

This notice contains important information that requires your immediate attention. Should you have any queries, you are recommended to seek independent professional advice.

The following change(s) in investment choice(s) relate(s) to the “Global Series” and “Premier-Choice Series” plans. The “Global Series” includes Global InvestPlan and Global InvestPlus. The “Premier-Choice Series” includes Premier-Choice ULife InvestPlan, Premier-Choice Flexi, Premier-Choice Flexi Plus, Premier-Choice InvestPlan and Premier-Choice PLUS InvestPlan.

Changes to the Underlying Fund of the Investment Choice

- *Citi Investment Trust (Cayman) II - China Select Fund (CTCSU)(the “Investment Choice”)*

As advised by Citigroup First Investment Management Limited (the “Manager”), the manager of Citi Investment Trust (Cayman) II - China Select Fund (the “Underlying Fund”)(the underlying fund of the Investment Choice), there will be a series of proposed changes to the Underlying Fund with effect from July 28, 2017 (the “Targeted Effective Date”)(subject to the passing of the Extraordinary Resolution and conditional upon the completion of the termination of the Terminating Fund).

1. Change of Manager and Termination of Appointment of Sub-Manager

The Manager proposed to retire as manager of the Underlying Fund on the Targeted Effective Date. For the reasons discussed below, the Manager is of the view that from July 21, 2017, it will not be reasonably practicable for the Manager to continue operating the Underlying Fund in conformance with Section 13 of the Bank Holding Company Act of 1956 of the United States of America (the “Volcker Rule”).

The Volcker Rule was implemented on July 21, 2015. It generally prohibits certain banking entities (including Citigroup and its affiliates) from engaging in proprietary trading or from acquiring or retaining an ownership interest in, or sponsoring or having certain relationships with funds referred to as “covered funds” under the Volcker Rule, which term includes all SFC authorised funds* currently managed by the Manager (including the Underlying Fund), subject to certain exemptions, including the foreign public fund (“FPF”) exemption and the legacy covered fund temporary exemption. Under the Volcker Rule, the Manager is regarded as sponsoring each of the SFC authorised funds* currently managed by the Manager (including the Underlying Fund).

Since the implementation of the Volcker Rule and prior to July 21, 2017, the Manager was able to comply with the Volcker Rule by relying on the legacy covered fund temporary exemption. Having taken competent legal advice, the Manager understands that it will not be able to rely on such exemption from July 21, 2017 onwards, and will only be able to rely on the FPF exemption after such date. In order for the Manager to rely on the FPF exemption after July 21, 2017, Citigroup’s ownership in the Underlying Fund (as aggregated with any ownership by its directors, employees and their immediate family members)(“Citigroup Ownership”) must not exceed a specified threshold. As certain units of the Underlying Fund are distributed through third party distributors, the Manager may be unable to monitor the percentage of Citigroup Ownership in the Underlying Fund. Moreover, the percentage of Citigroup Ownership in the Underlying Fund may vary from time to time with subscriptions and realisation of units by investors. As such, the Manager may not be able to ensure that Citigroup Ownership is below the requisite threshold for the FPF exemption from July 21, 2017 in respect of the Underlying Fund, and hence may be unable to rely on the FPF exemption in respect of the Underlying Fund. There is no alternative exemption under the Volcker Rule that the Manager may rely on to continue operating the Underlying Sub-Fund. The Manager is therefore at risk of breaching the Volcker Rule from July 21, 2017, which could have a significant negative impact on the Underlying Fund, and would likely preclude the Manager from continuing to manage investments under the Underlying Fund.

For the above reasons, the Manager, in consideration of the best interest of the Underlying Fund and the investors of the Underlying Fund, has therefore decided to retire as manager of the Underlying Fund.

The Manager and Cititrust (Cayman) Limited (the “Trustee”)(the trustee of the Underlying Fund) have identified China Asset Management (Hong Kong) Limited (“ChinaAMC”), currently the sub-manager of the Underlying Fund, to be approved as the manager of the Underlying Fund.

The appointment of ChinaAMC is subject to the unitholders of the Underlying Fund passing an extraordinary resolution (the “Extraordinary Resolution”) at an extraordinary general meeting of the Underlying Fund (the “EGM”) to be held on July 20, 2017.

The change of Manager has been approved by the SFC subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of Citi Investment Trust (Cayman) II - China Balanced Fund (“the Terminating Fund”)(another fund managed by the Manager) on July 14, 2017.

In view of the appointment of ChinaAMC as the new manager of the Underlying Fund, the existing appointment of ChinaAMC as the sub-manager of the Underlying Fund will no longer be necessary. Consequently, subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Fund, the appointment of ChinaAMC as the sub-manager of the Underlying Fund will be terminated with effect from the Targeted Effective Date.

2. Change of Investment Strategy

ChinaAMC, as the proposed new manager of the Underlying Fund (subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Fund), has proposed that the following changes be made to the investment strategy of the Underlying Fund for the purpose of enhancing the strategy. For investment via Shenzhen-Hong Kong Stock Connect, the change will also provide flexibility to the Underlying Fund.

* SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

- A Shares and B Shares investments of the Underlying Fund will be limited to 20% of the net asset value of the Underlying Fund (currently no limit applies specifically to A Shares and B Shares investments);
- the Underlying Fund will utilise the Shenzhen-Hong Kong Stock Connect, in addition to the existing investment channel (including the Shanghai-Hong Kong Stock Connect), to invest in A Shares;
- the Underlying Fund's investments in access products and Stock Connect (comprising the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect) will account for up to 20% of the Underlying Fund's portfolio (the current percentage is 40%); and
- up to 10% of the Underlying Fund's portfolio will be invested in physical A Share ETFs and/or synthetic A Share ETFs (the current percentage is 20%).

ChinaAMC believes (i) the changes do not amount to a material change to the Underlying Fund; (ii) the risk profile of the Underlying Fund does not change due to the changes of investment strategy described above; and (iii) the changes do not materially prejudice the rights or interests of the existing investors of the Underlying Fund.

Unitholders' approval of the changes to investment strategy will be sought at the EGM.

