Risk of Early Termination

Each of the Sub-Funds may be terminated in certain circumstances as set out in this Prospectus and the Trust Deed. In the event of termination of a Sub-Fund, the Trustee would have to distribute to Unitholders their corresponding interest in the assets of the Sub-Fund in accordance with the Prospectus and Trust Deed. It is possible that at the time of such termination, certain investments held by the Sub-Fund might be worth less than the initial cost of such investments, resulting in a loss Unitholders. Moreover, any formation expenses with regard to the Sub-Fund that had not yet been fully amortised would be debited against the Sub-Fund's capital at that time.

Concentration Risk

If a Sub-Fund focuses its investments on certain countries, regions and/or markets (in terms of geographical location, eg., Asian markets, or level of development, eg., emerging markets) or types of investment, such concentration does not allow the same scope of diversification of risks as investments made across different markets. Consequently, the performance of a Sub-Fund is particularly dependent on the development of individual or interdependent countries, regions or markets or of companies based and/or operating in those countries or regions, or markets.

As the Sub-Fund focuses its investments in one or few APIFs and ITCIS, this may reduce risk diversification. This concentration does not allow the same scope of diversification of risks across different markets as would be possible if investments were not as concentrated. The NAV of the relevant Sub-Fund may be more volatile than a diversified fund.

General Market Risk

To the extent that a Sub-Fund invests in securities or other assets, it is exposed to various general trends and tendencies in the markets, especially in the securities markets, which are partially attributable to irrational factors. Such factors could lead to substantial and longer-lasting drops in prices that affect the entire market. Securities from top-rated issuers are subject to essentially the same general market risk as other securities and assets.

Equity Market Risk

To the extent that a Sub-Fund invests in equity securities, its investment in equity securities is subject to general market risks. The value of the relevant Sub-Fund may fluctuate due to various factors, such as political and economic conditions, issuer-specific factors, changes in the general outlook for corporate earnings, changes in interest or currency rates or changes in investment sentiment, which are partially attributable to irrational factors. All these factors may adversely impact the NAV of the relevant Sub-Fund.

Securities exchanges typically have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets. All these may have a negative impact on the relevant Sub-Fund.

Risk Associated with Small-Capitalisation / Mid-Capitalisation Companies

The stock of small-capitalisation / mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

Political and Social Risks

Political changes, social instability and unfavourable diplomatic developments, including war, could, in some countries, result in the imposition of additional governmental restrictions such as expropriation of assets, confiscatory taxes or the nationalisation of investments.

Liquidity Risk

Even relatively small orders for purchases or sales of illiquid securities (securities that cannot be sold readily) in particular can lead to significant price changes. If an asset is not liquid, there is the risk that the asset cannot be sold or can only be sold at a significant discount to the purchase price. The lack of liquidity of an asset may cause its purchase price to decrease significantly. Such price changes may adversely impact the NAV of the Sub-Fund.

The Manager has established a liquidity risk management policy with the aim to enable it to identify, monitor, manage and mitigate the liquidity risks of a Sub-Fund and to ensure that the liquidity profile of the investments of a Sub-Fund will facilitate compliance with a Sub-Fund’s obligation to meet realisation requests. Such policy, combined with the governance framework in place and the liquidity management tools of the Manager, also seeks to ensure fair treatment of Unitholders and safeguard the interests of remaining or existing Unitholders in case of sizeable realisations or subscriptions.

The Manager’s liquidity risk management policy takes into account the investment strategy; the dealing frequency; the underlying assets’ liquidity (and whether they are priced at fair value).

The liquidity risk management policy involves monitoring the profile of investments held by a Sub-Fund on an ongoing basis with the aim to ensure that such investments are appropriate for the realisation policy as stated in the section headed "Procedure for Realizations" in "4. Dealings in Units", and will facilitate compliance with a Sub-Fund’s obligation to meet realisation requests. Furthermore, the liquidity management policy includes details on periodic stress testing carried out by the Manager to manage the liquidity risk of a Sub-Fund in times of exceptional market conditions.

The following tools may be employed by the Manager to manage liquidity risks:

- A Sub-Fund may borrow subject to a limit of 10% of the latest available NAV of the relevant Sub-Fund prior to the time of borrowing, with interests and relevant costs to be incurred as a result. For details, please refer to the section headed "Borrowing Limits" in "2. The Trust" of the Prospectus;

- Redemption and conversion requests on any Dealing Period, which exceed 10% in aggregate of the total number of Units in issue of the relevant Sub-Fund on that Dealing Period, may be deferred to the next succeeding Dealing Period. If such limitation is imposed, this would restrict the ability of a Unitholder to redeem in full the Units the Unitholder intends to redeem or convert on a particular Dealing Period. For details, please refer to the section headed "Procedure for Realisations" in "4. Dealing in Units" of the Prospectus;

- Adjustment of the NAV per Unit for a Sub-Fund in order to reduce the effect of “dilution” when the aggregate net investor transactions (e.g. subscriptions and redemptions) in a Sub-Fund exceed a pre-determined threshold. For details, please refer to the section headed “Swing Pricing Mechanism” in “4. Dealing in Units” of the Prospectus; and

- Calculation of the NAV of each Sub-Fund as well as the issue, redemption and conversion of Units may be suspended in certain circumstances. During such period of suspension, Unitholders would not be able to subscribe for, redeem or convert their Units in the relevant Sub-Fund. For details, please refer to the section headed "Suspension of Valuation and Dealings" in "4. Dealing in Units" of the Prospectus.

The Manager will consult the Trustee before the use of the above liquidity risk management tools. There is no guarantee that the mitigation of the liquidity risk can be achieved.

Custodial Risk

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

Securities Lending Transactions Risks

In relation to securities lending transactions, Unitholders must notably be aware that if the borrower of securities lent by the Sub-Funds fails to return the relevant securities on time, there is a risk that the collateral received may realise at a value less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of the issuers of the collateral, or the illiquidity of the market in which the collateral is traded. Cash collateral received by the Sub-Funds may be reinvested by the Sub-Funds and such reinvestment may yield a sum less than the amount of collateral to be returned or may result in loss to the Sub-Funds. Delays in the return of securities on loan may restrict the ability of the Sub-Funds to meet delivery obligations under security sales.

Risks Relating to Sale and Repurchase Transactions

In the event of the failure of the counterparty with which collateral has been placed, the Sub-Fund may suffer loss as there may be delays in recovering collateral placed out or the cash originally received may be less than the collateral placed with the counterparty due to inaccurate pricing of the collateral or market movements.

Emerging Markets Risks

Investing in emerging markets means investing in countries not classified by the World Bank as “high gross national income per capita” (i.e. not “developed”). Investments in these countries may involve increased risks and special considerations 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. Increased risks may arise in connection with the settlement of transactions in securities in these countries, as it may not be possible to deliver securities directly when payment is made in such countries. In addition, the legal and regulatory environment, as well as the accounting, auditing and reporting standards in these countries may offer less protection for investors than that afforded by developed countries. Differing disposal methods for acquired assets in such countries may also result in increased custodial risk. Political risk may also be more pronounced as emerging markets tend to face more political uncertainties than developed markets.

Chinese Renminbi (RMB) Currency and Conversion Risk

Investors should be aware of the fact that the RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of currencies. Currently, the RMB is traded either onshore in the People’s Republic of China (PRC) (CNY) or offshore in Hong Kong and other markets outside the PRC (CNH). RMB is currently not freely convertible and is subject to exchange control policies and restrictions imposed by the PRC authorities. In general, the daily exchange rate of the RMB against other currencies is allowed to float within a range above or below the central parity rates published by the People’s Bank of China each day. Its exchange rate against other currencies, including for example US dollars or Hong Kong dollars, are therefore susceptible to movements based on external factors. There can be no assurance that such exchange rates will not fluctuate widely. The relevant Class of Units denominated in RMB and its investors may be adversely affected by movements in the exchange rates between RMB and other currencies.

The exchange rate used for a Class of Units denominated in RMB or to calculate the value of RMB-denominated assets is the rate applicable to the CNH. While CNH and CNY represent the same currency, they are traded at different rates on different and separate markets which operate independently. As such, the value of CNH could differ, perhaps significantly, from that of CNY and the exchange rate of CNH and CNY may not move in the same direction due to a number of factors, including without limitation, the foreign exchange control policies and repatriation restrictions pursued by the PRC government from time to time, as well as other external factors. Any divergence of RMB could adversely impact investors.

For Classes of Units denominated in RMB, even if the prices of underlying investments and/or value of the base currency has risen or remains stable, investors may still incur losses if (i) the RMB appreciates against the currencies of the underlying investments and/or the base currency more than the increase in the value of the underlying investments and/or the base currency; and (ii) the relevant Sub-Fund holds limited RMB-denominated underlying investments. Furthermore, in the event the RMB appreciates against the currencies of the underlying investments and/or the base currency, and the value of the underlying investments decreased, the value of investors’ investments in RMB-denominated Classes may suffer additional losses.

The possibility that the appreciation of the RMB will continue to accelerate cannot be ruled out although, at the same time, there is no guarantee that the value of RMB against the investors’ base currencies (for example HKD) will not depreciate. Any depreciation of RMB could adversely affect the value of investors’ investments in the Sub-Fund. If investors convert HKD or any other currency into RMB so as to invest in a Sub-Fund or Classes of Units denominated in RMB of a Sub-Fund and subsequently convert the redemption proceeds back into HKD or any other currency, they may incur currency conversion costs and may suffer a loss if the RMB depreciates against the HKD or such other currency. Further, non-RMB based investors of the Allianz Choice RMB Money Market Fund are subject to foreign exchange risk as most of the asset or investments held by the Sub-Fund is denominated in a currency which is different from that of the Units held by the investor.

China A-Shares Market Risk

The China A-Shares market is undergoing developments. The existence of a liquid trading market for China A-Shares may depend on whether there is supply of, and demand for, such China A-Shares. The price at which securities may be purchased or sold by the relevant Sub-Fund and the NAV of the Sub-Fund may be adversely affected if trading markets for China A-Shares are limited or absent. The China A-Shares market may be more volatile and unstable (for example, due to the risk of suspension of a particular stock or government intervention). High market volatility and potential settlement difficulties in the China A-Shares market may also result in significant fluctuations in the prices of the securities traded on such market and thereby may adversely affect the NAV of the relevant Sub-Fund.

Securities exchanges in Mainland China typically have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets. In particular, trading band limits are imposed by the stock exchanges in Mainland China on China A-Shares. Trading in any China A-Share security on the relevant stock exchange may be suspended if the trading price of the security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the Manager to liquidate positions and can thereby expose the relevant Sub-Fund to significant losses. Further, when the suspension is subsequently lifted, it may not be possible for the Manager to liquidate positions at a favourable price. The suspension in the China A-Shares market may also affect the dealings in the relevant Sub-Fund and cause delay in payment of redemption proceeds to investors. All these may have a negative impact on the relevant Sub-Fund.

Risks Associated with ChiNext market and/or the Science and Technology Innovation Board (“STAR Board”)

(i) Higher Fluctuation on Stock Prices and Liquidity Risk

Listed companies on ChiNext market and/or STAR Board are usually of emerging nature with smaller operating scale. Listed companies on ChiNext market and STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors may have limited liquidity, compared to other boards. Hence, companies listed on these boards are subject to higher fluctuation in stock prices and liquidity risks and have higher risks and turnover ratios than companies listed on the main board.

(ii) Over-valuation Risk

Stocks listed on ChiNext and/or STAR Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

(iii) Differences in Regulation

The rules and regulations regarding companies listed on the ChiNext market and STAR Board are less stringent in terms of profitability and share capital than those in the main boards.

(iv) Delisting Risk

It may be more common and faster for companies listed on ChiNext market and/or STAR Board to delist. ChiNext market and STAR Board have stricter criteria for delisting compared to the main boards. This may have an adverse impact on a Sub-Fund if the companies that it invests in are delisted.

(v) Concentration Risk

STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in STAR Board may be concentrated in a small number of stocks and subject to the Sub-Fund to higher concentration risk.

Investments in the ChiNext market and/or STAR Board may result in significant losses for a Sub-Fund and its investor.

Risks Associated with Investment Made through a QFI Regime

In respect of a Sub-Fund which may invest in securities and investments permitted to be held or made by QFI under the relevant QFI Regulations through institutions that have obtained QFI status in PRC, in addition to the general investment and equity related risks of investments including in particular the emerging markets risks, the following risks should be emphasised:

Regulatory Risks

The QFI regime is governed by QFI Regulations. Certain entities of the Allianz Global Investors Group meet the relevant prescribed eligibility requirements under the QFI Regulations and have been granted or might be granted a QFI license. The relevant Sub-Fund’s ability to make the relevant investments or to fully implement or pursue its investment objective and strategy is subject to the applicable QFI Regulations (including restrictions on investments and repatriation of principal and profits), which are subject to change and such change may have potential retrospective effect. It is not possible to predict how such changes would affect the relevant Sub-Fund. The relevant Sub-Fund may suffer substantial losses if the approval of the QFI is being revoked/terminated or otherwise invalidated as the relevant Sub-Fund may be prohibited from trading the relevant securities and repatriation of such Sub-Fund’s monies.

Rules on investment restrictions and rules on repatriation of principal and profits, imposed by the Chinese government on the QFI may be applicable to the latter as a whole and not only to the investments made by the relevant Sub-Fund and may have an adverse effect on the relevant Sub-Fund’s liquidity and performance.

QFI Investments Risks

Investors should be aware that there can be no assurance that a QFI will continue to maintain its QFI status and/or that redemption requests can be processed in a timely manner due to changes in QFI Regulations. Therefore, a Sub-Fund may no longer be able to invest directly in the PRC or may be required to dispose of its investments in the PRC domestic securities market held by the QFI, which could have an adverse effect on its performance or result in a significant loss.

Regulatory sanctions may be imposed on the QFI if the QFI itself or the local custodian breach any provision of the relevant rules and regulations.

Such restriction may result in a rejection of applications or a suspension of dealings of the Sub-Fund. The relevant Sub-Fund may suffer losses if the approval of the QFI status is being revoked/terminated or otherwise invalidated as the relevant Sub-Fund may be prohibited from trading of relevant QFI eligible securities and repatriation of the Sub-Fund's monies, and the relevant Sub-Fund may be required to dispose of its holdings, which would likely have a material adverse effect on such Sub-Fund.

Limits on Redemption

A Sub-Fund may be impacted by the rules and restrictions under the QFI regime (including investment restrictions, limitations on foreign ownership or holdings), which may have an adverse impact on its performance and/or its liquidity. Currently, no regulatory prior approval is required for repatriation of funds from the QFI. However, the QFI Regulations are developing and may be subject to change. There is no guarantee that there will be no other regulatory restrictions or that that repatriation restrictions will not be imposed in the future. Although the relevant QFI Regulations have recently been revised to relax regulatory restrictions on the onshore capital management by QFIs (including removing investment quota limit and simplifying process for repatriation of investment proceeds), it is a relatively new development and therefore is subject to uncertainties as to how well it will be implemented in practice, especially at the early stage.

Any restrictions on repatriation of the invested capital and net profits may impact on the relevant Sub-Fund's ability to meet redemption requests from the Unitholders. In extreme circumstances, the relevant Sub-Fund may incur significant loss due to limited investment capabilities, or may not be able fully to implement or pursue its investment objectives or strategies, due to QFI investment restrictions, illiquidity of the PRC's securities market, and delay or disruption in execution of trades or in settlement of trades.

PRC Custodian Risks under the QFI regime

Where a Sub-Fund invests in fixed income securities and/or eligible securities through the QFI, such securities will be maintained by a PRC Custodian pursuant to PRC regulations through appropriate securities accounts and such other relevant depositories in such name as may be permitted or required in accordance with PRC law.

The relevant Sub-Fund may incur losses due to the acts or omissions of the PRC Custodian in the execution or settlement of any transaction.

The Trustee and the Manager will make arrangements to ensure that the relevant PRC Custodian has appropriate procedures to properly safe-keep the assets of the relevant Sub-Fund. However, the QFI Regulations are subject to the interpretation of the relevant authorities in the PRC.

Any securities acquired by the relevant Sub-Fund held by the QFI will be registered in the joint names of the QFI and the relevant Sub-Fund, as such the related security may be vulnerable to a claim by a liquidator of the QFI and may not be as well protected as if they were registered solely in the name of the relevant Sub-Fund.

Cash deposited by the relevant Sub-Fund with the relevant PRC Custodian will not be segregated and will be co-mingled with cash belonging to other clients of that PRC Custodian. As such, in the event of bankruptcy or liquidation of the PRC Custodian, the relevant Sub-Fund will not have any proprietary rights to the cash deposited in such cash account, and the relevant Sub-Fund will become an unsecured creditor of the PRC Custodian. The relevant Sub-Fund may face difficulty and/or encounter delays in recovering such debt and may suffer losses.

PRC Broker Risks under the QFI regime

The execution and settlement of transactions may be conducted by PRC Brokers appointed by the QFI. There is a risk that a Sub-Fund may suffer losses from the default, bankruptcy or disqualification of the PRC Brokers. In such event, the relevant Sub-Fund may be adversely affected in the execution or settlement of any transaction.

In selection of PRC Brokers, the QFI will have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. If the QFI considers appropriate and if under market or operational constraints, it is possible that a single PRC Broker will be appointed and the relevant Sub-Fund may not necessarily pay the lowest commission or spread available in the market at the relevant time.

The relevant Sub-Fund may suffer substantial losses if any of the key operators or parties (including PRC Custodian and PRC Brokers) is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities).

China Market Risk

Investing in the China market is subject to the risks of investing in emerging markets generally and the risks specific to the China market. Since 1978, the PRC government has implemented economic reform measures which emphasise decentralisation and the utilisation of market forces in the development of the Chinese economy, moving from the previous planned economy system.

However, many of the economic measures are experimental or unprecedented and may be subject to adjustment and modification. Any significant change in PRC's political, social or economic policies may have a negative impact on investments in the China market.

Risks relating to the Stock Connect

If a Sub-Fund invests via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, such investments are subject to risks of using the Stock Connect.

Overview

The Shanghai-Hong Kong Stock Connect comprises a Northbound Shanghai Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shanghai Trading Link, Hong Kong and overseas investors (including the relevant Sub-Funds), through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible China A-Shares listed on the SSE by routing orders to the SSE. Under the Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect, investors in the PRC will be able to trade certain stocks listed on the SEHK.

Under the Shanghai-Hong Kong Stock Connect, the relevant Sub-Funds, through their Hong Kong brokers may trade certain eligible shares listed on the SSE ("SSE Securities"). These include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except the following:

- SSE-listed shares which are not traded in RMB;
- SSE-listed shares which are included in the "risk alert board"; and
- SSE-listed shares which are subject to delisting process or the listing of which has been suspended by SSE.

It is expected that the list of eligible securities will be subject to review.

The trading is subject to rules and regulations issued from time to time. Trading under the Shanghai-Hong Kong Stock Connect is subject to a daily quota ("Daily Quota"). Northbound Shanghai Trading Link and Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect will be subject to a separate set of Daily Quota. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Shanghai-Hong Kong Stock Connect each day.

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Shenzhen Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shenzhen Trading Link, Hong Kong and overseas investors (including the relevant Sub-Funds), through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible China A-Shares listed on the SZSE by routing orders to SZSE. Under the Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect investors in the PRC will be able to trade certain stocks listed on the SEHK.

Under the Shenzhen-Hong Kong Stock Connect, the relevant Sub-Funds, through their Hong Kong brokers may trade certain eligible shares listed on the SZSE ("SZSE Securities"). These include any constituent stock of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which has a market capitalisation of not less than RMB6 billion and all SZSE-listed China A-Shares which have corresponding H Shares listed on the SEHK except for the following:

- SZSE-listed shares which are not traded in RMB;
- SZSE-listed shares which are included in the "risk alert board"; and
- SZSE-listed shares which are subject to delisting process or the listing of which has been suspended by SZSE.

At the initial stage of the Northbound Shenzhen Trading Link, investors eligible to trade shares that are listed on the ChiNext Board of SZSE under the Northbound Shenzhen Trading Link will be limited to institutional professional investors as defined in the relevant Hong Kong rules and regulations.

It is expected that the list of eligible securities will be subject to review. The trading is subject to rules and regulations issued from time to time. Trading under the Shenzhen-Hong Kong Stock Connect will be subject to a Daily Quota. Northbound Shenzhen Trading Link and Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect will be subject to a separate set of Daily Quota. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Shenzhen-Hong Kong Stock Connect each day.

HKSCC, a wholly-owned subsidiary of the Hong Kong Exchanges and Clearing Limited, and ChinaClear will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by their respective market participants and/or investors. The China A-Shares traded through Stock Connect are issued in scripless form, and investors will not hold any physical China A-Shares.

Although HKSCC does not claim proprietary interests in the SSE Securities and SZSE Securities held in its omnibus stock accounts in ChinaClear, ChinaClear as the share registrar for SSE and SZSE listed companies will still treat HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE Securities and SZSE Securities.

SSE/SZSE listed companies usually announce information regarding their annual general meetings/extraordinary general meetings about two to three weeks before the meeting date. A poll is called on all resolutions for all votes. HKSCC will inform the Hong Kong Central Clearing and Settlement System ("CCASS") participants of all general meeting details such as meeting date, time, venue and the number of proposed resolutions.

Under the Stock Connect, Hong Kong and overseas investors will be subject to the fees and levies imposed by SSE, SZSE, ChinaClear, HKSCC or the relevant Mainland Chinese authority when they trade and settle SSE Securities and SZSE Securities.

Further information about the trading fees and levies is available online at the website: http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm.

In respect of a Sub-Fund which may invest in China A-Shares via the Stock Connect, in addition to the general investment and equity related risks including Emerging Markets risks and RMB risk, the following risks should be emphasised:

Quota Limitations

The Stock Connect is subject to quota limitations. In particular, the Stock Connect is subject to a Daily Quota which does not belong to the relevant Sub-Fund and can only be utilised on a first-come-first-serve basis. Once the Daily Quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the relevant Sub-Fund's ability to invest in China A-Shares through the Stock Connect on a timely basis and as a result, the Sub-Fund's ability to access the China A-Shares market (and hence to effectively pursue its investment strategy) will be adversely affected.

Beneficial Owner of the Stock Connect Securities

China A-Shares traded through Stock Connect are issued in scripless form, so the relevant Sub-Fund will not hold any physical China A-Shares. HKSCC holds SSE Securities and SZSE Securities of all its participants through a "single nominee omnibus securities account" in its name registered with ChinaClear, the central securities depositary in the PRC. HKSCC holds the SSE Securities and SZSE Securities as a nominee holder on behalf of the relevant Sub-Fund who is the beneficial owner of the SSE Securities and SZSE Securities. The Sub-Fund's title or interests in, and entitlements to SSE Securities and SZSE Securities (whether legal, equitable or otherwise) will therefore be subject to applicable requirements, including laws relating to any disclosure of interest requirement or foreign shareholding restriction. CCASS Rule 824 confirms that all proprietary interests in respect of China A-Shares held by HKSCC as nominee holder belong to CCASS participants or their clients (as the case may be). Also as set out in CCASS Rule 824, HKSCC is prepared to provide assistance to the beneficial owners of China A-Shares, where necessary, to provide certification to ChinaClear for the purpose of providing evidential proof of the CCASS participant's or its client's holding in China A-Shares; and to assist the CCASS participant or its client bringing the legal action in the PRC in the manner as may be required under PRC law, after having regard to its statutory duties and subject to such conditions as HKSCC may reasonably require (including payment of fees and costs upfront and indemnities to the satisfaction of HKSCC). In view of the uncertainties which may relate to such conditions, the relevant Sub-Fund may encounter difficulties or delays in any action to enforce its rights.

Although the relevant CSRC regulations and ChinaClear rules generally provide for the concept of a "nominee holder" and recognise the Hong Kong and overseas investors (including the relevant Sub-Fund) as the ultimate owners who would be recognised under the laws and regulations of the PRC as having beneficial ownership in the China A-Shares traded via the Stock Connect, how an investor such as the relevant Sub-Fund, as the beneficial owner of the China A-Shares, under the Stock Connect structure, exercises and enforces its rights over the China A-Shares in the PRC courts are to be tested.

Clearing and Settlement Risk

Trading in securities through the Stock Connect may be subject to clearing and settlement risk. HKSCC and ChinaClear have established the clearing links and each has become a participant of the other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

As the national central counterparty of the PRC's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear default are considered to be remote. In the remote event of a ChinaClear default on its obligation to deliver securities / make payment, HKSCC's liabilities in SSE Securities and SZSE Securities under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the relevant Sub-Fund may suffer delays in recovering its losses or may not be able to fully recover its losses from ChinaClear.

Suspension Risk

Each of the SEHK, SSE and SZSE reserves the right to suspend trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the trading through the programme is effected, the relevant Sub-Fund's ability to invest in China A-Shares or access the PRC market through the programme will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective could be negatively affected.

Differences in Trading Day

The Stock Connect only operates on days when both the Mainland China and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the Mainland China market but the relevant Sub-Funds cannot carry out any China A-Shares trading via the Stock Connect. Due to the differences in trading days, the relevant Sub-Fund may be subject to a risk of price fluctuations in China A-Shares on a day that the Mainland market is open for trading but the Hong Kong market is close.

Restrictions on Selling Imposed by Front-end Monitoring

Apart from restrictions on buying (due to quota limitations), PRC regulations impose certain restrictions on selling (i.e. requiring that there must be sufficient China A-Shares in the account before an investor sells any China A-Share); otherwise the SSE or SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-Shares sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

If a relevant Sub-Fund intends to sell certain China A-Shares it holds, it must transfer those China A-Shares to the respective accounts of its broker(s) before the market opens on the day of selling ("trading day"). If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the relevant Sub-Fund may not be able to dispose of its holdings of China A-Shares in a timely manner.

<u>Operational Risk</u>

The Stock Connect is premised on the functioning of the operational systems of the relevant market participants and may be subject to operational risk due to these new information technology systems. Market participants are permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

The securities regimes and legal systems of the two markets differ significantly and market participants may need to address issues arising from the differences on an on-going basis. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in both markets through the program could be disrupted. The relevant Sub-Fund's ability to access the China A-Shares market (and hence to pursue its investment strategy) may be adversely affected.

<u>Regulatory Risk</u>

The current regulations relating to Stock Connect are untested and subject to continuous evolvement, there is no certainty as to how they will be applied. In addition, the relevant regulations of the Stock Connect are subject to change which may have potential retrospective effect and there can be no assurance that the Stock Connect will not be abolished. New regulations may be issued from time to time by the regulators/stock exchanges in Mainland China and Hong Kong in connection with operations, legal enforcement and cross-border trades under the Stock Connect. The relevant Sub-Fund may be adversely affected as a result of such changes.

<u>Recalling of Eligible Stocks</u>

A stock may be recalled from the scope of eligible stocks for trading via the Stock Connect, i.e. the stock can only be sold but restricted from being bought. This may adversely affect the investment portfolio or strategies of the relevant Sub-Fund, for example, when the Manager wishes to purchase a stock which is recalled from the scope of eligible stocks.

<u>No Protection by China Securities Protection Fund</u>

Investment in SSE Securities and SZSE Securities via the Stock Connect is conducted through brokers, and is subject to the risks of default by such brokers' in their obligations. The relevant Sub-Fund's investments through Northbound trading under the Stock Connect are not covered by the China Securities Investor Protection Fund in the PRC since such trading is carried out through securities brokers in Hong Kong but not PRC Brokers. Therefore the relevant Sub-Fund is exposed to the risks of default of the broker(s) it engages in its trading in China A-Shares through the Stock Connect.

<u>Taxation Risk</u>

Investments via the Stock Connect are subject to PRC's tax regime. The PRC State Administration of Taxation has reaffirmed the application of normal Chinese stamp duty and a 10% dividend withholding tax, while the value-added tax and income tax on capital gains are temporarily exempted for an unspecified period. The tax regime may change from time to time and the relevant Sub-Fund is, thus, subject to such uncertainties in its PRC tax liabilities. For further details on PRC taxation, please refer to sub-section "PRC" under the section headed "**5. Taxation**" and the risk factor "**PRC Tax Risk**".

PRC Tax Risk

There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of capital gains realised via the QFI Regime or the Stock Connect or access products on the relevant Sub-Fund's investments in the PRC (which may have retrospective effect).

Based on professional and independent tax advice, the Manager, in respect of the Allianz Choice China A-Shares Fund intends:

- to provide for WIT at 10% on dividend from China A-Shares if such WIT is not withheld at source; and
- not to make provisions for any PRC WIT in respect of gross realised and unrealised capital gains derived from the trading of China A-Shares.

If no or inadequate provision for potential withholding tax is made and in the event that the Mainland China tax authorities enforce the imposition of such withholding tax, the NAV of the relevant Sub-Fund may be adversely affected. For any withholding tax made in respect of trading of Mainland China securities, it may reduce the income from, and/or adversely affect the performance of, the relevant Sub-Fund. If any amount is withheld, it will be retained by the Manager for the account of the relevant Sub-Fund until the position with regard to Mainland China taxation has been clarified. In the event that such position is clarified to the advantage of the relevant Sub-Fund, the Manager may rebate all or part of the withheld amount (if any) to the Sub-Fund. The withheld amount (if any) so rebated shall be retained by the Sub-Fund and reflected in the value of its Units. Notwithstanding the foregoing, no Unitholder who redeemed his/her Units before the rebate of any withheld amounts shall be entitled to claim any part of such rebate.

It should also be noted that the actual applicable tax imposed by the Mainland China tax authorities may be different and may change from time to time. There is a possibility of the rules being changed and taxes being applied retrospectively. Any increased tax liabilities on a Sub-Fund may adversely affect the Sub-Fund's NAV. As such, any provision for taxation made by the Manager for the account of the relevant Sub-Fund may be excessive or inadequate to meet final Mainland China tax liabilities. Consequently, Unitholders of the relevant Sub-Fund may be advantaged or disadvantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their Units in/from the relevant Sub-Fund.

If the actual applicable tax levied by the Mainland China tax authorities is higher than that provided for by the Manager so that there is a shortfall in the tax provision amount, investors should note that the NAV of the Sub-Fund may suffer more than the tax provision amount as that Sub-Fund will ultimately have to bear the additional tax liabilities. In this case, the then existing and new Unitholders will be disadvantaged. On the other hand, if the actual applicable tax rate levied by the Mainland China tax authorities is lower than that provided for by the Manager so that there is an excess in the tax provision amount, Unitholders who have redeemed Units in the relevant Sub-Fund before the Mainland China tax authorities' ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the Manager's over-provision. In this case, the then existing and new Unitholders may benefit if the difference between the tax provision and the actual taxation liability under that lower tax amount can be returned to the account of the Sub-Fund as assets thereof.

Investors should seek their own tax advice on their own tax position with regard to their investment in the relevant Sub-Fund.

It is possible that the current tax laws, regulations and practice in the Mainland China will change, including the possibility of taxes being applied retrospectively, and that such changes may result in higher taxation on Mainland China investments than is currently contemplated.

Risk of limited pool of Investments / Lack of Diversification

The Allianz Choice RMB Money Market Fund is also subject to the risk of limited pool of RMB instruments available for investment. In the absence of suitable securities available for investment, the Sub-Fund may have to allocate a significant portion of the portfolio's RMB assets in RMB negotiated term deposits until suitable securities are available in the market. This may adversely affect the Sub-Fund's return and performance.

Volatility and Liquidity Risk

The debt securities in certain markets may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of securities traded in such markets may be subject to fluctuations. To the extent that a Sub-Fund invests in RMB denominated fixed income securities, some of these securities are not listed and there may not be a liquid or active market for trading. The bid and offer spread of the price of these securities may be large. Therefore, the Sub-Fund may incur significant trading and realization costs in trading these investments.

Downgrading Risk

The credit rating of a debt instrument or fixed-interest security or its issuer may subsequently be downgraded. Investment grade securities invested by a Sub-Fund may be subject to the risk of being downgraded to below investment grade securities. In the event of downgrading in the credit ratings of a security or an issuer relating to a security, a Sub-Fund's investment value in such security (and in turn the NAV of the Sub-Fund) may be adversely affected. The Manager may or may not be able to dispose of the debt instruments that are being downgraded.

"Dim Sum" Bond (i.e. Bonds Issued outside of Mainland China but Denominated in RMB) Market Risks

The "Dim Sum" bond market is still a relatively small market which is more susceptible to volatility and illiquidity. The operation of the "Dim Sum" bond market as well as new issuances could be disrupted causing a fall in the Net Asset Value of the Sub-Fund should there be any promulgation of new rules which limit or restrict the ability of issuers to raise RMB by way of bond issuances and/or reversal or suspension of the liberalisation of the offshore RMB (CNH) market by the relevant regulator(s).

Urban Investment Bonds Risk

Urban investment bonds are issued by local government financing vehicles ("LGFVs"), such bonds are typically not guaranteed by local governments or the central government of the PRC. In the event that the LGFVs default on payment of principal or interest of the urban investment bonds, the Sub-Fund could suffer substantial loss and the NAV of the Sub-Fund could be adversely affected.