3. Change of the Name

In view of the proposed change of the Manager, it is proposed that the name of the Underlying Fund be changed to ChinaAMC Investment Trust - ChinaAMC China Focus Fund.

Although the name change of the Underlying Fund does not require its unitholders' approval, the Manager and the Trustee have determined that such change will not take effect unless the Extraordinary Resolution is passed at the EGM. Subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Fund, the change of name will come into effect on the Targeted Effective Date.

Accordingly, the name of the Investment Choice will also be changed to "ChinaAMC Investment Trust - ChinaAMC China Focus Fund" with effect from the Targeted Effective Date (upon the confirmation of name change of the Underlying Fund).

4. Change of the Trustee

Cititrust (Cayman) Limited proposed to retire as trustee of the Underlying Fund on the Targeted Effective Date (subject to the passing of the Extraordinary Resolution and conditional upon the completion of the termination of the Terminating Fund). It is proposed that Cititrust Limited ("Cititrust") be appointed as the new trustee of the Underlying Fund.

5. Change of Governing Law and Redomiciliation

It is proposed that, on the Targeted Effective Date, the governing law of the Underlying Fund shall be changed from the laws of the Cayman Islands to the laws of Hong Kong and the domicile of the Underlying Fund shall be changed to Hong Kong.

EGM

The appointment of ChinaAMC as new manager of the Underlying Fund and the proposed changes to investment strategy are subject to the passing of the Extraordinary Resolution by the unitholders of the Underlying Fund at the EGM to be held on July 20, 2017, and conditional upon the completion of the termination of the Terminating Fund. Although the changes in sections 3 to 5 above do not require unitholders' approval, the Trustee and the Manager have determined that these changes will not come into effect (on the Targeted Effective Date or at all) unless the Extraordinary Resolution is passed at the EGM. Moreover, the changes are conditional upon the completion of the termination of the Terminating Fund.

In the event the Extraordinary Resolution is not passed at the EGM and/or the Terminating Fund is not terminated by the Targeted Effective Date, the Manager and the Trustee have determined that none of the changes above will come into effect on the Targeted Effective Date (or at all). The Manager intends to exercise its rights to terminate the Underlying Fund, on the basis that the Volcker Rule renders it in the opinion of the Trustee or the Manager impracticable or inadvisable to continue the Underlying Fund, subject to the SFC's approval. In such case, we will further inform you in the due course.

Costs

All costs and expenses associated with the changes of the Underlying Fund as described above will be borne by the Manager and ChinaAMC. The Underlying Fund will not bear any costs associated with the changes.

Operation of the Underlying Fund

The fees payable to ChinaAMC (as the proposed new manager of the Trust and the Underlying Fund) and Cititrust (as the proposed new trustee of the Underlying Fund) remain the same after the changes (compared to the fees payable to the Manager and the Trustee of the Underlying Fund). There is no material change or increase in the risk profile of the Underlying Fund due to the changes. While the changes will result in changes in the operation of the Underlying Fund, the existing investors' interests will not be materially prejudiced.

Other than as outlined in this notice, the changes described above are not expected to affect the operation of the Underlying Fund.

You should refer to the relevant offering documents and the notice to shareholders of the underlying fund(s) of the above investment choice(s), which are made available by MassMutual Asia Ltd. upon request, or visit our website (www.massmutualasia.com) to carefully read the details of the relevant documents in relation to the above change(s).

If you have selected the above investment choice(s) under your insurance policy and if for any reason you wish to change to other investment choice(s), you may switch your investment choice(s) to other available investment choice(s) provided by your policy. Currently, no switching charge and bid-offer spread apply to the investment choices. For details, please refer to Investment Choice Brochure or contact MassMutual Asia Ltd. - Customer Service Hotline at (852) 2533 5555 (Hong Kong)/ (853) 2832 2622 (Macau).

**CHINA SELECT FUND (the “Sub-Fund”)
CHINA BALANCED FUND (the “Terminating Sub-Fund”)
(collectively the “Sub-Funds”)
sub-funds of
CITI INVESTMENT TRUST (CAYMAN) II (the “Trust”)**

IMPORTANT NOTE:

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.

Citigroup First Investment Management Limited accepts full responsibility for the information contained in this Notice and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, there are no other facts the omission of which would make any statement misleading as at the date hereof.

The Securities and Futures Commission of Hong Kong (the “SFC”) takes no responsibility for the accuracy of any of the statements made or opinions expressed in this Notice.

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

Dear Unitholders,

Notice to Unitholders regarding

- (1) Change of Manager and Termination of Appointment of Sub-Manager**
 - (2) Change of Investment Strategy of the Sub-Fund**
 - (3) Change of Name of the Trust and the Sub-Fund**
 - (4) Change of Trustee**
 - (5) Change of Governing Law and Redomiciliation of the Trust and the Amended and Restated Trust Deed**
 - (6) Change of Administrator and Termination of Appointment of Sub-Administrator**
 - (7) Change of Auditor**
- and**
- (8) Notice of Extraordinary General Meeting of the Sub-Fund**

Proposed Changes in respect of the Trust and the Sub-Fund

Citigroup First Investment Management Limited, the manager of the Trust and the Sub-Funds (the “**Manager**”), would like to inform Unitholders of a series of proposed changes to the Trust and the Sub-Fund (together, the “**Changes**”):

- (1) the Manager hereby gives notice to the Trustee and Unitholders of the Sub-Fund about its proposed retirement as manager of the Trust and the Sub-Fund on the Targeted Effective Date (subject to the passing of the Extraordinary Resolution and conditional upon the completion of the termination of the Terminating Sub-Fund). It is proposed that China Asset Management (Hong

Kong) Limited (“**ChinaAMC**”) be appointed as the new manager of the Trust and the Sub-Fund.

The appointment of ChinaAMC is subject to the Unitholders passing an extraordinary resolution (the “**Extraordinary Resolution**”) at an extraordinary general meeting of the Sub-Fund (the “**EGM**”) to be held on 20 July 2017 at 5:00 pm at 50/F Champion Tower, 3 Garden Road, Central, Hong Kong¹. The Extraordinary Resolution must be passed by Unitholders holding 75% or more of the votes of those present and entitled to vote in person or by proxy at the EGM. Please refer to section 9 and the accompanying EGM Notice for details of the EGM.