Sovereign Debt Risk

A Sub-Fund which invests in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Sub-Fund to participate in restructuring such debts. The Sub-Fund may suffer significant losses when there is a default of sovereign debt issuers.

Valuation Risk

Valuation of a Sub-Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the NAV calculation of the Sub-Fund.

Credit Rating Risk

Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.

Risks of Investing in Convertible Debt Securities

Convertible debt securities are a hybrid between debt and equity, permitting holders to convert into shares in the company issuing the debt security at a specified future date. As such, convertibles will be exposed to equity movement and greater volatility than straight bond investments. Investments in convertible debt securities are subject to the same interest rate risk, credit risk, liquidity risk and prepayment risk associated with comparable straight bond investments.

Taxation Risk

Proceeds from sales of financial instruments and receipt of dividends, interest and other income may be, or become, subject to tax, levies, duties or other fees imposed by local tax regimes. It is the intention that the Trust and the Sub-Funds comply with United States Foreign Account Tax Compliance Act ("**FATCA**"). However, the Manager and Trustee cannot guarantee the Trust and/or the Sub-Funds can meet the obligations as required by FATCA. Failure to comply with the FATCA or any applicable Intergovernmental agreements ("**IGA**") entered into in connection with FATCA and implementing laws or regulations may subject the Trust and/ or the Sub-Funds to a 30% withholding tax on certain types of payments made to the Trust and/or the Sub-Funds (and/or any penalties as may otherwise be specified) which may cause the Trust and/or the Sub-Funds and the value of the Units held by Unitholders to suffer material loss. For additional detail, please refer to the section headed "United States Foreign Account Tax Compliance Act ("FATCA")" under "5.Taxation".

To the extent permissible by applicable laws and acting in good faith and on reasonable grounds, the Trust and/or Sub-Funds may be required to withhold on Withholdable Payments (as defined under FATCA) and (to the extent provided in future regulations which will be subject to further changes, but in no event before 1 January 2017) certain "foreign passthru payments" made to any investor which fails to furnish information requested by the Trust (and/or Sub-Fund) to satisfy its obligations under the agreement.

Investors should also be aware that changes in the PRC taxation legislation could affect the amount of income which may be derived, and the amount of capital returned, from the investments of the relevant Sub-Fund. Laws governing taxation will continue to change and may contain conflicts and ambiguities. For further details on PRC taxation, please refer to sub-section "PRC" under the section headed "**5. Taxation**" and the risk factor "**PRC Tax Risk**".

Performance Risk

It cannot be guaranteed that the investment objectives of a Sub-Fund or the investment performance desired by the investor will be achieved. The NAV per Unit may also fluctuate, and in particular, may fall, causing investors to incur losses. Investors assume the risk of receiving a lesser amount than they originally invested. No guarantees are issued regarding the investment outcome for the Sub-Funds.

Sub-Fund Capital Risk

Excessive redemption of Units in a Sub-Fund or an excessive distribution of returns on investments could cause the capital of the Sub-Fund to decrease. A reduction in the capital of the Sub-Fund could make the management of the Trust, a Sub-Fund or a class of Units unprofitable, which could lead to the termination of the Trust, a Sub-Fund or a class of Units and, ultimately, to investor losses.

Risks relating to the Nature of a Fund of Funds

To the extent a Sub-Fund is a fund of funds, it will be subject to the risks associated with the Underlying APIFs and the Underlying ITCIS. The Sub-Fund does not have control of the investments of the Underlying APIFs and the Underlying ITCIS and there is no assurance that the investment objective and strategy of the Underlying APIFs and the Underlying ITCIS will be successfully achieved which may adversely impact to the NAV of the Sub-Fund.

There may be additional costs involved when investing into these Underlying APIFs and Underlying ITCIS. There is also no guarantee that the underlying APIFs and Underlying ITCIS will always have sufficient liquidity to meet the Sub-Fund's redemption requests as and when made.

The Underlying ITCIS in which the Sub-Fund may invest may not be regulated by the SFC.

Risk of Investment Strategy / Asset Allocation Risk

The performance of the Sub-Fund is partially dependent on the success of the investment strategy (such as the asset allocation strategy) employed by the Sub-Fund. There is no assurance that the strategy employed by the Sub-Fund will be successful in achieving the desired results under all circumstances and market conditions and therefore the investment objective of the Sub-Fund may not be achieved. The investments of the Sub-Fund may be periodically rebalanced and therefore the Sub-Fund may incur greater transaction costs than a Sub-Fund with static allocation strategy.

Risk Relating to Instruments with Loss-absorption Features

A Sub-Fund may invest in instruments with loss-absorption features which 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 a pre-defined trigger event (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.

A Sub-Fund may invest in contingent convertible bonds, commonly known as CoCos, which are highly complex and are of high risk. Upon the occurrence of the trigger event, contingent convertible bonds 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 contingent convertible bonds are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.

A Sub-Fund may invest in 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.

Risk of Restricted Flexibility

The redemption of Units may be subject to restrictions, as may be permissible under the Trust Deed. If redemption of Units is suspended or delayed, investors cannot redeem their Units and are compelled to remain invested in the Sub-Fund for a longer period of time than intended, and their investments continue to be subject to the risks inherent to the Sub-Fund. If the Trust, a Sub-Fund or a class of Units is terminated or merged with another Sub-Fund or class, investors no longer have the opportunity to remain invested or shall automatically become holders of units in such other Sub-Fund or class. The sales charge levied when Units are acquired could reduce or even eliminate any increase in the NAV of the Units, particularly if the investment is held for only a short period of time. If Units are redeemed in order to invest the proceeds in another type of investment, investors may, in addition to the costs already incurred (e.g. sales charge), incur other costs such as a redemption fee and/or a disinvestment fee for the Sub-Fund held or extra sales charges for the purchase of other units. These events and circumstances could result in losses to the investor.

Inflation Risk

Inflation risk is the risk that assets will lose value because of a decrease in the value of money. Inflation can reduce the purchasing power of income made on an investment in a Sub-Fund as well as the intrinsic value of the investment. Different currencies are subject to different levels of inflation risk. High inflation rate would erode any currency gain.

Risk of Changes in Underlying Conditions

Over time, the underlying conditions (e.g. economic, legal or tax) within which an investment is made may change. This could have a negative effect on the investment and on the treatment of the investment by the investor.

Risk of Changes to the Trust Deed, to the Investment Policy and to the other Basic Aspects of a Sub-Fund

The attention of the investor is drawn to the fact that the Trust Deed, the investment policy of a Sub-Fund and the other basic aspects of a Sub-Fund may be changed as permitted by the relevant laws and regulations. In particular, a change to the investment policy within the range of investments permitted for a Sub-Fund may change the content of the risk associated with the Sub-Fund.

Key Personnel Risk

A Sub-Fund that achieve very positive results in a certain period of time owe this success to the aptitude of the traders and thus to the correct decisions of its management. However, the staffing at a Sub-Fund may change. New decision makers may have less success in managing assets.

Derivative Risk

The Sub-Funds may use derivatives, in particular financial futures contracts, financial option contracts warrants and/or currency forward contracts for hedging purposes in accordance with Schedule 1 of the MPF Regulation. Derivatives are financial contracts whose value is derived from, the value of an underlying asset, reference rate or index. While the prudent use of derivatives can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks associated with more traditional investments. The following is a general discussion of important risk factors and issues concerning the use of derivatives:

(i) General Risk

Derivatives are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the underlying assets of the derivative but also of the derivative itself. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the increased risk and the ability to forecast correctly the relative price, interest rate or currency rate movements.

(ii) Risk Associated with Margin Requirement

Investments in derivatives may require the deposit of an initial margin and additional deposit of margin on short notice if the market moves against the investment positions. If no provision is made for the required margin within the prescribed time, the Sub-Fund's investments, as the case may be, may be liquidated with a resulting loss.

(iii) Loss of Potential Positive Return of Hedged Asset

While the use of derivative instruments to hedge the Sub-Fund's assets reduces the economic risk inherent in its asset to the greatest extent possible, there is a possible risk that the Sub-Fund will no longer be able to participate in a positive development of the hedged asset.

(iv) Other Risks

Another risk in using derivatives includes the risk of differing valuations of the derivatives arising out of different permitted valuation methods. Many derivatives, in particular OTC derivatives, are complex and often valued subjectively. The valuation may only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value of the Sub-Fund.

Furthermore, derivatives do not always perfectly or closely track the value of the securities, interest rates, exchange rates or indices they are designed to track. Consequently, the Sub-Fund's use of derivative techniques may not always be an effective means to achieve the Sub-Fund's investment objective.

Risks associated with financial derivative instruments include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a financial derivative instrument can result in a loss significantly greater than the amount invested in the financial derivative instrument by the Sub-Fund. Exposure to financial derivative instruments may lead to a high risk of significant loss by the Sub-Fund.

Dilution and Swing Pricing Risk

If a Sub-Fund applies Swing Pricing Mechanism (as described in the section headed "Swing Pricing Mechanism" under the section headed "4. Dealings in Units"), the Sub-Fund is subject to dilution and swing pricing risk. The actual cost of purchasing or selling the underlying assets of a Sub-Fund may be different from the booking value of these assets in the Sub-Fund's valuation. The difference may arise due to dealing and other costs and/or any spread between the buying and selling prices of the underlying assets. These dilution costs can have an adverse effect on the overall value of a Sub-Fund and thus the NAV per Unit may be adjusted in order to avoid disadvantaging the value of investments for existing Unitholders. The size of the adjustment impact is determined by factors such as the volume of transactions, the purchase or sale prices of the underlying assets and the valuation method adopted to calculate the value of such underlying assets of the Sub-Fund. The value of adjustment reflects the estimated dealing cost of a Sub-Fund. If the estimation of costs is not accurate, the application of the Swing Pricing Mechanism may not achieve the desired results.

INVESTMENT RESTRICTIONS

The Sub-Funds are subject to the investment and borrowing restrictions set out in Schedule 1 of the MPF Regulation. The principal investment restrictions and investment prohibitions applicable to the Sub-Funds are as follows:

Investment Restrictions

(a) the Sub-Funds may not collectively hold more than 10% (or such greater percentage as the MPFA and SFC may approve) of ordinary shares issued by any single entity;
(b) no more than 10% (or such greater percentage as the MPFA and SFC may approve) of any Sub-Fund's total NAV may be invested in, or exposed to, any single entity through the following (other than Unrestricted Investments or deposits within the meaning of Section 11 of Schedule 1 of the MPF Regulation):-
    (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;
(c) no more than 20% of any Sub-Fund's total NAV may be invested in, or exposed to, entities within the same group through the following:
    (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.
(d) no more than 20% of any Sub-Fund's total NAV may be deposited in cash with the same entity or entities within the same group, unless otherwise specified in the SFC's Code on Unit Trusts and Mutual Funds;
(e) not more than 5% of any Sub-Fund's total NAV may be invested in warrants and, unless acquired for hedging purpose, such warrants may not contain a put warrant;
(f) the Manager may not invest more than 30% of any Sub-Fund's total NAV in Unrestricted Investments of the same issue (except that each of the Sub-Funds' assets may be invested in Unrestricted Investments of the same issuer comprised in at least six different issues);
(g) not more than 10% of any Sub-Fund's total NAV may, in aggregate, be invested in fully-paid up shares listed on a stock exchange that is not an approved stock exchange (as defined in the MPF Regulation); securities approved, or of a kind approved, by the MPFA other than shares listed on an approved stock exchange; and unit trusts or mutual funds which are authorised by the SFC and approved by the MPFA as a permissible investment but not as APIFs or certain index-tracking collective investment schemes approved by the MPFA;
(h) the Manager may, on behalf of any Sub-Fund, enter into any financial futures contracts or financial option contracts only:
    (i) for hedging purposes; and
    (ii) if the applicable requirements imposed by the MPFA and SFC in relation to the acquisition of such contracts are adhered to;
(i) the Trustee may (but shall not be obliged to), on behalf of any Sub-Fund, enter into a repurchase agreement relating

to assets of the relevant Sub-Fund only if:

(i) the investments the subject of the repurchase agreement are permitted debt securities, as defined in the MPF Regulation;

(ii) the amount of the collateral given for the investments the subject of the repurchase agreement is at least 105% of the value of such investments;

(iii) no more than 10% of the relevant Sub-Fund's total NAV is the subject of repurchase agreements at any one time;

(iv) no more than 50% of the securities of the same issue or of the same kind held among the assets of the Sub-Fund are the subject of repurchase agreements at any one time; and

(v) the terms of any such repurchase agreement comply with any guidelines or other requirements issued by the MPFA from time to time;

(j) the Manager may, on behalf of any Sub-Fund, enter into a currency forward contract only if:

(i) it is acquired for hedging purposes, or for the purpose of settling a transaction relating to the acquisition of securities; and

(ii) it is acquired from an authorised financial institution or eligible overseas bank (as defined in the MPF Regulation) and, where it is acquired from a branch outside Hong Kong of an authorized financial institution incorporated outside Hong Kong, the authorized financial institution shall satisfy a minimum credit rating set by the MPFA, based on the credit rating of the authorized financial institution as determined by an approved credit rating agency; and

(iii) the period of such contract is not more than 12 months;

(k) any Sub-Fund may only invest in convertible debt securities which (i) are listed on approved stock exchanges and are convertible to shares listed on such approved stock exchanges; or (ii) satisfy the minimum credit rating requirements for debt securities imposed by the MPFA;

(l) subject to the prior consent of the Trustee, the Manager may, on behalf of any Sub-Fund, enter into an underwriting or sub-underwriting contract only if:

(i) all commissions or other fees received by the Manager, and all securities or cash acquired, pursuant to any such contract shall form part of the Sub-Fund for the account of which the relevant contract was entered into and any subscription or purchase monies payable thereunder and any fees or commissions payable to sub-underwriters shall be paid out of such Sub-Fund; and

(ii) the Manager shall ensure that the contracts will contain limited recourse language limiting the liability of the Trustee to the amount of the underwriting commitment or to the value of the assets of the Sub-Fund whichever is the lesser amount;

(m) any Sub-Fund may acquire securities to be listed on an approved stock exchange or an approved futures exchange only if the securities are of a kind to which Section 7(2)(d), 8(1), 9(1)(a) or 10 of Schedule 1 of the MPF Regulation would apply if they were listed on an approved stock exchange or on an approved futures exchange;

(n) the Trustee may, at the request of the Manager, engage in security lending, sale and repurchase (collectively, "securities financing transactions"), in respect of any securities on such terms as may be acceptable to the Trustee through the agency of or directly with any person acceptable to the Trustee provided that:

(i) they are in the best interests of the Unitholders to do so and the associated risks have been properly mitigated and addressed;

(ii) 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, should be returned to the relevant Sub-Fund;

(iii) the relevant Sub-Fund should ensure that it is able at any time to recall the securities or the full amount of cash (as the case may be) subject to the securities financing transaction(s) or terminate the securities financing transaction(s) into which it has entered;

(iv) no more than 10% of the relevant Sub-Fund's total NAV is the subject of security lending agreements at any one time;

(v) no more than 50% of securities of the same issue, or of the same kind (by value), held in respect of the relevant Sub-Fund(s) is the subject of security lending agreements at any one time; and

(vi) any guidelines or other requirements issued by the MPFA from time to time in respect of security lending agreements are complied with including, but not limited to, the entitlement of the Manager to terminate the securities lending agreements at any time and to demand the return of all securities lent;

(o) deposits held with an Authorized Financial Institution or Eligible Overseas Bank (as defined in the Trust Deed) shall not exceed (a) 10% of the issued capital and reserves of such institution or bank; and (b) 10% of any Sub-Fund's total NAV (or 25% (or such greater percentage as the MPFA and SFC may approve) if the relevant Sub-Fund's total NAV is less than HK$8 million), and the total amount deposited with a group of associated banks (as defined in the Trust Deed) shall not exceed 25% of any Sub-Fund's total NAV (unless the Sub-Fund's total NAV is less than HK$8 million and the MPFA has provided its prior approval for exemption).

Investment Prohibitions

(a) the Manager may not make short sales for any Sub-Fund;

(b) the Manager may not on behalf of any Sub-Fund assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person;

(c) a Sub-Fund may not acquire any asset or engage in any transaction which involves the assumption of any liability which is unlimited, or any liability which exceeds the relevant Sub-Fund's total NAV;

(d) the Manager may not grant call options over investments held by the Trust for any Sub-Fund;

(e) the Manager may not acquire any securities which are nil-paid or partly-paid or likely to involve any Sub-Fund in any liability (contingent or otherwise);

(f) (unless otherwise specified in the investment objectives or restrictions of a Sub-Fund) not less than 30% of any Sub-Fund's total NAV shall be held in Hong Kong dollar currency investments, as measured by the effective currency exposure (as defined in the MPF Regulation);

(g) the Manager may not, on behalf of any Sub-Fund, invest in securities if either any director or officer of the Manager individually owns more than 1/2% of those securities or such directors and officers collectively own more than 5% of those securities;

(h) the Manager may not, on behalf of any Sub-Fund, invest in securities issued by the Trustee, any custodian appointed by the Trustee or the Manager, except where any of these parties is a substantial financial institution (as defined in the MPF Regulation), or for units/shares in units trusts or mutual funds authorised by the SFC;
(i) the Manager may not, on behalf of any Sub-Fund, invest in real estate or any interests therein (including options or rights but excluding shares in real estate companies);
(j) the Manager may not, on behalf of any Sub-Fund, invest in any commodities or commodity-based investments (other than shares in companies engaged in producing, processing or trading in commodities);
(k) securities must not be borrowed on behalf of any Sub-Fund for any purpose; and
(l) no Sub-Fund may become the subject of a reverse repurchase agreement.

Additional Investment Restrictions for Money Market Funds

Under paragraphs 8.2(g), 8.2(g)(a) and 8.2(n) of the SFC's Code on Unit Trusts and Mutual Funds, in respect of money market funds, the Manager is required to observe the following additional investment restrictions:
(a) the aggregate value of a Sub-Fund's holding of instruments and deposits issued by a single entity may not exceed 10% of the total NAV of the Sub-Fund except:
    (i) 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%; 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 US$ 1,000,000 or its equivalent in the base currency of the Sub-Fund, where the Sub-Fund cannot otherwise diversify as a result of its size;
(b) the aggregate value of a Sub-Fund's investments in entities within the same group through instruments and deposits may not exceed 20% of any Sub-Fund's total NAV; and
(c) a Sub-Fund must hold at least 7.5% of its total NAV in daily liquid assets and at least 15% of its total NAV in weekly liquid assets, each as defined by the SFC's Code on Unit Trusts and Mutual Funds.

Additional Investment Restrictions for HK$ Liquidity Fund and HK$ Cash Fund

In respect of HK$ Liquidity Fund and HK$ Cash Fund, however, the Manager will observe the following additional investment restrictions:
(a) a portfolio with weighted average maturity not exceeding 60 days and a weighted average life not exceeding 120 days must be maintained;
(b) the Sub-Fund may only invest in any or a combination of:
    i. deposits (in accordance with the MPF Regulation) for a term not exceeding 12 months;
    ii. Unrestricted Investments having a remaining maturity period of no more than 2 years;
    iii. debt securities (other than Unrestricted Investments) with a remaining maturity period of no more than 397 days for Allianz Choice HK$ Cash Fund or no more than 1 year for Allianz Choice HK$ Liquidity Fund and which satisfy the minimum credit rating set by the MPFA; or
    iv. assets permitted for investment by a MPF Conservative Fund pursuant to the MPF Regulation; and
(c) the Sub-Fund must have a total value, as measured by the effective currency exposure (as defined in the MPF Regulation), of Hong Kong dollar currency investments equal to the Sub-Fund's total NAV.

Additional Investment Restrictions for Fund of Funds

Generally, unless otherwise waived by the SFC, each fund of funds:

(a) must invest all of its assets in other APIFs and/or approved ITCIS and may hold cash for ancillary purposes;

(b) may, subject to paragraph (a) above, only invest in APIFs and/or ITCIS authorised by the SFC or ITCIS which are eligible schemes (as defined in section 7.11A of the SFC's Code on Unit Trusts and Mutual Funds), except that not more than 10% of its total NAV may be invested in non-eligible schemes not authorised by the SFC;

(c) must not invest in any APIFs and/or ITCIS whose objective is to invest primarily in any investment prohibited by Chapter 7 of the SFC's Code on Unit Trusts and Mutual Funds. In case of investments limited by Chapter 7 of the SFC's Code on Unit Trusts and Mutual Funds, such investment may not be in contravention of the relevant limitation;

(d) must invest in 5 or more APIFs and/or ITCIS;

(e) must not invest more than 30% of its total NAV in any one APIF or ITCIS;

(f) must not invest in another fund of funds; and

(g) must not invest in warrant funds and futures and options funds.

A Sub-Fund's investment in an ITCIS that qualifies as a Qualified Exchange Traded Fund shall be considered and treated as a collective investment scheme for the purposes of and subject to the investment restrictions in sections 7.11, 7.11A and 7.11B of the SFC's Code on Unit Trusts and Mutual Funds, and shall comply with the more stringent restrictions and requirements applicable under the aforesaid provisions of the SFC's Code on Unit Trusts and Mutual Funds, the MPF Regulation and the investment restrictions set out above.

Furthermore, the Underlying APIFs and the Underlying ITCIS will not use financial derivative instruments extensively for investment purposes.

However, in respect of the Sub-Funds below which are fund of funds, the following applies notwithstanding (e) above:

- The Allianz Choice Growth Fund may invest up to 40% of its total NAV in the Allianz Choice Hong Kong Fund.

− The Allianz Choice Balanced Fund may invest up to 40% of its total NAV in the Allianz Choice Global Fixed Income Fund.

− The Allianz Choice Stable Growth Fund may invest up to 60% of its total NAV in the Allianz Choice Global Fixed Income Fund.

− The Allianz Choice Capital Stable Fund may invest up to 80% of its total NAV in the Allianz Choice Global Fixed Income Fund.

Where a Sub-Fund invests in APIFs and/or ITCIS managed by the Manager or its connected persons, all initial charges and redemption charges on the Underlying APIFs and/or Underlying ITCIS must be waived. The Manager or any person acting on behalf of the Sub-Fund or the Manager may not obtain a rebate on any fees or charges levied by an Underlying APIF or Underlying ITCIS or its management company, or any quantifiable monetary benefits in connection with investments in the Underlying APIFs and/or Underlying ITCIS.

Exclusion Policy

All Sub-Funds refrain from directly investing in securities of issuers which, in the opinion of the Manager, engage in undesirable business activities. Undesirable business activities comprise particularly of the following:

- Certain controversial weapons: The type of controversial weapons which are in the scope of the exclusion policy may be updated from time to time and can be consulted on the website https://regulatory.allianzgi.com/ESG/Exclusion_Policy (this website has not been reviewed by the SFC).

- Coal: Issuers engaged in business activities related to coal will only be in scope of the exclusion policy if they meet certain quantitative criteria. Such criteria may be updated from time to time and can be consulted on the website https://regulatory.allianzgi.com/ESG/Exclusion_Policy. The contents of the website have not been reviewed by the SFC which may contain information of funds not authorised by the SFC.

The exclusion policy applies to corporate issuers only. The Sub-Funds might invest in securities baskets such as indices which can contain securities falling under aforementioned exclusion criteria. To undertake this exclusion, various external data and research providers are used. Debt securities of issuers which are in scope of the exclusion policy may be kept until the earlier of either maturity of the respective instrument or 30 June 2023 provided such instrument has been acquired on behalf of the respective Sub-Fund prior the enforcement of the exclusion policy.

Borrowing Limits

The Manager may not on behalf of any Sub-Fund borrow more than 10% of the relevant Sub-Fund's total NAV prior to the time of borrowing. Subject to any contrary provision of the MPF legislation, back-to-back loans shall not be taken into account when determining whether or not these limits have been breached by a Sub-Fund. All borrowings shall be made on a temporary basis, i.e. it must not be part of a series of borrowings and is permitted only if it is borrowed:

(a) for the purpose of enabling realisation proceeds to be paid to the Unitholders provided that, at the time the borrowing was made, it was not expected that the period of borrowing would exceed 90 days; or

(b) (except for the Allianz Choice RMB Money Market Fund, Allianz Choice HK$ Liquidity Fund and Allianz Choice HK$ Cash Fund) for the purpose of settling a transaction relating to the acquisition of securities or other investments in respect of the relevant Sub-Fund provided that, at the time the borrowing was made, it was not expected that the period of borrowing would exceed 7 working days (as defined in the MPF Regulation) and that at the time it was decided to enter into the transaction, it was unlikely (in the opinion of the Manager) that the borrowing would be necessary.

Use of Derivatives and Leverage

Each Sub-Fund is not expected to incur any leverage arising from the use of derivatives. Each Sub-Fund’s net derivative exposure as defined under the SFC’s Code on Unit Trusts and Mutual Funds may be up to 50% of the relevant Sub-Fund’s NAV.

Securities Lending and Repurchase Agreements

A Sub-Fund may engage in securities lending, and sale and repurchase transactions (collectively, “securities financing transactions”), provided that they are in the best interests of the Unitholders to do so and the associated risks have been properly mitigated and addressed. The relevant Sub-Fund should have at least 105% collateralisation in respect of the securities financing transaction(s) into which it enters to ensure there is no uncollateralised counterparty risk exposure arising from these transactions. Investments held for the account of a Sub-Fund which become the subject of a securities lending or a repurchase agreement will have a value not exceeding 10% of that Sub-Fund's total NAV and will be conducted in accordance with normal market practice. No more than 50% of investments of the same issue in the Sub-Fund will be lent or will be the subject of a repurchase agreement at any one time. Such agreements will be entered into only with counterparties which are rated A-2 or P-2 or better by Standard & Poor’s or Moody’s (or an equivalent rating from another rating agency) and a greater value of collateral, compared to the value of the securities lent or which are the subject of a repurchase agreement, will be obtained in the form of cash, and/or debt securities permitted by the MPF Ordinance and MPF Regulation which have a credit rating of A-2 or P-2 or better from Standard & Poor’s or Moody’s (or an equivalent rating from another rating agency) and portfolio maturity of up to 3 years. 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 such as the Trustee's fee as a commercial fee in connection with the Trustee’s administration of the securities lending arrangements agreed at arm’s length between the Manager and the Trustee, should be returned to the relevant Sub-Fund. Disclosure of such transaction will be made in the annual report of the relevant Sub-Fund.

If any of the above investment restrictions or borrowing limits are exceeded or any investment prohibitions breached, the Manager will, after taking due account of the interests of Unitholders, take all steps as are necessary within a reasonable period of time to remedy the situation.

The Manager shall comply with all investment and borrowing policies, restrictions and prohibitions imposed by the MPF Ordinance, the MPF Regulation and any other regulations issued pursuant to the MPF Ordinance. Such restrictions and prohibitions, if not already reflected in the Trust Deed or this Prospectus, may be set out in a supplemental deed to the Trust Deed and an Addendum to this Prospectus (without the need to seek the approval of Unitholders). Investors and Unitholders should note that, in the event of any conflict, such restrictions and prohibitions shall prevail over the restrictions and prohibitions set out in the Trust Deed and this Prospectus.

The connected persons of the Manager or the Trustee may enter into securities financing transactions with respect to any asset of a Sub-Fund as counterparties such as securities lending agents. Any such entity will be entitled to retain for its own use and benefit any profits which may be derived from such securities financing transactions. However, any such arrangement or dealing shall be subject to the prior written consent of the Trustee, negotiated at arm's length and in the best interest of the Unitholders.

Notwithstanding the foregoing, each of the Sub-Funds currently does not intend to engage in security lending transactions and/or repurchase agreements.

CHANGES TO INVESTMENT POLICY

Any changes to the investment policy will require prior approval from the MPFA and for changes requiring the SFC's prior approval, at least one month's prior notice will be given to the Trustee and Unitholders concerned (or any other period of notice as permitted by applicable laws and regulatory requirements or required by relevant regulators).

DISTRIBUTION POLICY

It is not presently intended that the Sub-Funds will pay dividends. Any income earned by the Sub-Funds shall be accumulated.

3. Management and Administration

MANAGER AND REGISTRAR

Allianz Global Investors Asia Pacific Limited has been appointed as the Manager and Registrar of the Trust.

The Allianz Group has a long history and strong tradition in the financial services industry. Founded in 1890 in Germany, the Allianz Group provides its 85 million clients worldwide with a comprehensive range of insurance and financial services through an international network of subsidiaries in 70 countries. The Allianz Group's four core business areas are property and casualty, life and health, banking and asset management.

Allianz Global Investors ("AllianzGI") is a leading diversified active investment manager with total assets under management of EUR563 billion as of 31 December 2019. Its teams can be found in 25 offices worldwide, with a strong presence in the US, Europe and Asia-Pacific. With over 800 investment professionals and an integrated investment platform, it covers all major business centers and growth markets. AllianzGI's global capabilities are delivered through local teams to ensure best-in-class service.

TRUSTEE

All the assets of the Trust are held independently from the property of:

(a) the Manager, investment delegates and their respective connected persons;
(b) HSBC Institutional Trust Services (Asia) Limited as Trustee and any nominees, agents or delegates throughout the custody chain; and
(c) other clients of the Trustee, nominees, agents or delegates throughout the custody chain, unless held in an omnibus account with adequate safeguards in line with international standards and best practices to ensure that the property of the Trust is properly recorded with frequent and appropriate reconciliations being performed.

The Trustee may appoint a person or persons to be the custodian of securities held for the account of the Trust and in doing so is required to exercise reasonable skill, care and diligence in the selection, appointment and ongoing monitoring of such persons and, during the term of their appointment, must satisfy itself that such persons remain suitably qualified and competent on an ongoing basis to provide custodial services to the Trust, having regard to the market or markets for which such persons are appointed. The Trustee will be responsible for the acts and omissions of its sub-custodians as though they were the acts and omissions of the Trustee but will not be responsible for assets the Trustee is required to deposit as margin with brokers or other intermediaries or for assets held by central securities depositories approved by the MPFA.

The Trustee is a registered trust company incorporated in Hong Kong. It is an affiliate of HSBC Holdings plc. HSBC Holdings plc is a public company incorporated in England and a global financial institution whose group of companies has major banking businesses in the Asia-Pacific region, Europe, the Middle East and the Americas. As of 31 December 2019, HSBC Holding plc had consolidated total assets of approximately USD3,966 billion.

SUB-MANAGER

Allianz Global Investors GmbH

Allianz Global Investors Asia Pacific Limited, the Manager of the Trust, has appointed Allianz Global Investors GmbH as the Sub-Manager of Allianz Choice "Best Styles" Europe Fund, Allianz Choice "Best Styles" US Fund and Allianz Choice Global Equity Fund and has delegated the investment management functions and duties in respect of these Sub-Funds to Allianz Global Investors GmbH. Based on the delegation, Allianz Global Investors GmbH is vested with the rights and responsibilities to make investment decisions on behalf of Allianz Choice "Best Styles" Europe Fund, Allianz Choice "Best Styles" US Fund and Allianz Choice Global Equity Fund.

Allianz Global Investors GmbH is part of the Allianz Global Investors Group, having its registered office at Bockenheimer Landstrasse 42 – 44, 60323 Frankfurt/Main, Germany.

FEES AND CHARGES

	Current level	**Maximum Level**
Initial Charge (Note 1)		
On subscription of Units	Up to 5% of the relevant Unit price	5% of relevant Unit issue price
On conversion, in respect of Units in the new Sub-Fund	Waived	5% of relevant Unit issue price
Realisation Charge	Waived	2% of Unit realisation price
Trustee Fee (Note 2)	Up to 0.07% p.a. of the NAV of the relevant Sub-Fund plus custody transaction fees within the Trustee's usual scale of professional rates for such transactions and as agreed by the Manager	0.25% p.a. of the NAV of the relevant Sub-Fund plus custody transaction fees within the Trustee's usual scale of professional rates for such transactions and as agreed by the Manager

Management Fee (Note 3)	Nil to 0.25% p.a. of the NAV of Allianz Choice HK$ Liquidity Fund and Allianz Choice HK$ Cash Fund. Nil to 0.30% p.a. of the NAV of Allianz Choice RMB Money Market Fund. Nil to 1.00% p.a. of the NAV of Allianz Choice Global Fixed Income Fund. Nil to 1.5% p.a. of the NAV of any Sub-Fund depending on the relevant Class of Units invested in	2% p.a. of the NAV of each Sub-Fund except that the maximum in respect of Allianz Choice HK$ Liquidity Fund shall be 0.25% p.a. of its NAV
Registrar's Fee (Note 4)	HK$20,000 p.a. for each Sub-Fund plus transaction charges. Nil for Ordinary Class – F Units.	HK$50,000 p.a. for each Sub-Fund plus transaction Charges. Nil for Ordinary Class – F Units.
Administration Fee (Note 5)	0.45% p.a. of the NAV of the relevant Sub-Fund	1% p.a. of the NAV of each Sub-Fund
SFC Annual Registration Fee	HK$7,500 in respect of the Trust and HK$4,500 in respect of the relevant Sub-Fund	

Note 1: Except in respect of Units of HK$ Liquidity Fund, the Manager is entitled to receive an initial charge of up to 5% of the relevant Unit price, which will be added to the Unit price. However, the Manager shall not add any initial charge to any Units to be issued to any collective investment scheme (including retirement and provident funds) managed by the Manager or any of its connected persons. Where a Sub-Fund invests in any underlying collective investment scheme(s) managed by the Manager or its connected persons, the initial charges on the underlying scheme(s) will be waived.