In view of the appointment of ChinaAMC as the new manager of the Trust and the Sub-Fund, subject to the passing of the Extraordinary Resolution and conditional upon the completion of the termination of the Terminating Sub-Fund, the existing appointment of ChinaAMC as the Sub-Manager of the Sub-Fund will be terminated with effect from the Targeted Effective Date.

(2) the investment strategy of the Sub-Fund be changed as follows:

- A Shares and B Shares investments of the Sub-Fund will be limited to 20% of the Net Asset Value of the Sub-Fund (currently no limit applies specifically to A Shares and B Shares investments);
- the Sub-Fund will utilise the Shenzhen-Hong Kong Stock Connect, in addition to the existing investment channel (including the Shanghai-Hong Kong Stock Connect), to invest in A Shares;
- the Sub-Fund's investments in access products and Stock Connect (comprising the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect) will account for up to 20% of the Sub-Fund's portfolio (the current percentage is 40%); and
- up to 10% of the Sub-Fund's portfolio will be invested in physical A Share ETFs and/or synthetic A Share ETFs (the current percentage is 20%).

Unitholders' approval of the above changes to investment strategy will be sought at the EGM. The proposed changes to investment strategy will form part of the Extraordinary Resolution. Please refer to section 9 and the accompanying EGM Notice for details of the EGM;

(3) the name of the Trust and the Sub-Fund be changed to ChinaAMC Investment Trust (華夏投資信託) and ChinaAMC China Focus Fund (華夏中國聚焦基金) respectively;

(4) Cititrust (Cayman) Limited (the “**Trustee**”) hereby gives notice to the Manager and Unitholders about its proposed retirement as trustee of the Trust and the Sub-Fund on the Targeted Effective Date (subject to the passing of the Extraordinary Resolution and conditional upon the completion of the termination of the Terminating Sub-Fund). It is proposed that Cititrust Limited (“**Cititrust**”) be appointed as the new trustee of the Trust and the Sub-Fund;

(5) the governing law of the Trust be changed from the laws of the Cayman Islands to the laws of Hong Kong and the domicile of the Trust be changed to Hong Kong;

(6) the Trust Deed will be amended to reflect the retirement of the Manager and the Trustee, the appointment of ChinaAMC and Cititrust as the new manager and trustee of the Trust and the Sub-Fund respectively, the change of name of the Trust and the Sub-Fund, the change of governing law of the Trust and other consequential amendments and other ancillary updates or changes, including changes to comply with SFC requirements on constitutive documents;

(7) the Administrator of the Trust and the Sub-Fund be changed from Cititrust (Cayman) Limited to Citibank N.A., Hong Kong Branch, which is currently the Sub-Administrator of the Trust.

In view of the appointment of Citibank, N.A., Hong Kong Branch as the new administrator of the Trust, subject to the passing of the Extraordinary Resolution and conditional upon the completion of the termination of the Terminating Sub-Fund, the existing appointment of Citibank, N.A., Hong Kong Branch as the Sub-Administrator of the Trust will be terminated with effect from the Targeted

¹ In case typhoon no. 8 or black rainstorm warning signal remains hoisted at or after 2:00 pm on 20 July 2017, the EGM will be postponed to 5:00 pm on 21 July 2017 at 50/F Champion Tower, 3 Garden Road, Central.

Effective Date;

(8) the auditor of the Trust and the Sub-Fund be changed from KPMG to PricewaterhouseCoopers.

Subject to the passing of the Extraordinary Resolution at the EGM on 20 July 2017 and conditional upon the completion of the termination of the Terminating Sub-Fund, the Changes will take effect on 28 July 2017 (the "**Targeted Effective Date**"). Please refer to section 9 of this Notice and the accompanying EGM Notice for the procedures of the EGM.

Please note that, except for the appointment of ChinaAMC as new manager of the Trust and the Sub-Fund and the proposed changes to the investment strategy, all other Changes described in this Notice do not require Unitholders' approval according to the Trust Deed. The Manager and the Trustee have, however, determined that none of the Changes will take effect (on the Targeted Effective Date or at all) unless the Extraordinary Resolution is passed at the EGM. Moreover, the Changes are conditional upon the completion of the termination of the Terminating Sub-Fund, as discussed in section 13.2 of this Notice.

Please refer to section 1.6 of this Notice for the events that will occur if the Extraordinary Resolution is not passed at the EGM, and/or if the Terminating Sub-Fund is not terminated by the Targeted Effective Date. In this case the Manager will, subject to SFC's approval, issue a termination notice in respect of the termination of the Trust and the Sub-Fund, and the Sub-Fund will continue to cease marketing and not accept subscriptions save for subscriptions from existing Unitholders by way of regular investment plans. Please refer to section 1.7 for details.

Note to Unitholders of the Terminating Sub-Fund

Reference is made to the notice dated 14 June 2017 and the supplementary notice dated 16 June 2017, both issued by the Manager of the Terminating Sub-Fund in relation to the termination of the Terminating Sub-Fund (together, the "**Termination Notice**"). As disclosed in the Termination Notice, the Manager has determined to terminate the Terminating Sub-Fund on 14 July 2017 (the "**Termination Date**").

Unitholders of the Terminating Sub-Fund should note that, since according to the Manager's termination schedule for the Terminating Sub-Fund as stated in the Termination Notice, the Terminating Sub-Fund would have been terminated by the date of the EGM, it is expected as of the date of the EGM there would be no more Unitholders of the Terminating Sub-Fund and therefore, no Unitholders of the Terminating Sub-Fund would be entitled to attend or vote at the EGM. In addition, since the Terminating Sub-Fund would have been terminated by the Targeted Effective Date and the Changes will take effect conditional upon the termination of the Terminating Sub-Fund (as further explained in section 13.2 of this Notice), the Changes would not have any impact on the Terminating Sub-Fund or its Unitholders and the Terminating Sub-Fund will not have any impact on the Sub-Fund's implementation of the Changes.

No action is required from Unitholders of the Terminating Sub-Fund in relation to the Changes or the EGM.