Note 2: The Trustee is entitled to receive a fee at a rate of up to 0.07% per annum of the NAV of each Sub-Fund calculated on each Valuation Day. This fee will be payable to the Trustee monthly in arrears, subject to a minimum annual trustee fee of US$8,000 for each Sub-Fund or at such lower amount as may be agreed between the Trustee and the Manager. If the calculation of the NAV of the relevant Sub-Fund is suspended on the relevant Valuation Day, the fee will be calculated by reference to the NAV of that Sub-Fund on the last Valuation Day immediately preceding such suspension. With respect to the Allianz Choice Growth Fund, Allianz Choice Balanced Fund, Allianz Choice Stable Growth Fund and Allianz Choice Capital Stable Fund which invest in the Underlying APIFs, there will not be any double charging of the trustee fee for the relevant Sub-Funds and the respective Underlying APIFs.

Note 3: In respect of each Sub-Fund (except Allianz Choice Global Fixed Income Fund, Allianz Choice RMB Money Market Fund, Allianz Choice HK$ Liquidity Fund and Allianz Choice HK$ Cash Fund), the Manager is entitled to receive a management fee at a rate of 0.45% per annum for "Ordinary Class – A" and "Administration Class – A" Units, 0.65% per annum for "Ordinary Class – B" and "Administration Class – B" Units and 1.5% per annum for "Ordinary Class – C" Units, based on the relevant portion of the NAV of the relevant Sub-Fund attributable to each relevant Class of Units on each Valuation Day. There is no management fee charged in respect of "Ordinary Class – I Units" and "Ordinary Class – F" Units. However, the Manager will be entitled to receive remuneration from the funds/portfolios investing into Ordinary Class – I or Ordinary Class – F Units at a rate for portfolios as agreed between the Manager and its clients and for funds at the rate specified in the fund's prospectus. In any event, the rate of remuneration will not exceed 2% per annum.

In respect of Allianz Choice Global Fixed Income Fund, the Manager is entitled to receive a management fee at a rate of 0.45% per annum for "Ordinary Class – A" and "Administration Class – A" Units, 0.65% per annum for "Ordinary Class – B" and "Administration Class – B" Units and 1.00% per annum for "Ordinary Class – C" Units, based on the relevant portion of the NAV of the Sub-Fund attributable to each relevant Class of Units on each Valuation Day. There is no management fee charged in respect of "Ordinary Class – I" or "Ordinary Class – F" Units. However, the Manager will be entitled to receive remuneration from the funds/portfolios investing into Ordinary Class – I or Ordinary Class – F Units at a rate for portfolios as agreed between the Manager and its clients or for funds at the rate specified in the fund's prospectus. In any event, the rate of remuneration will not exceed 2% per annum.

In respect of Allianz Choice RMB Money Market Fund, the Manager is entitled to receive a management fee at a rate of 0.25% per annum for "Ordinary Class" and "Administration Class" Units, and 0.30% per annum for "Ordinary Class - C" Units, based on the relevant portion of the NAV of the Sub-Fund attributable to each relevant Class of Units on each Valuation Day. There is no management fee charged in respect of "Ordinary Class – I" or "Ordinary Class – F" Units. However, the Manager will be entitled to receive remuneration from the funds/portfolios investing into Ordinary Class – I or Ordinary Class – F Units at a rate for portfolios as agreed between the Manager and its clients or for funds at the rate specified in the fund's prospectus. In any event, the rate of remuneration will not exceed 2% per annum.

In respect of Allianz Choice HK$ Liquidity Fund and Allianz Choice HK$ Cash Fund, the Manager is entitled to receive a management fee at a rate of 0.25% per annum for Ordinary Class and Administration Class, based on the relevant portion of the NAV of the relevant Sub-Fund attributable to each relevant Class of Units on each Valuation Day. There is no management fee charged in respect of "Ordinary Class – I" or "Ordinary Class – F" Units. However, the Manager will be entitled to receive remuneration from the funds/portfolios investing into Ordinary Class – I or Ordinary Class – F Units at a rate for portfolios as agreed between the Manager and its clients or for funds at the rate specified in the fund's prospectus. In any event, the rate of remuneration will not exceed 2% per annum.

Please refer also to the table appearing on pages 4-5.

With respect to the Allianz Choice Growth Fund, Allianz Choice Balanced Fund, Allianz Choice Stable Growth Fund and Allianz Choice Capital Stable Fund which invest in the Underlying APIFs, the Underlying ITCIS or any underlying collective investment schemes managed by the Manager or its connected person, there will not be any double charging of the management fee and other fees and charges payable to the Manager and/or its connected persons for the relevant Sub-Funds and their respective Underlying APIFs, Underlying ITCIS, or underlying collective investment scheme managed by the Manager or its connected person. Any fees and charges payable to the Manager and/ or its connected persons in respect of these Sub-Funds will only apply at the respective Sub-Fund's level (and not at the respective Underlying APIFs' level, Underlying ITCIS' level or underlying collective investment scheme level) and it will represent the total overall fees payable to the Manager and/or its connected persons in respect of the relevant Sub-Funds and their respective Underlying APIFs, Underlying ITCIS and underlying collective investment scheme managed by the Manager or its connected person. There will not be an increase in the overall fees and charges payable to, the Manager and/or its connected persons as a result of the Sub-Funds investing in the Underlying APIFs, the Underlying ITCIS and the underlying collective investment scheme managed by the Manager or its connected person. The management fee will be payable monthly in arrears. If the calculation of the NAV of the relevant Sub-Fund is suspended on the relevant Valuation Day, the amount of the management fee payable will be calculated by reference to the NAV of the relevant Sub-Fund on the last Valuation Day of such Sub-Fund immediately preceding such suspension.

The Manager may pay commissions to intermediaries and dealers, through whom applications for subscriptions are received, out of any of the fees received by the Manager from the Sub-Funds.

Note 4: The Manager is also entitled to receive fees for acting as Registrar of the Trust, including an annual fee which is currently HK$20,000 per Sub-Fund. In addition, transaction fees as may from time to time be agreed between the Manager and the Trustee will be charged. At the date of this Prospectus, these transaction charges are (expressed in Hong Kong dollars) $60 per Unitholder for creating records; $25 per Unitholder per year for maintaining records; $40 per subsequent subscription by an existing Unitholder; $40 per redemption and $25 for printing a certificate. There is no registrar's fee charged in respect of "Ordinary Class – F Units".

Note 5: The Administrator is entitled to receive a fee at the rate of 0.45% per annum of the NAV of the relevant Sub-Fund for any Administration Classes of Units, based on the relevant portion of the NAV of the relevant Sub-Fund attributable to the relevant Class of Units calculated on each Valuation Day. This fee will be payable to the Administrator monthly in arrears and may be increased to a maximum of 1% per annum of the relevant NAV with three months' prior written notice to the affected Unitholders.

If the calculation of the NAV of the relevant Sub-Fund is suspended on the relevant Valuation Day, the fee will be calculated by reference to the NAV of that Sub-Fund on the last Valuation Day immediately preceding such suspension.

Note 6: The current fees as shown in the table above may be increased to their respective maximum levels only with at least 1 month's prior notice (or any other period of notice as permitted by applicable laws and regulatory requirements or required by relevant regulators) to relevant Unitholders and the Manager or the Trustee, as the case may be.

Other Fees and Charges

The Trust shall pay, out of the assets of the relevant Sub-Fund, all expenses payable by such Sub-Fund. Expenses include, but are not limited to, costs of investing and realising investments of the Sub-Fund(s), administrative expenses incurred in establishing the Sub-Funds and the Trust (including the expenses of preparing and printing any Prospectus), registration fees and all costs incurred in complying with legislation and regulations applicable to the Trust or any Sub-Fund in Hong Kong, costs and expenses of obtaining and maintaining authorisation or registration, fees of the sub-custodians, the legal advisers of the Trust and the Auditors, costs of preparing, printing and distributing statements, accounts and reports, any disbursements or out-of-pocket expenses properly incurred on behalf of any Sub-Fund by any of its service providers, the expenses incurred in convening meetings of and sending notices to Unitholders, the cost of valuation and publication of Unit prices, costs in effecting and maintaining any insurance, expenses incurred in preparing supplemental deeds, and other costs and expenses properly incurred in the administration and investment activities of each Sub-Fund. Expenses arising out of any marketing or promotional activities relating to any Sub-Fund may not be paid out of the Trust Fund.

The costs and expenses incurred in establishing and authorising Allianz Choice Global Equity Fund amounting to approximately HK$460,000, will be paid and expensed by the Sub-Fund in its first five financial years.

The costs and expenses incurred in establishing and authorising Allianz Choice China A-Shares Fund amounting to approximately HK$560,000, will be paid and expensed by the Sub-Fund in its first five financial years.

Commission rebates arising out of the sale and purchase of investments for any Sub-Fund may be received, although they must be credited to the account of the relevant Sub-Fund rather than retained by the Manager. However, the Manager and its connected persons may receive, and are entitled to retain, from brokers and other persons through whom the relevant Sub-Fund's investment transactions are carried out, goods and services and other soft dollar benefits which are of demonstrable benefit to Unitholders, and the availability of such soft dollar arrangements must not be the sole or primary purpose to perform or arrange transaction with such broker or dealer or other persons. These goods and services include, but are not limited to, research and advisory services, portfolio analysis, valuation and performance measurement, and market analysis and quotation services.

Where a Sub-Fund invests in an underlying collective investment scheme, the Manager will not obtain a rebate on any fees or charges levied by the underlying scheme or its management company.

The Manager shall ensure, and shall procure that its connected persons ensure that transaction execution is consistent with best execution standards and that any brokerage borne by any Sub-Fund will not exceed the customary institutional full service brokerage rates for such transactions.

Fees Chargeable to HK$ Liquidity Fund

No initial charge or realisation charge will be payable in respect of subscriptions or realisations (as the case may be) of Units of HK$ Liquidity Fund.

Expenses and fees incurred in the administration of HK$ Liquidity Fund (including the fees of the Manager and the Trustee) may be paid out of the Sub-Fund subject to, and in compliance with, Section 37 of the MPF Regulation. This means that where investment return for a particular month does not sufficiently exceed the benchmark set by the MPFA (currently the prescribed savings rate of a Hong Kong dollar savings account), expenses and fees relating to HK$ Liquidity Fund may need to be deferred in the books of the Sub-Fund until such time as there is sufficient excess to pay such deferred expenses and fees. In the event that deferred fees and expenses are not able to be paid from HK$ Liquidity Fund within 12 months after the month in which they were incurred, they will cease to be payable out of that Sub-Fund.

The priority of payment in relation to expenses relating to HK$ Liquidity Fund is as follows:

- Expenses (not including fees of the Trustee and the Manager) incurred during the relevant calendar month
- Fees of the Trustee, the Manager and other service providers (other than sub-custodians) (in such manner as may be agreed between the Trustee and the Manager)
- Deferred expenses
- Deferred fees of the Trustee, the Manager and other service providers (other than sub-custodians) (in such manner as may be agreed between the Trustee and the Manager).

DEALINGS AND ARRANGEMENTS WITH MANAGER AND TRUSTEE

In the event that arrangements for borrowing or making deposits by any Sub-Fund are made with the Manager, the Trustee, or any of their connected persons (being an Authorized Financial Institution), such person will be entitled to retain for its own use and benefit any profits which may be derived from such an arrangement. However, the interest charged by such person and the fees for arranging or terminating such loans shall not be at a higher rate than the rate of interest or fees which would be charged for similar loans negotiated at arm's length and in the best interest of the Unitholders. Also, any cash deposit shall be maintained in a manner that is in the best interest of the Unitholders, having regard to the prevailing commercial rate for a deposit of similar type, size and term negotiated at arm's length in accordance with ordinary and normal course of business.

The Manager, the Trustee and their connected persons may deal in Units of any Sub-Fund and in any securities, commodities or other investments of any Sub-Fund upon their respective individual accounts and shall not be liable to account either to each other or to the Unitholders for any profits or benefits made or derived from such transactions.

Any such arrangement or dealings between the relevant Sub-Fund and the Manager or any of its connected persons is subject to the prior written consent of the Trustee.

REPORTS AND FINANCIAL ACCOUNTS

The Trustee has appointed PricewaterhouseCoopers to audit the Trust's financial reports.

Financial reports are prepared to 30th September of each year. An audited annual report for each Accounting Period is available within four months after the end of each Accounting Period. An unaudited interim report made up to 31st March of each year is also prepared and available within two months after the end of each Interim Accounting Date. Hard copies of the most recent audited annual report and unaudited interim report are available at 32/F, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong. Electronic copies may also be downloaded from *hk.allianzgi.com*. Please note that the contents of this website have not been reviewed by the MPFA and SFC.

Annual reports and interim reports are available in English only. Once the financial reports are issued, Unitholders will be notified of where such financial reports, in printed and electronic forms, can be obtained. Such notices will be sent to Unitholders around the time of issuance of such financial reports.

The annual reports are prepared in compliance with internationally recognised accounting standards and the interim reports apply the same accounting policies and method of computation as are applied in the annual reports.

4. Dealings in Units

VALUATION DAYS

Each Sub-Fund is valued as at the close of business in the last market to close of all relevant markets (or at such other time chosen by the Manager) on each "Valuation Day".

The price at which investors may subscribe for and realise Units of any Class of any Sub-Fund is a single price denominated in Hong Kong dollars (or RMB in the case of the RMB denominated share class of a Sub-Fund) which reflects the NAV per Unit of that Class of Units of the relevant Sub-Fund (as determined in the manner described below under "Valuation of Net Assets").An initial charge of up to 5% of the relevant Unit price is payable to the Manager on the issue of Units (except for Units of HK$ Liquidity Fund) and this charge will be added to the Unit price of the relevant Class of Units of the relevant Sub-Fund.

DEALING PERIODS

Dealing Periods in Hong Kong are consecutive periods ending at 5:00 p.m. (Hong Kong time) on each Business Day provided that the Manager is open to accept applications. Any application received on a day which is not a Business Day or after 5:00 p.m. (Hong Kong time) on a Business Day will be deemed to have been received in the next following Dealing Period.

All applications received during a Dealing Period are usually dealt with on the Business Day which coincides with the close of such Dealing Period, provided it is also a Valuation Day, or the next Business Day which is also a Valuation Day.

The Manager has discretion to select Dealing Periods referable to each Valuation Day. Dealing Periods will be selected for each location at which applications to subscribe for or realise Units may be received in order to be dealt with at a particular valuation.

The Manager has power to alter the Dealing Periods in any place, to determine that Dealing Periods should be referable to a different Valuation Day, and to change the time at which any Sub-Fund is valued on each Valuation Day. Subject to the consent of the Trustee, the Manager might at its discretion, make one or more of these alterations on a temporary basis but does not intend to do so unless under the circumstances where, including but not limited to, future operational requirements or the acquisition by the relevant Sub-Fund of investments on different markets make it desirable. Subject to the consent of the Trustee, the Manager might make one or more of these alterations permanently by giving 3 months' prior written notice (or such shorter period as may be approved by the SFC) to the relevant Unitholders.

PROCEDURE FOR SUBSCRIPTIONS

All applications to subscribe for Units are subject to the terms of this Prospectus and the Trust Deed.

Units of a Class of a Sub-Fund will be issued at the issue price for such Units, calculated in the manner described above under "Valuation Days" above, on the relevant Business Day which coincides with the close of the corresponding Dealing Period. The minimum amount for initial and additional subscription for each Class of Units is HK$10,000 (inclusive of the initial charge), except for (i) Allianz Choice HK$ Liquidity Fund and Allianz Choice HK$ Cash Fund which minimum amount for initial and additional subscription is HK$50,000 each (exclusive of any initial charge) and (ii) Allianz Choice RMB Money Market Fund which minimum amount for initial and additional subscription is HK$50,000 or RMB50,000 (as the case may be and exclusive of any initial charge). However, these minimum subscription requirements are subject to the Manager's discretion to accept any lower amount and will be waived for the investors who are either retirement or provident funds. Applications may be made to the Manager on any Business Day in person, by post or by fax, using the Investment Account Opening and Application Form. Neither the Manager nor the Trustee shall be liable for any loss which an investor/ Unitholder may suffer arising from (i) their acting on any faxed instructions which purport to be (and which they believe in good faith to be) from the relevant Unitholder; or (ii) their exercising their discretion not to act on such instructions; or (iii) any facsimile instructions which are not received by the Manager or the Trustee due to failed transmission thereof.