Unless otherwise defined in this Notice, capitalised terms used in this Notice shall have the same meaning as defined in the Explanatory Memorandum of the Sub-Fund and the Explanatory Memorandum of the Terminating Sub-Fund, both dated December 2015. Unless otherwise specified, references to "Unitholders" in this Notice shall mean unitholders of the Sub-Fund and/or the Terminating Sub-Fund, as the context requires.

We, the Manager of the Trust and the Sub-Funds, are writing to inform you our proposal for a series of Changes.

1. Change of Manager and Termination of Appointment of Sub-Manager

1.1 Background

Pursuant to Clause 34.2 of the trust deed of the Trust dated 7 October 2010, as amended from time to time (the "**Trust Deed**"), the Manager is entitled to retire voluntarily by giving three months' prior notice (or such shorter period as the Trustee may approve) in writing to the Trustee and Unitholders.

The Manager hereby gives notice to the Trustee and Unitholders about its retirement as manager of the Trust and the Sub-Fund on the Targeted Effective Date. For the reasons discussed below, the Manager is of the view that from 21 July 2017, it will not be reasonably practicable for the Manager to continue

operating the Trust and/or the Sub-Fund in conformance with Section 13 of the Bank Holding Company Act of 1956 of the United States of America (the “**Volcker Rule**”).

The Volcker Rule was implemented on 21 July 2015. It generally prohibits certain banking entities (including Citigroup and its affiliates) from engaging in proprietary trading or from acquiring or retaining an ownership interest in, or sponsoring or having certain relationships with funds referred to as “covered funds” under the Volcker Rule, which term includes all SFC authorised funds² currently managed by the Manager (including the Sub-Fund), subject to certain exemptions, including the foreign public fund (“**FPF**”) exemption and the legacy covered fund temporary exemption. Under the Volcker Rule, the Manager is regarded as sponsoring each of the SFC authorised funds² currently managed by the Manager (including the Sub-Fund).

Since the implementation of the Volcker Rule and prior to 21 July 2017, the Manager was able to comply with the Volcker Rule by relying on the legacy covered fund temporary exemption. Having taken competent legal advice, the Manager understands that it will not be able to rely on such exemption from 21 July 2017 onwards, and will only be able to rely on the FPF exemption after such date. In order for the Manager to rely on the FPF exemption after 21 July 2017, Citigroup’s ownership in the Sub-Fund (as aggregated with any ownership by its directors, employees and their immediate family members) (“**Citigroup Ownership**”) must not exceed a specified threshold. As certain Units of the Sub-Fund are distributed through third party distributors, the Manager may be unable to monitor the percentage of Citigroup Ownership in the Sub-Fund. Moreover, the percentage of Citigroup Ownership in the Sub-Fund may vary from time to time with subscriptions and realisation of Units by investors. As such, the Manager may not be able to ensure that Citigroup Ownership is below the requisite threshold for the FPF exemption from 21 July 2017 in respect of the Sub-Fund, and hence may be unable to rely on the FPF exemption in respect of the Sub-Fund. There is no alternative exemption under the Volcker Rule that the Manager may rely on to continue operating the Trust and the Sub-Fund. The Manager is therefore at risk of breaching the Volcker Rule from 21 July 2017, which could have a significant negative impact on the Trust and/or the Sub-Fund, and would likely preclude the Manager from continuing to manage investments under the Trust and the Sub-Fund.

For the above reasons, the Manager, in consideration of the best interest of the Trust, the Sub-Fund and the Unitholders of the Sub-Fund, has therefore decided to retire as manager of the Trust and the Sub-Fund.

Clause 34.3 of the Trust Deed provides that, as soon as practicable following the Manager indicating an intention to retire, the Trustee shall convene a meeting of Unitholders to consider an extraordinary resolution to approve some other person considered by the Trustee to be suitably qualified to act as manager of the Trust and the Sub-Fund.

The Manager and the Trustee have identified ChinaAMC, currently the Sub-Manager of the Sub-Fund, to be approved as the manager of the Trust and the Sub-Fund.

1.2 ChinaAMC

ChinaAMC is a fully-owned subsidiary of China Asset Management Co., Ltd., established on 9 April 1998 with approval from the China Securities Regulatory Commission. China Asset Management Co., Ltd. is one of the first nation-wide fund management firms in the PRC and is currently the largest fund management company in the PRC in terms of assets under management (USD161.23 billion as of 30 September 2016).

ChinaAMC was established in 2008 as China Asset Management Co., Ltd.’s first venture in expanding its overseas activities. ChinaAMC is now an integral part and extension of China Asset Management Co., Ltd.’s overseas investment and research team, providing international clients with investment products and discretionary investment management services.

ChinaAMC was incorporated in Hong Kong with limited liability on 30 September 2008 and is licensed by the SFC to conduct type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance with CE number ARS988.

² SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

ChinaAMC has acted as Sub-Manager of the Sub-Fund since the Sub-Fund's inception (i.e. 10 December 2010). The Manager has since the inception of the Sub-Fund delegated its investment management duties to ChinaAMC, who is responsible for the selection and ongoing monitoring of the Sub-Fund's investments.

1.3 Extraordinary General Meeting

According to Clause 34.3 of the Trust Deed, the appointment of ChinaAMC as manager of the Trust and Sub-Fund is subject to:

- ChinaAMC being approved by the Extraordinary Resolution as the new manager;
- the obtaining of any necessary consents from any relevant regulatory authority (please refer to 1.4); and
- ChinaAMC entering into such deed(s) as the Trustee may be advised to be necessary or desirable to be entered into by ChinaAMC in order to secure the due performance of its duties as manager to the Trust and the Sub-Fund (please refer to section 1.5).

The EGM will be convened on 20 July 2017 at 5:00 pm at 50/F Champion Tower, 3 Garden Road, Central, Hong Kong to consider the Extraordinary Resolution. Please refer to section 9 if you wish to attend and/or vote at the EGM and/or appoint a representative to attend the EGM to vote on your behalf.

In case typhoon no. 8 or black rainstorm warning signal remains hoisted at or after 2:00 pm on 20 July 2017, the EGM will be postponed to 5:00 pm on 21 July 2017 at 50/F Champion Tower, 3 Garden Road, Central. The Manager will issue a notice as soon as possible in case the EGM needs to be postponed. If typhoon no. 8 or black rainstorm warning signal is lowered at or before 2:00 pm on 20 July 2017, the EGM will proceed as scheduled on 20 July 2017 at 5:00 pm at 50/F Champion Tower, 3 Garden Road, Central, Hong Kong.

1.4 Regulatory Approvals

The change of Manager has been approved by the SFC subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Sub-Fund.

The Trust and the Sub-Fund are registered with the Cayman Islands Monetary Authority ("**CIMA**"). No approval is required from CIMA for the EGM or the change of the Manager. For the avoidance of doubt, no approval is required from CIMA for any of the Changes.

1.5 Retirement of the Manager (if the Extraordinary Resolution is passed and the Terminating Sub-Fund is terminated before the Targeted Effective Date) and implications on the Trust and the Sub-Fund

Subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Sub-Fund:

- the Manager will retire on the Targeted Effective Date. Please note that the Trustee has, in accordance with its powers under Clause 34.2 of the Trust Deed, agreed to waive the 3 months' notice period for the Manager's retirement, subject to the passing of the Extraordinary Resolution at the EGM. The Trustee agrees to waive such notice period because it is of the view that it is in the Sub-Fund's interest for the Manager to retire as soon as practicable after 21 July 2017 to avoid the potential Volcker Rule implications (as discussed in 1.1 above).
- on the Targeted Effective Date (i.e. the date on which the Manager is expected to retire), ChinaAMC will be appointed as new manager of the Trust and the Sub-Fund. ChinaAMC will enter into a supplemental trust deed to secure the due performance of its duties as manager of the Trust and the Sub-Fund in accordance with Clause 34.3 of the Trust Deed. The retirement of the Manager will take place at the same time as the appointment of ChinaAMC;
- the Trustee shall pay to the Manager all sums due to the Manager under the Trust Deed; and
- the Manager shall execute such documents and take such actions as may be reasonably necessary and use its reasonable endeavours to assign or novate to ChinaAMC, on terms

reasonably acceptable to ChinaAMC (and to obtain the consent of the relevant counterparties) of all agreements to which it, as Manager, is a party concerning the Trust or the Sub-Fund. The terms of the relevant agreements will not be materially different from the existing terms. Rights and interests of Unitholders in the Sub-Fund will not be prejudiced.

In view of the appointment of ChinaAMC as the new manager of the Trust and the Sub-Fund, the existing appointment of ChinaAMC as the Sub-Manager of the Sub-Fund will no longer be necessary. Consequently, subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Sub-Fund, the appointment of ChinaAMC as the Sub-Manager of the Sub-Fund will be terminated with effect from the Targeted Effective Date.

1.6 What will happen if the Extraordinary Resolution is not passed at the EGM and/or the Terminating Sub-Fund is not terminated by the Targeted Effective Date?

In the event the Extraordinary Resolution is not passed at the EGM and/or the Terminating Sub-Fund is not terminated by the Targeted Effective Date, the Manager and the Trustee have determined that none of the Changes will come into effect on the Targeted Effective Date (or at all). The Manager intends to exercise its rights under Clause 35.1(A) of the Trust Deed to terminate the Trust and the Sub-Fund, on the basis that the Volcker Rule renders it in the opinion of the Trustee or the Manager impracticable or inadvisable to continue the Trust and the Sub-Fund, subject to the SFC's approval. If this is the case:

- the Manager will, shortly after the EGM (if the Extraordinary Resolution is not passed) or before the Targeted Effective Date when it forms the conclusion that the Terminating Sub-Fund will not be terminated by the Targeted Effective Date (whichever is earlier), issue a notice informing Unitholders of the result of the EGM (if applicable) and that the Changes will not take effect;
- the Manager will, subject to SFC's approval, issue a termination notice in respect of the termination of the Trust and the Sub-Fund as required under the Trust Deed and by the SFC, setting out the procedures for the termination;
- the Sub-Fund will continue to not be marketed to the public in Hong Kong and the Manager will not accept subscription for Units in the Sub-Fund save for subscriptions from existing Unitholders by way of regular investment plans (please see section 1.7);
- the Manager and the Trustee will not retire on the Targeted Effective Date; they will remain as manager and trustee of the Trust and Sub-Fund respectively until the Trust and Sub-Fund are terminated;
- the termination of the appointment of ChinaAMC as the Sub-Manager will not come into effect on the Targeted Effective Date and ChinaAMC will remain as the Sub-Manager of the Sub-Fund until the Sub-Fund is terminated; and
- none of the Changes will come into effect on the Targeted Effective Date (or at all).

1.7 Actions the Manager and ChinaAMC will take after 21 July 2017

Based on the Manager's analysis, the current Citigroup Ownership in the Sub-Fund is within the specified threshold for the FPF exemption under the Volcker Rule. The majority of the Units of the Sub-Fund in issue are held by regular investment plans, which do not constitute Citigroup Ownership. From the date of this Notice until the Targeted Effective Date (assuming the Extraordinary Resolution is passed at the EGM and the Terminating Sub-Fund is terminated by the Targeted Effective Date), the Sub-Fund will not accept subscriptions from existing or new investors, save for subscriptions from existing Unitholders by way of regular investment plans. Moreover, the Manager does not foresee substantial redemptions from such Unitholders which are regular investment plans. As such, the Manager considers that during the period between 21 July 2017 and (i) the Targeted Effective Date on which the Manager ceases to be manager of the Trust and the Sub-Fund; or (ii) (if the Changes do not come into effect) the termination date of the Sub-Fund (as discussed under section 1.6) (the "**Relevant Period**"), Citigroup Ownership of the Sub-Fund is unlikely to exceed the specified threshold for the FPF exemption under the Volcker Rule.

The Manager will continue to monitor the Unitholder holdings closely, both between the date of this Notice and 21 July 2017 as well as during the Relevant Period. From the date of this Notice onwards and (assuming the Changes come into effect on the Targeted Effective Date) until the Targeted Effective Date,

the Manager and ChinaAMC (as Sub-Manager of the Sub-Fund) will continue to act in the best interest of Unitholders in managing the Trust and the Sub-Fund so that all relevant rules and regulations are complied with.