Payment in cleared funds (net of any bank charges) for Units applied for during any initial offer period is due, unless the Manager otherwise determines, prior to the close of the initial offer period. After the initial offer period, in respect of all Sub-Funds except HK$ Liquidity Fund, payment of subscription monies in cleared funds **(net of any bank charges)** is due, unless the Manager otherwise determines, within one Business Day of the date on which the relevant application for Units was submitted to the Manager. Subscription monies for Units in HK$ Liquidity Fund are due for payment on application for Units and applications will be dealt with by the Manager only upon receipt of cleared funds. For Classes of Units of a Sub-Fund denominated in Hong Kong dollars, payments must be made in Hong Kong dollars. For Classes of Units of a Sub-Fund denominated in RMB, payments can be made in Hong Kong dollars or RMB. All Hong Kong dollars payments must be sent by telegraphic transfer or other electronic transfer to:

Bank :	**The Hongkong and Shanghai Banking Corporation Limited** (SWIFT Address: HSBCHKHHHKH) 1 Queen's Road Central, Hong Kong
Account Name :	HSBC Institutional Trust Services (Asia) Limited –Allianz Global Investors Choice Fund
Account No :	511-119356-002

Investors should state their name, intermediary's name (if applicable) and the name of the Sub-Fund subscribed for in any message sent with their telegraphic transfer.

Any third party payments will not under any circumstances be accepted.

All RMB payments must be sent by telegraphic transfer only to:

Bank :	**The Hongkong and Shanghai Banking Corporation Limited** (SWIFT Address: HSBCHKHHHKH) 1 Queen's Road Central, Hong Kong
Account Name :	HSBC Institutional Trust Services (Asia) Limited – Allianz Global Investors Choice Fund
Account No :	511-119356-209

Investors should state their name, intermediary's name (if applicable) and the name of the Sub-Fund subscribed for in any message sent with their telegraphic transfer.

Any bank charges incurred from payment by telegraphic transfers will be for the account of the investor. The costs of any currency conversion and other related administrative expenses will be borne by the Unitholder.

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

The Manager has the discretion to accept subscriptions in any currency. In order to ascertain the number of Units to be issued in these circumstances, the Manager will calculate the Hong Kong dollar equivalent of the subscription proceeds at such exchange rate which the Manager thinks appropriate and after deducting costs of exchange. For subscriptions in currencies other than Hong Kong dollars, investors should contact the Manager prior to making their subscriptions.

Units may be issued in fractions, to the nearest one ten-thousandth of a Unit.

Contract notes will be issued to the investors after the relevant Valuation Day showing the provisional allotment of Units made subject to receipt of payment. The Manager reserves the right to reject any application in whole or in part in which case the application monies will be returned (without interest and within ten days of the date of such rejection) by telegraphic transfer or other electronic transfer at the cost and risk of the investor.

Where subscription monies are not received by the due date referred to above, the Manager may charge interest on any overdue monies for the account of the relevant Sub-Fund on a daily basis until payment is received in full, at such rate as the Manager thinks appropriate. Regardless of whether interest is charged, the Manager may also cancel any provisional allotment of Units, in which case the relevant Sub-Fund shall be entitled to claim from the investor the amount (if any) by which the original subscription price together with any accrued interest and initial charge exceeds the realisation price prevailing on the date of cancellation. The Manager may also charge the investor and retain for its own account a cancellation fee of such amount as it may from time to time determine to represent the administrative, foreign exchange or other costs involved in processing the application for such investor.

Units may subsequently be re-allotted if the subscription monies are later received and the application will be dealt with as if it had been submitted on the Dealing Period current when the application monies were actually received.

PROCEDURE FOR REALISATIONS

The relevant Sub-Fund may deduct any sums due to it from a Unitholder from the proceeds of any realisation of Units.

Applications to realise Units may be made to the Manager during any Dealing Period in writing or by fax. Neither the Manager nor the Trustee shall be liable for any loss which an investor/Unitholder may suffer arising from (i) their acting on any faxed instructions which purport to be (and which they believe in good faith to be) from the relevant Unitholder; or (ii) their exercising their discretion not to act on such instructions; or (iii) any facsimile instructions which are not received by the Manager or the Trustee due to failed transmission thereof.

Realising Unitholders should specify the Sub-Fund and the Class of Units to be realised. Contract notes will be issued.

No Sub-Fund is bound to realise during any Dealing Period more than one tenth in aggregate of the total number of Units in issue of the relevant Sub-Fund. If the realisation requests received during any Dealing Period are in excess of this limit, the Manager shall be entitled (but not obliged) to reduce the requests rateably and carry out only sufficient realisations which, in aggregate, amount to 10% of the total number of Units in issue of the relevant Sub-Fund. Realisation requests for Units which are not realised but which would otherwise have been realised will be deferred until the next Dealing Period and will be dealt with (subject to further deferral if the deferred requests themselves exceed 10% of the total number of Units in issue of the relevant Sub-Fund) in priority to later realisation requests.

Partial realisations may be effected. However, if a realisation request will result in a Unitholder having a residual holding of less than the minimum holding, if any, prescribed by the Manager from time to time (which will be waived for investors who are retirement or provident funds), the Manager may deem such realisation request to have been made in respect of all the Units for the respective Class held by that Unitholder.

Realisation proceeds of Units denominated in Hong Kong dollars will normally be paid in Hong Kong dollars by telegraphic transfer or other electronic transfer within 7 Business Days and, in any event, within 30 days of the Valuation Day by reference to which the realisation request is effected or, if later, of the day on which the duly completed realisation request form is received by the Manager. Realisation proceeds of Units denominated in RMB will be paid in RMB to Unitholders' account in Hong Kong by telegraphic transfer only, within 7 Business Days (excluding any Business Days which are public holidays in the People's Republic of China) and, in any event, within 30 days (excluding any days which are public holidays in the People's Republic of China) of the Valuation Day by reference to which the realisation request is effected or, if later, of the day on which the duly completed realisation request form is received by the Manager.

Arrangements can be made for Unitholders to receive payment in currencies other than the currency of denomination of the relevant units. Unitholders should specify settlement instructions when making their request for realisation. The costs of any currency conversion and other related administrative expenses will be borne by the Unitholder.

CONVERSIONS

Unitholders will be able to elect to convert, during any Dealing Period, all or part of their holding of any Sub-Fund into the Units of the same Class of any other Sub-Fund. Subject to the foregoing and certain conditions and at the discretion of the Manager, conversion between Classes of Units of the relevant Sub-Fund(s) may be accepted by the Manager.

All applications for conversion received will be dealt with in the same manner as applications for subscription and realisation as described in the sections headed "Procedure for Subscriptions" and "Procedure for Realizations" in "4. Dealings in Units" except that on a switch from any other Sub-Fund to HK$ Liquidity Fund, the relevant Valuation Day on which Units in HK$ Liquidity Fund shall be issued shall be the Valuation Day falling on or after the expiry of 5 Business Days (or such shorter period as the Trustee and the Manager may agree) after the Valuation Day on which the relevant Unitholder's Units in such other Sub-Fund(s) were realised.

Conversions will be calculated on a realisation to subscription price basis by reference to the price for the relevant Class(es) of Units of the relevant Sub-Fund(s) calculated in accordance with the method set out above. Conversions may be combined with partial realisations. An initial charge of up to 5% of the Unit price of the newly subscribed Units may be payable to the Manager, to be deducted from the amount to be reinvested. However, there is no current intention to impose such a fee. However, no initial charge will be payable in respect of (i) Units issued to any collective investment scheme (including MPF Schemes) managed by the Manager or any of its connected persons; or (ii) any conversion to or from Units of HK$ Liquidity Fund.

PROVISION OF PERSONAL INFORMATION

Information supplied by an investor on the Investment Account Opening and Application Form and otherwise in connection with a subscription for Units in any of the Sub-Fund(s) may be held by the Manager and/or the Trustee and will be used for the purpose of processing subscriptions and investment in the relevant Sub-Fund(s) and completion of information on the register of Unitholders of the relevant Sub-Fund(s), and may also be used for the purpose of carrying out a Unitholder's instructions or responding to any enquiry purporting to be given by or on behalf of a Unitholder, dealing in any other matters relating to a Unitholder's holding of Units in any relevant Sub-Fund (including the mailing of reports or notices), forming part of the records of the recipient as to the business carried on by it, observing any legal, governmental or regulatory requirements of any relevant jurisdiction (including any disclosure or notification requirements to which any recipient of the data is subject) and to provide a marketing database for product and market research or to provide information for the despatch of information on other products or services to Unitholders from the Manager or any connected person of the Manager.

The Manager and the Trustee shall be entitled to disclose and transfer such information to each other, the Registrar and the Auditors of each relevant Sub-Fund, including any of their employees, officers, directors and agents, and/or to the ultimate holding company of the Manager and the Trustee and/or the subsidiaries and/or affiliates within or outside Hong Kong of such ultimate holding companies or to any third party employed to provide administrative, computer or other services or facilities to any person to whom data is provided or may be transferred as aforesaid and/or to any regulatory authority entitled thereto by law or regulation (whether statutory or not) in connection with a Unitholder's investment in the relevant Sub-Fund(s) who are or may be persons outside Hong Kong.

All individual Unitholders have the right to access and update all their records (whether held on computer files or manually) held by the Manager or the Trustee. A copy of such record will be provided to any Unitholder who so requests them in writing upon the payment of a reasonable administration charge to cover the costs of complying with such request. Any such request should be made in writing to the Manager at the address set out in "Important" of this Prospectus.

SUSPENSION OF VALUATIONS AND DEALINGS

The Manager may, in consultation with the Trustee, having regard to the best interests of Unitholders, declare a suspension of dealings of any Sub-Fund when:

(a) there is in existence of any state of affairs prohibiting the normal disposal of the relevant Sub-Fund's investments, including but not limited to, the suspension of redemptions by any funds in which the relevant Sub-Fund is invested;

(b) there is a closure of, or a suspension or restriction of trading on, any market on which a substantial part of the relevant Sub-Fund's investments is normally traded;

(c) there is a breakdown in any of the means normally employed in determining the NAV of the Trust or when for any other reason the value of any securities or other property in the Trust cannot reasonably be ascertained;

(d) for any other reason the prices of investments of a Sub-Fund or which the Manager agrees to acquire for the account of the relevant Sub-Fund cannot reasonably be ascertained;

(e) it is not reasonably practicable to realise any investments of the relevant Sub-Fund or the Manager agrees to acquire for the account of the relevant Sub-Fund;

(f) the remittance of funds which may be involved in the realisation of, or in the payment for, the investments of the relevant Sub-Fund or the subscription or realisation of Units in that Sub-Fund cannot, in the opinion of the Manager, be carried out promptly at normal rates of exchange;

(g) from the time of the announcement of a call by investors for meeting of Unitholders for the purpose of considering a termination of the Trust, a Sub-Fund or a Class of Units, or for the purpose of carrying out a merger/amalgamation of the Trust, a Sub-Fund or a Class of Units, or for the purpose of informing investors of the decision by the Manager to terminate any Sub-Fund or Class of Units or for the purpose of merging any Sub-Fund or Class of Units; or

(h) the business operations of the Manager or the Trustee or any of their delegates in relation to the operations of the Trust are substantially interrupted or closed as a result of, or arising from, any event due to any cause beyond the control of the relevant party including, but not limited to, restrictions on convertibility or transferability, requisitions, involuntary transfers, unavailability of any system, third party electronic transmission or other electronic systems disruption or failure, sabotage, storm, tempest, typhoon, earthquake, accident, fire, flood, explosion, toxicity, radioactivity, acts of God, act of any government or other competent authority, hostilities (whether war be declared or not), act of terrorism, riot, civil commotion, strikes or industrial action of any kind, insurrection, rebellion or other cause, whether similar or not, which is beyond the control of the relevant party.

The Manager shall regularly review any prolonged suspension of dealings and take all necessary steps to resume normal operations as soon as practicable.

No Units will be issued or realised during any period of suspension. All dealing instructions not dealt with prior to the period of suspension, and which were not withdrawn during the period of suspension, will be dealt with by reference to the first Valuation Day immediately following the termination of suspension.

The Manager shall arrange for an announcement of any suspension of dealings to be published on the Manager's website as soon as practicable after the declaration of such suspension is made and, subsequently, at least once a month for the duration of such suspension. The Manager will notify the Trustee when the valuation of a Sub-Fund is suspended and when valuations resume.

VALUATION OF NET ASSETS

The NAV of each Sub-Fund shall be determined as at the close of business in the last market to close of all relevant markets (or at such other time as may be determined by the Manager) on each Valuation Day by valuing the assets of the relevant Sub-Fund, and deducting the liabilities of the relevant Sub-Fund, in accordance with the terms of the Trust Deed. The Manager may, with the written approval of the Trustee, adjust the value of any security, futures contract or other property if, having regard to currency, applicable rate of interest, maturity, marketability or any other considerations it considers relevant, it determines that such adjustment is required to reflect more fairly the value thereof. The NAV per Unit of each Class of Units of each Sub-Fund is calculated by multiplying the number of Shares represented by each Unit of that Class by the NAV per Share in the relevant Sub-

Fund and rounding the resulting amount to the nearest 4 decimal places in respect of HK$ Liquidity Fund and to the nearest 2 decimal places in respect of the other Sub-Funds. The NAV per Share in each Sub-Fund is calculated by dividing the NAV of the relevant Sub-Fund by the total number of Shares represented by all Units of all Classes then in issue of the relevant Sub-Fund.

SWING PRICING MECHANISM

The Manager may need to accommodate significant purchasing, selling and/or switching activity by investors which result in high transaction costs associated with a Sub-Fund's portfolio trades and as a result, the relevant Sub-Fund may suffer reduction of the NAV per Unit ("**dilution**").

Therefore, in order to reduce the dilution impact and to protect existing Unitholders' interests, a swing pricing mechanism ("**Swing Pricing Mechanism**") may be adopted by the Manager as part of the general valuation policy.

If on any Valuation Day, the aggregate net investor(s) transactions in Units of a Sub-Fund exceed a pre-determined threshold, as determined as (i) a percentage of that Sub-Fund's net assets or as (ii) an absolute amount in that Sub-Fund's base currency from time to time by the Manager based on objective criteria, the NAV per Unit may be adjusted upwards or downwards to reflect the costs attributable to net inflows and net outflows respectively ("**Adjustment**") if the Manager considers it is in the best interest of the Unitholders to do so. The net inflows and net outflows will be determined by the Manager based on the latest available information at the time of calculation of the NAV.

The Swing Pricing Mechanism may be applied across all Sub-Funds (except the Allianz Choice HK$ Liquidity Fund). The list of Sub-Funds to which Adjustment pursuant to the Swing Pricing Mechanism is made will be available on the webpage https://hk.allianzgi.com. This website has not been reviewed by the SFC and may contain information of funds which are not authorised by the SFC.

The value of the Adjustment that will be applied to each relevant Sub-Fund will be reset by the Manager on a periodic basis to reflect an approximation of current dealing costs. The estimation procedure for the value of the Adjustment captures the main factors causing dealing cost (e.g. bid/ask spreads, transaction related duties, brokerage fees etc.). Such Adjustment may vary from Sub-Fund to Sub-Fund and will not exceed 3% of the original NAV per Unit. The value of the Adjustment is determined by the Manager's valuation team and approved by an internal swing pricing committee. On a regular basis (once every quarter) the value of the Adjustment that will be applied to each relevant Sub-Fund is reviewed by the Manager's valuation team and the review results are approved by the swing pricing committee. The value of the Adjustment actually applied to a Sub-Fund is available on the webpage https://hk.allianzgi.com. This website has not been reviewed by the SFC and may contain information of funds which are not authorised by the SFC.

The value of the pre-determined threshold, which triggers the application of the Adjustment and the value of the Adjustment are dependent on the prevailing market conditions as measured by several commonly used metrics (e.g. implied volatility, various indices etc.).

Investors are advised that the volatility of the Sub-Fund's NAV might not reflect the true portfolio performance as a consequence of the application of the Swing Pricing Mechanism. Typically, such Adjustment will increase the NAV per Unit when there are net inflows into the Sub-Fund and decrease the NAV per Unit when there are net outflows. The NAV per Unit of each Class of Units in a Sub-Fund will be calculated separately but any Adjustment will, in percentage terms, affect the NAV per Unit of each Class of Units in a Sub-Fund identically.