2. Change of Investment Strategy

ChinaAMC, as the proposed new manager of the Trust and the Sub-Fund (subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Sub-Fund), has proposed that the following changes be made to the investment strategy of the Sub-Fund for the purpose of enhancing the strategy. For investment via Shenzhen-Hong Kong Stock Connect, the change will also provide flexibility to the Sub-Fund.

ChinaAMC believes (i) the changes do not amount to a material change to the Sub-Fund; (ii) the risk profile of the Sub-Fund does not change due to the changes of investment strategy described below; and (iii) the changes do not materially prejudice the rights or interests of the existing investor of the Sub-Fund.

Unitholders' approval of the changes to investment strategy will be sought at the EGM.

The proposed changes to investment strategy are described in this section 2 and the proposed amendments to the "Investment Strategy" section of the Explanatory Memorandum are also extracted in Appendix 1 to this Notice for Unitholders' ease of reference.

2.1 Limit on A Shares and B Shares investment

As currently disclosed in the Explanatory Memorandum and the Product Key Facts Statement (the "KFS") of the Sub-Fund, the investment objective of the Sub-Fund is to provide unitholders with long term capital growth through exposure to the equities and equity-related instruments of China-related companies. The investment strategy of the Sub-Fund seeks to take investment exposure to companies which are headquartered in or have significant business exposure to China.

Currently, it is expected that approximately 70% to 100% of the Sub-Fund's portfolio will be invested directly and indirectly in equity securities issued by companies which are listed or being offered in an initial public offer on official stock markets in Hong Kong, China (A Share and B Share markets), the United States, Singapore and other countries. In addition, it is disclosed that for the A Share markets in China, it is expected that Access Products and investment via the Shanghai-Hong Kong Stock Connect (as discussed below) will generally account for up to approximately 40% of the Sub-Fund's net asset value, although the actual proportion depends on, amongst other things, the availability of appropriate investment opportunities and the Manager's assessment of prevailing market conditions. The Manager may also invest up to 20% of the Sub-Fund's portfolio in physical A Share ETFs and/or synthetic A Share ETFs.

It is proposed that the following changes be made to the investment strategy of the Sub-Fund:

- (a) A Shares and B Shares investments of the Sub-Fund be limited to 20% of the Net Asset Value of the Sub-Fund (currently no limit applies specifically to A Shares and B Shares investments).
- (b) In respect of Sub-Fund's investment in the A Share markets in China, it is proposed that:
 - (i) investment in access products and investment via Stock Connect (comprising the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect) will generally account for up to approximately 20% (as opposed to the current 40% limit) of the Sub-Fund's portfolio; and
 - (ii) up to 10% (as opposed to the current 20% limit) of the Sub-Fund's portfolio may be invested in physical A Share ETFs and/or synthetic A Share ETFs.

No rebalancing of the Sub-Fund's portfolio is required as a result of the above changes.

2.2 Shenzhen-Hong Kong Stock Connect

The Sub-Fund currently has direct access to the "Stock Connect", a securities trading and clearing linked programme with an aim to achieve mutual stock market access between the PRC and Hong Kong. The Stock Connect is previously comprised only of the Shanghai-Hong Kong Stock Connect and the Sub-Fund

only utilised the Shanghai-Hong Kong Stock Connect for direct investment in A Shares. Following the launch of the Shenzhen-Hong Kong Stock Connect in December 2016, it is proposed that the Sub-Fund will utilise the Shenzhen-Hong Kong Stock Connect, in addition to the existing investment channel (including the Shanghai-Hong Kong Stock Connect), to invest in A Shares, from the Targeted Effective Date.

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Trading Link and a Southbound Trading Link. Under the Northbound Trading Link, Hong Kong and overseas investors (including the Sub-Fund), through their Hong Kong brokers and a securities trading service company established by the Stock Exchange of Hong Kong (the “SEHK”), are able to trade eligible shares listed on the Shenzhen Stock Exchange (the “SZSE”) by routing orders to the SZSE. Under the Southbound Trading Link, eligible investors, through PRC securities firms and a securities trading service company established by the SZSE, are able to trade eligible shares listed on the SEHK by routing orders to the SEHK.

Initially, Hong Kong and overseas investors are only able to trade certain stocks listed on the SZSE market (“SZSE Securities”) via the Shenzhen-Hong Kong Stock Connect.

SZSE Securities include all the constituent stocks of the SZSE Component Index and the SZSE Small/Mid Cap Innovation Index which have a market capitalisation of not less than RMB 6 billion, and all the SZSE-listed A shares which have corresponding H shares listed on the SEHK, except the following:

- (a) SZSE-listed shares which are not traded in RMB; and
- (b) SZSE-listed shares which are under risk alert.

At the initial stage of Shenzhen-Hong Kong Stock Connect, shares listed on the ChiNext Board of the SZSE under Northbound Trading Link will be limited to institutional professional investors. Subject to resolution of related regulatory issues, other investors may subsequently be allowed to trade such shares.

Please note that, similar to the Shanghai-Hong Kong Stock Connect, the A Shares traded through the Shenzhen-Hong Kong Stock Connect are issued in scripless form, so investors such as the Sub-Fund will not hold any physical A Shares through the Shenzhen-Hong Kong Stock Connect. Hong Kong and overseas investors who have acquired SZSE Securities through Northbound trading should maintain the SZSE Securities with their brokers' or custodians' stock accounts with CCASS (the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on the SEHK).

2.3 Risks related to the Shenzhen-Hong Kong Stock Connect

The risk factors related to the Shanghai-Hong Kong Stock Connect, as set out in the section “Risk Factors” of the Explanatory Memorandum and the section “What are the key risks?” of the KFS also apply to the Shenzhen-Hong Kong Stock Connect, namely, quota limitations, suspension risk, differences in trading day, operational risk, recalling of eligible stocks, clearing and settlement risk, regulatory risk and no protection by Investor Compensation Fund.

Please refer to the Explanatory Memorandum and the KFS for the relevant risks involved. The risk disclosure in the Explanatory Memorandum and the KFS will be updated to clarify that the risks applicable to the Shanghai-Hong Kong Stock Connect also apply to the Shenzhen-Hong Kong Stock Connect.

2.4 EGM and Effective Date

Unitholders' approval of the changes to investment strategy will be sought at the EGM. The proposed changes to investment strategy will form part of the Extraordinary Resolution, as set out in the accompanying EGM Notice. Please refer to section 1.3 for details of the EGM. Please also refer to section 9 if you wish to attend and/or vote at the EGM and/or appoint a representative to attend the EGM to vote on your behalf.

Subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Sub-Fund, the changes to investment strategy as set out above will come into effect on the Targeted Effective Date.

3. **Change of Name of the Trust and the Sub-Fund**

In view of the proposed change of the Manager, it is proposed that the name of the Trust and the Sub-Fund be changed to ChinaAMC Investment Trust (華夏投資信託) and ChinaAMC China Focus Fund (華夏中國聚焦基金) respectively.

Although the name change of the Trust and the Sub-Fund does not require Unitholders' approval, the Manager and the Trustee have determined that such change will not take effect unless the Extraordinary Resolution is passed at the EGM. Subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Sub-Fund, the change of name will come into effect on the Targeted Effective Date.

4. Change of Trustee

4.1 Background

Pursuant to Clause 33.2 of the Trust Deed, subject to the appointment of a replacement trustee, the Trustee may retire voluntarily by giving three months' prior notice (or such shorter period as the manager may approve) in writing to the manager and the Unitholders. Clause 33.3(B) of the Trust Deed provides that, subject to obtaining any necessary consents from any relevant regulatory authority, the manager shall by a supplemental trust deed appoint such replacement trustee to be the Trustee in the place of the retiring Trustee.

The Trustee has decided to retire as a result of a business review that resulted in a decision to stop providing trustee and administration services to Cayman law unit trusts as soon as practicable subject to regulatory approvals. After the Trustee has indicated an intention to retire, the Manager has sought to find a replacement trustee who is a corporation qualified to act as trustee. It has identified Cititrust to be appointed as the new trustee of the Trust and the Sub-Fund. ChinaAMC and Cititrust are independent of each other.

4.2 Cititrust

Cititrust is a registered trust company in Hong Kong. It is a wholly-owned subsidiary of Citigroup Inc.. As a global financial services group, Citigroup Inc. and its subsidiaries provide a broad range of financial products and services, including consumer banking, corporate and investment banking, securities brokerage and wealth management to consumers, corporations, governments and institutions.

Cititrust currently acts as trustee of funds authorised by the SFC.

4.3 Regulatory Approvals

The change of the Trustee has been approved by the SFC subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Sub-Fund.

No approval is required from CIMA for the change of the Trustee.

4.4 Effective Date and Implications on the Trust and the Sub-Fund

Although the change of Trustee does not require Unitholders' approval, the Manager and the Trustee have determined that the Trustee will not retire and the appointment of Cititrust as the new trustee of the Trust and the Sub-Fund will not take effect on the Targeted Effective Date unless the Extraordinary Resolution is passed at the EGM. The change of Trustee is also conditional upon the completion of the termination of the Terminating Sub-Fund.

Assuming the Extraordinary Resolution is passed at the EGM and the Terminating Sub-Fund is terminated by the Targeted Effective Date:

- the Trustee will retire on the Targeted Effective Date. Please note that the Manager has, in accordance with its powers under Clause 33.2 of the Trust Deed, agreed to waive the 3 months' notice period for the Trustee's retirement, subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Sub-Fund. The Manager agrees to waive such notice period because it considers it to be time- and cost-effective for the Trust and the Sub-Fund if the change of the Manager and the change of Trustee to become

effective on the same date), and that Unitholders are given sufficient notice (one month) for the retirement of the Trustee;

- the Trustee shall, according to Clause 33.3(D) of the Trust Deed, use its reasonable endeavours to assign or novate to Cititrust, on terms reasonably acceptable to Cititrust and ChinaAMC (and to obtain the consent of the relevant counterparties) of all agreements to which it, as trustee, is a party concerning the Trust or the Sub-Fund. The terms of the relevant agreements will not be materially different from the existing terms. Rights and interests of Unitholders in the Sub-Fund will not be prejudiced;
- on the Targeted Effective Date, ChinaAMC shall by a supplemental deed appoint Cititrust to be the trustee of the Trust and the Sub-Fund. The retirement of the Trustee will take effect at the same time as the appointment of Cititrust takes effect. Cititrust shall, from the Targeted Effective Date, undertake and perform all duties, and be entitled to all rights and compensation, as trustee of the Trust and the Sub-Fund under the Trust Deed.

5. Change of Governing Law and Redomiciliation of the Trust

It is proposed that, on the Targeted Effective Date, the governing law of the Trust shall be changed from the laws of the Cayman Islands to the laws of Hong Kong and the domicile of the Trust shall be changed to Hong Kong.

5.1 Background

The Trust was established under, and the Trust Deed is currently governed by, the laws of the Cayman Islands. Pursuant to Clause 31.1 of the Trust Deed, the Trustee may (if it appears to the Trustee to be beneficial to the interest of Unitholders), by deed, declare that the Trust shall take effect in accordance with the law of another country or place, and so that the forum for the administration of the Trust shall be the courts of that country or place, and that the laws of that country or place shall be the governing law of the Trust. Clause 31.3 of the Trust Deed provides that:

- the law of that country or place should recognise the existence of trusts and should enforce the rights of beneficiaries under trusts;
- a trust company incorporated in such other country or place and qualified to act as trustee under applicable laws, and approved by the Trustee for the purpose should be willing to be appointed as trustee of the Trust; and
- the Trustee should have obtained the consent of the manager of the Trust.