As dilution is related to the inflows and outflows of money from the Sub-Fund it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently it is also not possible to accurately predict how frequently the Manager will need to make such Adjustments. The Manager will retain the discretion to make or not to make such an Adjustment provided that such discretion must be exercised in the best interest of the Unitholders. Any fees and expenses arising from the application of the Swing Pricing Mechanism to a Sub-Fund will be borne by the relevant Sub-Fund in relation to which they have been incurred.

NET ASSET VALUE INFORMATION

Unit prices of each Class of Units of each Sub-Fund are available on the Manager's website.

FORM OF UNITS

Units are issued in non-certificated form.

TRANSFERS

Unitholders are entitled to transfer Units by an instrument in writing in any usual common form which must be signed by both the transferor and the transferee. The transferor's signature must be verified by a banker or other person acceptable to the Registrar or its delegate.

No transfer shall be accepted if as a result thereof either the transferor or the transferee holds less than the minimum holding or if as a result thereof Units in any Sub-Fund are acquired or held by a non-qualified person as described in the section headed "Restrictions on Unitholders" under "6. Additional Information".

5. Taxation

The following comments are based on advice received by the Manager regarding current law and practice and are intended to assist investors. Investors should appreciate that as a result of changing law or practice, or unfulfilled expectations as to how the Trust or Unitholders will be regarded by revenue authorities in different jurisdictions, the taxation consequences for Unitholders may be otherwise than as stated below.

Investors should consult their professional advisers on the possible tax consequences of their subscribing for, purchasing, holding, selling or realising Units under the laws of their countries of citizenship, residence, ordinary residence or domicile.

Hong Kong Tax

(1) For the Trust

The Hong Kong Inland Revenue Ordinance provides that where a fund has been authorised in terms of section 104 of the Securities and Futures Ordinance, then any sums received or accrued by the fund will be exempt from profits tax. This is subject to the proviso that the fund was carried on for the purposes for which it was stated to be carried on in the constitutive documents approved by the SFC and conducted in accordance with the SFC's requirements.

(2) For the Investors

There is no tax in Hong Kong on capital gains arising from the sale of shares by an investor. However, in the case of certain investors carrying on business in Hong Kong, such gains may be considered to be part of the investors' normal business profits and in such circumstances will be subject to Hong Kong profits tax at the current rate (for the fiscal year 2018/2019) of 8.25% on assessable profits up to HK$2,000,000 and 16.5% on any part of assessable profits over HK$2,000,000 for corporations or up to 17% for individuals.

United States Foreign Account Tax Compliance Act ("FATCA")

The Trust (and/or each Sub-Fund separately) will be subject to U.S. federal withholding taxes (at a rate of 30%) on payments of certain amounts made to the Trust (and/or Sub-Fund) after 30 June 2014, unless the Trust (and/or each Sub-Fund) complies (or is deemed compliant) with extensive reporting and withholding requirements. To avoid the withholding tax, unless deemed compliant, the Trust (and/or each Sub-Fund separately) will be required to enter into an agreement with the United States to identify and disclose financial information about each U.S. Taxpayer (or foreign entity with substantial U.S. ownership) which invests in the Trust (and/or Sub-Fund), and to withhold tax (at a rate of 30%) on Withholdable Payments (as defined under FATCA) and (to the extent provided in future regulations which will be subject to further changes, but in no event before 1 January 2017) certain "foreign passthru payments" made to any investor which fails to furnish information requested by the Trust (and/or Sub-Fund) to satisfy its obligations under the agreement. Withholdable Payments generally will include interest (including original issue discount), dividends, rents, annuities, and other fixed or determinable annual or periodical gains, profits or income, if such payments are derived from U.S. sources, as well as gross proceeds from dispositions of securities that could produce U.S. source interest or dividends. Alternatively, pursuant to an intergovernmental agreement concluded between the United States and Hong Kong, the Trust (and/or each Sub-Fund) is a "Reporting HKSAR Financial Institution" under the Hong Kong Intergovernmental Agreement, and therefore not subject to the withholding tax and generally not required to withhold on investors, if it identifies and reports U.S. ownership information directly to the government of the United States in the manner provided by the agreement.

Detailed guidance as to the mechanics and scope of this new reporting and withholding regime is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future Trust (and/or Sub-Fund) operations.

Unitholders may be requested to provide additional information to the Trust (and/or a Sub-Fund) to enable the Trust (and/or Sub-Fund) to satisfy FATCA and/or any applicable intergovernmental agreement ("**IGA**") in connection with FATCA and/or any other tax related laws and regulations (including any laws and regulations implemented as part of such IGA) (together "**FATCA Obligations**"). In the event that a Unitholder fails to provide such information or, in the case of a Unitholder that is an entity, fails to satisfy its own FATCA Obligations, the Trustee and/or the Manager may take all actions necessary to ensure that such failure does not subject the Trust (and/or Sub-Fund) to liability or, in the event that such failure does result in Trust (and/or Sub-Fund) liability, to bring action against the Unitholder for such loss provided that such actions are taken by the Trust acting on reasonable grounds and in good faith and permitted by laws and regulations. Such actions may include, without limitation, (i) reporting tax information to the U.S. authorities in respect of the Unitholder, (ii) withholding from the Unitholder's account, and/or (iii) terminating the Unitholder's account. It is possible that the administrative costs of the Trust could increase as a result of complying with FATCA.

Although the Trust will attempt to satisfy any obligations imposed on it to avoid the imposition of the FATCA withholding tax, no assurance can be given that it will be able to satisfy these obligations. In the event that the Trust (and/or a Sub-Fund) is unable to satisfy these obligations, the imposition of any withholding tax may result in material losses to the Trust (and/or Sub-Fund) if it has a significant exposure to U.S.-source income or gains that could give rise to Withholdable Payments. Such tax may have an adverse effect on the Trust (and/or Sub-Fund).

Investors should be reminded to check if their intermediaries will comply with FATCA. Investors should inform themselves of, and where appropriate consult their professional advisors on, the possible implication of FATCA and tax consequences of subscribing for, buying, holding, redeeming, switching, transferring or otherwise disposing of Units under the laws of their country of citizenship, residence, or domicile or incorporation.

Automatic Exchange of Financial Account Information / The OECD Common Reporting Standard

The Inland Revenue (Amendment) (No.3) Ordinance came into force on 30 June 2016. This is the legislative framework for the implementation in Hong Kong of the Standard for Automatic Exchange of Financial Account Information ("AEOI"). The AEOI requires financial institutions ("FIs") in Hong Kong to collect information relating to non-Hong Kong tax residents holding accounts with FIs, and to file such information with the Hong Kong Inland Revenue Department ("IRD") who in turn will exchange such information with the jurisdiction(s) in which that account holder is resident. Generally, tax information will be exchanged only with jurisdictions with which Hong Kong has a Competent Authority Agreement ("CAA"); however, FIs may further collect information relating to residents of other jurisdictions.

By investing in the Sub-Funds and/or continuing to invest in the Sub-Funds through FIs in Hong Kong, investors acknowledge that they may be required to provide additional information to the relevant FI in order for the relevant FI to comply with AEOI. The investor's information (and information on beneficial owners, beneficiaries, direct or indirect shareholders or other persons associated with such unitholders that are not natural persons), may be communicated by the IRD to authorities in other jurisdictions.

Each unitholder and prospective investor should consult its own professional advisor(s) on the administrative and substantive implications of AEOI on its current or proposed investment in the Sub-Funds through FIs in Hong Kong.

PRC

Corporate Income Tax

If the Trust or the relevant Sub-Fund is considered a tax resident enterprise of the PRC, it will be subject to PRC corporate income tax ("CIT") at 25% on its worldwide taxable income. If the Trust or the relevant Sub-Fund is considered a non-tax resident enterprise with a permanent establishment or place or establishment of business ("PE") in the PRC, the profits attributable to that PE would be subject to CIT at 25%.

Under the PRC CIT Law effective from 1 January 2008 and its implementation rules, a non-PRC tax resident enterprise without a PE in the PRC will generally be subject to withholding income tax ("WIT") of 10% on its PRC sourced income, including but not limited to passive income (e.g. dividends, interest, gains arising from transfer of assets, etc.).

The Manager intends to manage and operate the Trust or the relevant Sub-Fund(s) in such a manner that the Trust or the relevant Sub-Fund(s) should not be treated as a tax resident enterprise of the PRC or a non-PRC tax resident enterprise with a PE in the PRC for CIT purposes, although due to uncertainty in tax laws and practices in the PRC, this result cannot be guaranteed.

(i) Interest

Unless a specific exemption is applicable, non-PRC tax resident enterprises are subject to PRC WIT on the payment of interests on debt instruments issued by PRC tax resident enterprises, including bonds issued by enterprises established within the PRC. The general WIT rate applicable is 10%, subject to reduction under an applicable double tax treaty and agreement by the PRC tax authorities.

Interest derived from government bonds issued by the in-charge Finance Bureau of the State Council and/or local government bonds approved by the State Council is exempt from PRC CIT under the PRC CIT Law.

According to a tax circular jointly issued by the Ministry of Finance of the PRC ("MoF") and the State Administration of Taxation of the PRC ("SAT") on 7 November 2018, i.e. *Circular on the Enterprise Income Tax and Value-Added Tax Policies for Foreign Institutions investing in Onshore Bond Markets* ("Circular 108"), the foreign institutional investors are temporarily exempt from PRC CIT with respect to bond interest income derived in the PRC bond market for the period from 7 November 2018 to 6 November 2021. The scope of such PRC CIT exemption has excluded bond interest gained by foreign investors' onshore entities/establishment that are directly connected with such onshore entities/establishment. However, there is no guarantee that such temporary tax exemption will continue to apply, will not be repealed and re-imposed retrospective, or that no new tax regulations and practice in China specifically relating to the PRC bond market will not be promulgated in the future.

(ii) Dividend

Under the current PRC CIT Law and its implementation rules, non-PRC tax resident enterprises are subject to PRC WIT on cash dividends and bonus distributions from PRC tax resident enterprises. The general WIT rate applicable is 10%, subject to reduction under an applicable double tax treaty and agreement by the PRC tax authorities.

(iii) Capital Gain

Based on the CIT Law and its implementation rules, "income from the transfer of property" sourced from the PRC by non-PRC tax resident enterprises should be subject to 10% PRC WIT unless exempt or reduced under an applicable tax treaty and agreement by the PRC tax authorities.

The MoF, SAT and the CSRC issued joint circulars to clarify the taxation of the Stock Connect, in which capital gain realised from the transfer of China A-Shares is temporarily exempt from PRC WIT. The MoF, SAT and CSRC issued Circular Caishui [2014] No. 79 ("Circular 79") dated 31 October 2014 to clarify the taxation of capital gains on transfer of PRC equity investment assets derived by QFIs. Pursuant to Circular 79, for QFIs without a PE in the PRC or with a PE in the PRC but the income so derived in the PRC is not effectively connected with such establishment, capital gain derived from the transfer of PRC equity investment assets such as China A-Shares on or after 17 November 2014 is temporarily exempt from PRC WIT. However, capital gain realised by QFIs prior to 17 November 2014 is subject to PRC WIT in accordance with the provisions of the laws. The MoF, the SAT and the CSRC issued joint circulars Caishui [2014] No. 81 and Caishui [2016] No. 127 to clarify the taxation of the Stock Connect, in which capital gain realized from the transfer of China A-Shares via Stock Connect is temporarily exempt from PRC WIT.

Based on verbal comments from the PRC tax authorities, gains realized by foreign investors (including QFIs) from investment in PRC debt securities are non-PRC sourced income and thus should not be subject to PRC WIT. However, there are no written tax regulations issued by the PRC tax authorities to confirm that interpretation. As a matter of practice, the PRC tax authorities have not levied PRC WIT on capital gains realised by QFIs from the trading of debt securities.

In light of the above and based on professional and independent tax advice, the Manager, in respect of the Allianz Choice China A-Shares Fund, intends:

- to provide for WIT at 10% on dividend from China A-Shares if such WIT is not withheld at source; and
- not to make provisions for any PRC WIT in respect of gross realised and unrealised capital gains derived from the trading of China A-Shares.

Given the possibility of the tax rules being changed or differently interpreted and the possibility of taxes being applied retrospectively, any provision for taxation made by the Manager in a given point in time may be excessive or inadequate to meet the PRC tax liabilities in connection with investments made by the Trust or the relevant Sub-Fund in the PRC. Consequently, investors may be advantaged or disadvantaged depending on how any such gains or income will in fact be calculated or taxed, how the Manager provides for the tax and when investors subscribed and/or redeemed their holdings in/from the Trust or the relevant Sub-Fund. If there is a change in the tax requirement or environment which results in an under-provision by the Manager of actual or potential tax liabilities, the then existing investors and new investors will be disadvantaged as the Trust or the relevant Sub-Fund will have to pay the difference between the Trust or the relevant Sub-Fund's then WIT provision and the taxation liabilities under the new regime. On the contrary, if there is a change in the tax requirement or environment which results in an over-provision by the Manager, the investors who have already redeemed the Units under the old regime will be disadvantaged as they would have contributed to the over-provision. In this case the then existing investors and the new investors will benefit as the difference between the Trust or the relevant Sub-Fund's then WIT provision and the taxation liabilities will be returned to the Trust or the relevant Sub-Fund as assets thereof.

In light of the above-mentioned uncertainty and in order to meet the potential tax liability for gains on disposal of debt securities and interest income derived from debt instruments, the Manager reserves the right to vary the provision for WIT on such gains or interest income for the account of the Trust or the relevant Sub-Fund in respect of any potential tax on the gross realized and unrealized capital gains and interest income.

Upon any future resolution of the above-mentioned uncertainty or further changes to the tax law or policies, the Manager will, as soon as practicable, make relevant adjustments to the amount of tax provision (if any) as they consider necessary. The amount of any such tax provision will be disclosed in the accounts of the Trust. It should also be noted that the actual applicable tax imposed by the PRC tax authorities may be different and may change from time to time. There is a possibility of the rules being changed and taxes being applied retrospectively.

As such, any provision for taxation made by the Manager for the account of the relevant Sub-Fund may be excessive or inadequate to meet final PRC tax liabilities. Consequently, Unitholders of the Sub-Fund may be advantaged or disadvantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their Units in/from the Sub-Fund.

Value-added Tax ("VAT") and Other Surcharges (applicable on and after 1 May 2016)

According to the Circular Caishui [2016] 36 ("Circular 36"), VAT at 6% shall be levied on the difference between the selling and buying prices of those marketable securities starting from 1 May 2016. The gains derived from trading of marketable securities (including China A-Shares and other PRC listed securities) are exempted from VAT in the PRC under Circular 36 and Caishui [2016] No.70. In addition, deposit interest income and interest received from government bonds and local government bonds are also exempt from VAT.

According to Circular 108, foreign institutional investors are temporarily exempt from VAT with respect to bond interest income derived in the PRC bond market for the period from 7 November 2018 to 6 November 2021. However, there is no guarantee that such temporary tax exemption will continue to apply, will not be repealed and re-imposed retrospective, or that no new tax regulations and practice in China specifically relating to the PRC bond market will not be promulgated in the future. Dividend income or profit distributions on equity investment derived from PRC are not included in the taxable scope of VAT.

In addition, urban maintenance and construction tax (currently at the rate ranging from 1% to 7%), educational surcharge (currently at the rate of 3%) and local educational surcharge (currently at the rate of 2%) are imposed based on the VAT liabilities.

Stamp Duty

Stamp duty under the PRC laws generally applies to the execution and receipt of all taxable documents listed in the PRC's Provisional Rules on Stamp Duty. Stamp duty is generally imposed on the sale of PRC-listed shares at a rate of 0.1% of the sales consideration. The Trust or the relevant Sub-Fund will be subject to this tax on each disposal of PRC listed shares. No stamp duty is expected to be imposed on non-PRC tax resident holders of government and corporate bonds, either upon issuance or upon a subsequent transfer of such bonds.

Non-PRC tax resident Unitholders will not be subject to PRC tax on distributions received from the Trust or the relevant Sub-Fund, or on gains derived from the disposal of Units. PRC tax resident Unitholders should seek their own tax advice on their tax position with regard to their investment in the Trust or the relevant Sub-Fund.

There can be no guarantee that no new tax laws, regulations and practice in the PRC specifically relating to the QFI Regime or Stock Connect (as the case may be) may be promulgated in the future and may be applied retrospectively. The promulgation of such new laws, regulations and practice may operate to the advantage or disadvantage of the Unitholders due to the Trust or the relevant Sub-Fund's investments in the PRC market.

6. Additional Information

RESTRICTIONS ON UNITHOLDERS

The Manager has power to impose such restrictions as the Manager may think necessary for the purpose of ensuring that no Units in the Trust are acquired or held by non-qualified persons who are defined in the Trust Deed as persons whose holding of Units in the Trust would either:

(a) be a breach of the law or requirements of any country or governmental authority in circumstances which, in the Manager's opinion, might result in the Trust suffering hardship which the Trust might not otherwise have suffered; or
(b) be in circumstances which, in the Manager's opinion, may result in the Trust incurring any tax liability or suffering any other pecuniary disadvantage which the Trust might not otherwise have incurred or suffered.

If it comes to the notice of the Manager that any Units are so held by any such non-qualified person, the Manager may give notice to such person requiring the realisation or transfer of such Units in accordance with the provisions of the Trust Deed. A person who becomes aware that he is holding or owning Units in breach of any such restriction is required either to deliver to the Trust a written request for realisation of his Units in accordance with the Trust Deed or to transfer his Units to a person who would not thereby be a non-qualified person.

The Units of the Sub-Funds or the Trust must not be offered, sold to or transferred to or for the account of or benefit of any U.S. Taxpayer.

Any person who applies to subscribe the Units shall be required to declare that they are not U.S. Taxpayers and that they are neither acquiring Units on behalf of U.S. Taxpayers nor acquiring Units with the intent to sell them to U.S. Taxpayers.

Unitholders are required to notify the Manager immediately in the event that they are or become a U.S. Taxpayer. The Trust or the Trustee on receiving notification from the Manager, the Manager or any of its delegates may compulsorily redeem Units of U.S. Taxpayers.

For the purpose of complying with FATCA Obligations to which the Trust and/or the Sub-Funds are subject, the Trust, the Trustee, the Manager or any delegates of the Trust may at any time reasonably require any person or Unitholders to provide any information, documents, consent to permit reporting of information required under FATCA Obligations and assistance in a timely manner.

The Trust, the Trustee, the Manager and/or any delegates of the Trust shall be authorized by the Trust to report and disclose relevant information of such persons or Unitholders in the Sub-Funds or the Trust to the U.S. tax authorities or to such authorities as may be required under FATCA Obligations and/or withhold on certain payments (which generally include payments derived from U.S. sources and the gross proceeds from dispositions of securities that could produce U.S. sourced interest or dividends) to such Unitholders, to the extent permitted under applicable law.

In the event that a Unitholder fails to provide the requested information to the Trust (and/or Sub-Fund) or, in the case of a Unitholder that is an entity, fails to satisfy its own FATCA Obligations, the Trustee and/or the Manager may take all actions necessary to ensure that such failure does not subject the Trust (and/or Sub-Fund) to liability or, in the event that such failure does result in the Trust (and/or Sub-Fund) being subjected to liability, to bring action against the Unitholder for such loss provided that such actions are taken by the Trust acting on reasonable grounds and in good faith and permitted by laws and regulations. Such actions may include, without limitation, (i) reporting tax information to the U.S. authorities in respect of the Unitholder, (ii) withholding from the Unitholder’s account, and/or (iii) terminating the Unitholder’s account.

Provided that the Trust, the Trustee, the Manager and/or any delegates of the Trust is acting in good faith and on reasonable grounds and it is permitted by applicable laws and regulations, The Trust, the Trustee, the Manager and/or delegates of the Trust may also, at its sole discretion, compulsorily redeem a Unitholder’s Units in the Sub-Funds and close any account held by such Unitholder for his/her investments if:-

(a) the Unitholder is or becomes a U.S. Taxpayer;

(b) the Unitholder is holding the Units for the account of or benefit of a U.S. Taxpayer;

(c) the Unitholder refuses or fails to provide in a timely manner any information, documents, consent to permit reporting of information required under FATCA Obligations or other assistance as may reasonably be requested by the Manager, the Trustee and/or any of the Trust’s delegates for the purpose of complying with FATCA Obligations;

(d) the Unitholder withdraws his/her consent to the reporting and disclosure of any information or documents relating to himself/herself or his/her investments as may be required under FATCA Obligations;

(e) the continued holding of Units by the Unitholder will subject the Manager, the Trustee, the Trust, the Sub-Funds, and/or any delegates of the Trust to any reporting or withholding requirements or other adverse consequences under FATCA Obligations; or

(f) it is, in the Manager’s opinion and/or in the opinion of the Trustee, required for the purpose of complying FATCA Obligations.

To the extent permitted under applicable law, Unitholders are deemed to have provided consent to the Trust, the Trustee the Manager of the Trust and/or any delegates of the Trust for taking the foregoing actions.

When disclosing or reporting any personal data, the Trust, the Trustee and/or the Manager shall comply with the personal data protection principles and requirements as set out in the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) and all other applicable regulations and rules governing personal data use in Hong Kong from time to time.

FAILURE TO CLAIM

No person for the time being entitled to Units or the receipt of such proceeds after realization of Units in the Trust under the Trust Deed shall be entitled to claim such proceeds or any part of such proceeds more than three years after such proceeds or any part of such proceeds has fallen due if the reason for the non-payment of such proceeds or part thereof within the period of three years was:-

(a) the failure of that person to claim the proceeds or any part of such proceeds; or

(b) the lack of knowledge by the Trustee or the Manager of the existence or whereabouts of that person or that such person had or claimed to have a right thereto;

Provided that the Trustee or the Manager shall have taken reasonable steps to ascertain the existence or whereabouts of such person but the Trustee may pay such proceeds or part of proceeds to the Unitholder's personal representative if known. After the three year period, the Manager may instruct the Trustee to credit such proceeds or any part of proceeds to the Trust. For the avoidance of doubt, the above arrangements shall take effect from 2 March 2015 and will not take retrospective effect on claims made on or before such date.

VOTING RIGHTS

Meetings of Unitholders may be convened by the Manager or the Trustee, and the holders of one-tenth or more of the Units in issue may require a meeting to be convened. Unitholders will be given not less than 21 days' notice of any meeting. The quorum for the transaction of business, except for the purpose of passing an Extraordinary Resolution, shall be Unitholders present in person or by proxy registered as holding not less than 10% of the Units for the time being in issue. The quorum for passing an Extraordinary Resolution shall be Unitholders present in person or by proxy registered as holding not less than 25% of the Units for the time being in issue. On a show of hands every Unitholder (being an individual) who is present in person or (being a corporation) is present by a representative has one vote; on a poll every Unitholder present in person, by proxy or by representative has one vote for every Unit held. In the case of joint Unitholders, the senior of those who tenders a vote (in person or by proxy) will be accepted to the exclusion of the other joint Unitholders and seniority is determined by the order in which the names appear on the Register. A poll may be demanded by the Chairman or one or more Unitholders present in person or by proxy registered as holding 5% or more of the Units for the time being in issue.

MERGER, DIVISION AND TERMINATION OF THE TRUST AND EACH SUB-FUND

The Trust may be terminated by the Trustee or the Manager by giving at least one month's notice (or any other period of notice as permitted by applicable laws and regulatory requirements or required by relevant regulators) to all Unitholders of the Trust if it should become illegal or, in the opinion of the Manager or the Trustee, impractical or inadvisable for the Trust to continue. The Manager may also terminate the Trust or any Sub-Fund by giving at least one month's notice (or any other period of notice as permitted by applicable laws and regulatory requirements or required by relevant regulators) to all Unitholders of the Trust or the relevant Sub-Fund respectively if the aggregate NAV of the Trust or the relevant Sub-Fund respectively shall be less than HK$10,000,000 but this power only arises once the Trust or the relevant Sub-Fund respectively has been in existence for five years. Further, the Trustee can terminate the Trust after giving at least one month's notice (or any other period of notice as permitted by applicable laws and regulatory requirements or required by relevant regulators) to all Unitholders if the Manager has been removed from office and no replacement has been found within such time as the Trustee considers to be reasonable, or if the Manager goes into liquidation (save in certain cases approved by the Trustee). Similarly, if the Trustee wishes to retire but no new Trustee can be found within such time as the Trustee considers to be reasonable after the notice of retirement has been given or if the Unitholders of the Trust or any Sub-Fund by extraordinary resolution approve termination, the Trust or the relevant Sub-Fund respectively shall be terminated, in the first case, after giving at least one month's notice (or any other period of notice as permitted by applicable laws and regulatory requirements or required by relevant regulators) to all Unitholders, and in the latter case, after one month of passing of the extraordinary resolution by Unitholders.

The termination of the Trust or any Sub-Fund is subject to the prior approval of the MPFA and the SFC.

Any unclaimed proceeds or other monies held by the Trustee in the event of termination may at the expiration of twelve months from the date upon which the unclaimed proceeds became payable be paid into court subject to the right of the Trustee to deduct from such proceeds any expenses it may incur in making such payment.

Subject to the prior approval of the MPFA and the SFC, the Manager may propose to merge or divide any Sub-Fund by presenting the proposal to the Unitholders of the relevant Sub-Funds for approval by extraordinary resolution. Subject to the approval by extraordinary resolution, the Trustee may effect the merger or division of the relevant Sub-Funds in accordance with the provisions of the Trust Deed and MPF legislation and the requirements of the MPFA. Unitholders of the relevant Sub-Funds will be given no less than one month's prior written notice of the proposed effective date of such merger or division.

GOVERNING LAW

The Trust is constituted under, and is governed by, the laws of the Hong Kong Special Administrative Region.

With the prior approval of the MPFA, the Trustee may at any time declare that the Trust shall from the date of such declaration be governed by the law of some country, state or territory other than the Hong Kong Special Administrative Region.

TRUST DEED

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

The provisions of the Trust Deed may be varied by the Trustee and the Manager by a supplemental deed, provided that such variation shall be subject to the prior written consent of the SFC and the MPFA. No variation involving any material changes shall be made without the approval of Unitholders by extraordinary resolution unless the Trustee certify in writing that in its opinion:

(a) such variation 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 to Unitholders, and will not result in any increase in the amount of costs and charges payable by the Trust (other than costs and expenses incurred in connection with the supplemental deed); or

(b) such variation is necessary in order to make possible compliance with any fiscal, statutory, regulatory or official requirement (whether or not having the force of law) including, but not limited to, the MPF legislation; or

(c) such variation is to be made to reflect or include a relaxation of any restriction, obligation or liability which was incorporated into the Trust Deed as a result of a provision or requirement of the MPF Ordinance or the MPF Regulation which is subsequently relaxed, or in respect of which it is subsequently discovered that a more liberal interpretation should have been applied and which relaxation the Manager requires to be reflected in the Trust Deed; or

(d) such variation is to be made to correct a manifest error.

As soon as practicable after the making of such variation in respect of which the Trustee has made the above certification, the Trustee will give notice of such variation to Unitholders unless in the opinion of the Trustee such variation is not of material significance or is made to correct a manifest error.

Unitholders' rights will be governed by the Trust Deed. Copies of the Trust Deed are available for inspection free of charge at the Manager's office at 32/F, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong during normal business hours and copies may be obtained at a reasonable charge.

Once published, copies of the annual reports and interim reports of the Trust will also be available for inspection at the Manager's office during normal business hours.

7. Definitions

"APIF"	means an Approved Pooled Investment Fund which is an investment fund approved by the MPFA under section 6 of the MPF Regulation
"Business Day"	means a day on which banks in Hong Kong are open for normal banking business (excluding Saturdays)
"China A-Shares"	means shares issued by companies incorporated, and listed on stock exchanges (e.g. the SSE and the SZSE), in the PRC, traded in onshore RMB ("CNY")
"ChinaClear"	The China Securities Depositary & Clearing Corporation Limited
"CSRC"	the China Securities Regulatory Commission
"Chinese Renminbi" or "RMB"	means the official currency of the People's Republic of China
"Dealing Period"	unless otherwise determined by the Manager, means consecutive periods ending at 5:00 p.m. (Hong Kong time) on each Business Day
"HK$ Cash Fund"	means Allianz Choice HK$ Cash Fund
"HK$ Liquidity Fund"	means Allianz Choice HK$ Liquidity Fund
"HKSCC"	means Hong Kong Securities Clearing Company Limited or its successors
"ITCIS"	means index-tracking collective investment scheme(s)
"Mainland China"	means all the customs territories of the PRC
"MPF"	means a Mandatory Provident Fund
"MPFA"	means the Mandatory Provident Fund Schemes Authority
"ORSO Scheme"	schemes registered under, or exempt from, ORSO which may or may not be subject to an Exemption Certificate issued under the MPF Ordinance
"MPF Ordinance"	means the Mandatory Provident Fund Schemes Ordinance Cap. 485, Laws of Hong Kong
"MPF Regulation"	means the Mandatory Provident Fund Schemes (General) Regulation
"MPF Scheme(s)"	means Mandatory Provident Fund Scheme(s) established under the MPF Ordinance
"Manager"	means Allianz Global Investors Asia Pacific Limited
"ORSO"	means the Occupational and Retirement Schemes Ordinance (Cap. 426, Laws of Hong Kong)
"NAV"	means Net Asset Value
"PRC"	means the People's Republic of China
"PRC Broker"	means a broker in the PRC appointed by a QFI
"PRC Custodian"	means a local custodian in the PRC appointed by a QFI
"QFI Programme" or "QFI Regime"	means the qualified foreign investors regime in the PRC (including the qualified foreign institutional investor programme and the RMB qualified foreign institutional investor programme, as may be promulgated and/or amended from time to time)
"QFI Regulations"	means the laws and regulations governing the establishment and operation of the QFI Regime in the PRC

“Qualified Exchange Traded Funds”	means exchange traded funds that are: (a) authorised by the SFC under Chapter 8.6 or 8.10 of the SFC’s Code on Unit Trusts and Mutual Funds; 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 Chapter 8.6 of the SFC’s Code on Unit Trusts and Mutual Funds; 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 Chapter 8.10 of the SFC’s Code on Unit Trusts and Mutual Funds.
“SFC”	means the Securities and Futures Commission of Hong Kong
“Securities and Futures Ordinance”	means the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong)
“SEHK”	The Stock Exchange of Hong Kong Limited or its successors
“SSE”	Shanghai Stock Exchange
“Stock Connect”	means the program which aims to achieve mutual stock market access between Mainland China and Hong Kong and includes (i) the Shanghai-Hong Kong Stock Connect, a securities trading and clearing links program developed by SEHK, SSE, ChinaClear and HKSCC; and (ii) the Shenzhen-Hong Kong Stock Connect, a securities trading and clearing links program developed by SEHK, SZSE, ChinaClear and HKSCC
“SZSE”	Shenzhen Stock Exchange
“Trust”	means Allianz Global Investors Choice Fund
“Trust Deed”	means the Trust Deed dated 30th December 1998 establishing the Trust as amended from time to time and replaced by a Consolidated Trust Deed dated 14 March 2008 as amended from time to time.
“Trustee”	means HSBC Institutional Trust Services (Asia) Limited
“Unrestricted Investment"	means any debt security permitted to be held by APIFs pursuant to the MPF Regulation, and which are issued by, or the repayment of principal and the payment of interest on which is unconditionally guaranteed by, an exempt authority (as defined in the MPF Regulation from time to time)
"US"	means the United States of America
"U.S. Taxpayer"	means a U.S. citizen or resident individual, a partnership or corporation organized in the U.S. or under the laws of the U.S. or any state of U.S. thereof, a trust if (i) a court within the U.S. would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of trust, and (ii) one or more U.S. Taxpayers have the authority to control all substantial decisions of the trust, or an estate the income of which is subject to U.S. federal income taxation regardless of source. This definition shall be interpreted in accordance with the U.S. Internal Revenue Code, as amended from time to time. Persons who have lost their U.S. citizenship and who live outside the U.S. may nonetheless in some circumstances be treated as U.S. Taxpayers.
“Valuation Day”	unless otherwise determined by the Manager with the consent of the Trustee, means i) in respect of Allianz Choice “Best Styles” US Fund, each Business Day

on which banks and the major stock exchange in the United States of America are open for business; or

ii) in respect of Allianz Choice “Best Styles” Europe Fund, each Business Day on which banks and the major stock exchange in Germany are open for business; or

iii) in respect of Allianz Choice Japan Fund, each Business Day on which banks and the major stock exchange in Japan are open for business; or

iv) in respect of Allianz Choice China A-Shares Fund, each Business Day on which banks and the major stock exchange in Mainland China and Hong Kong are open for business (provided that it is also a Stock Connect Northbound trading day); or

v) in respect of all other Sub-Funds, means every Business Day.

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