5.2 Reasons for the Change

It appears to the Trustee and Cititrust that it is in the best interest of the Unitholders to remove the Trust and the Sub-Fund to Hong Kong and to change the governing law of the Trust from the laws of the Cayman Islands to the laws of Hong Kong for the following reasons:

- Cititrust is proposed to be appointed as the trustee of the Trust and the Sub-Fund. Cititrust is a registered trust company in Hong Kong with its business operations in Hong Kong.
- There is no strong reason to have Cayman Islands law as governing law of the Trust considering:
 - the majority of Unitholders are Hong Kong investors; and
 - according to its investment strategy, the Sub-Fund does not invest in the Cayman Islands.
- On the other hand, the laws of Hong Kong would be the more suitable governing law of the Trust. Hong Kong recognises the existence of trusts and enforces the rights of beneficiaries under trusts, which satisfies Clause 31.3(A) of the Trust Deed.

ChinaAMC has agreed that upon its appointment on the Targeted Effective Date as the new manager of the Trust and the Sub-Fund, it will grant on the Targeted Effective Date its consent to the removal of the Trust

to Hong Kong and to the change of the governing law of the Trust from the laws of the Cayman Islands to the laws of Hong Kong.

5.3 Implications of the Redomiciliation

CIMA will be notified on the Targeted Effective Date about the redomiciliation and the retirement of the Manager and the Trustee, and the Trust and the Sub-Fund will cease to be registered with CIMA in the Cayman Islands after the Targeted Effective Date.

A principal office for the Trust and the Sub-Fund will no longer be maintained by the Trustee in the Cayman Islands. The Trust and the Sub-Fund will cease to have a principal office as none is required for a Hong Kong trust.

The register of Unitholders will be relocated from the Cayman Islands to Hong Kong, and will be held by Citicorp Financial Services Limited, the Transfer Agent of the Sub-Fund. After such relocation, purchase and sale of Units in the Sub-Fund should be subject to Hong Kong stamp duty at 0.2% of the higher of the consideration or market value of the Units (to be equally borne by the buyer and seller). No Hong Kong stamp duty is payable where the sale or transfer of Units is effected by selling the Units back to the Manager, who then either extinguishes the Units or resell the Units to another person within two months thereof. Allotment of Units in the Sub-Fund is not subject to stamp duty in Hong Kong.

There are no Hong Kong profits tax implications for the Trust, the Sub-Fund or the Unitholders in relation to the redomiciliation since it remains to be authorised by the SFC under Section 104 of the Securities and Futures Ordinance after the redomiciliation.

For the Unitholders, the mere redomiciliation of the Trust and the Sub-Fund should not give rise to any Hong Kong profits tax implications to them. Unitholders should consult their own professional advisers on the possible taxation consequences in their country of residence.

The Trust Deed will be amended to remove the period of the Trust or a sub-fund (currently set at 150 years), as there is no rule against perpetuity of trust under Hong Kong law for an instrument taking effect on or after the commencement of the Trust Law (Amendment) Ordinance 2013. Please see section 6.

5.4 Effective Date

Although the change of governing law of the Trust does not require Unitholders' approval, the Manager and the Trustee have determined that these changes will not take effect unless the Extraordinary Resolution is passed at the EGM. The change of governing law of the Trust is also conditional upon the completion of the termination of the Terminating Sub-Fund. Subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Sub-Fund, the change of governing law of the Trust will come into effect on the Targeted Effective Date.

6. **Amendments to the Trust Deed**

Subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Sub-Fund, the Trust Deed will be amended on the Targeted Effective Date by way of:

- an eighth supplemental trust deed to reflect the retirement of the Manager and the appointment of ChinaAMC as manager of the Trust and the Sub-Fund;
- a ninth supplemental deed to reflect the retirement of the Trustee and the appointment of Cititrust as trustee of the Trust and the Sub-Fund, the removal of the Trust and the Sub-Fund to Hong Kong and the change of governing law of the Trust; and
- an amended and restated deed (the "**New Trust Deed**"), to be entered into by ChinaAMC and Cititrust, to reflect the amendments to the Trust Deed by supplemental deeds (including the first to the ninth supplemental deeds) and other amendments including:
 - (i) changes of name of the Trust and the Sub-Fund;

- (ii) changes of the names and details of the manager and the trustee of the Trust and the Sub-Fund, and to change references to “Sub-Administrator” to “Administrator”;
- (iii) changes of references to “the Cayman Islands” to “Hong Kong” as appropriate, and to remove requirements under Cayman Islands law, including to remove the period of the Trust or a sub-fund (currently 150 years);
- (iv) changes to (a) ensure compliance of the Trust and the Sub-Fund with latest guidelines issued by the SFC on minimum disclosure requirements in constitutive documents; and (b) in relation to the Common Reporting Standard and FATCA, to facilitate compliance of the Trust and the Sub-Fund. These changes fall within Clause 42.1(B) of the Trust Deed, which means that Cititrust will certify that in its opinion such changes are necessary in order to make possible compliance with any fiscal, statutory or official requirement (whether or not having the force of law);
- (v) other consequential amendments and other ancillary updates or changes in accordance with Clause 42.1(A) of the Trust Deed, which means that Cititrust will certify that in its opinion the amendments do not materially prejudice the interests of the Unitholders, do not operate to release to any material extent the Trustee or the Manager or any other person from any responsibility to the Unitholders, and will not result in any increase in the amount of costs and charges payable from the Sub-Fund. These changes are:
 - (a) changes of references to “gross negligence” to “negligence”;
 - (b) changes relating to the operation of the Trust and the Sub-Fund, as agreed between ChinaAMC and Cititrust;
 - (c) a change to clarify that, except as otherwise provided under the New Trust Deed and subject to applicable trust law and other applicable legal and regulatory requirements, the consent of third parties is not required for any termination, rescission or agreement to any variation, waiver, assignment, novation, release or settlement under the Trust Deed.

Following the commencement of the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) in 2016, a third party may enforce a right under a contract (such as the New Trust Deed) and third party consent may be required for a contract to be varied or rescinded under certain circumstances, unless expressly disapplied. As it was not the intention of the Manager or the Trustee (or ChinaAMC or Cititrust) to confer third party rights (subject to other legal and regulatory requirements), such clause will be amended to exclude third party rights; and

- (d) changes to Clauses 20.4(C) and 20.5 to clarify the drafting of the Trust Deed in order to reflect the operation of the Trust;
- (e) other minor drafting changes;
- (f) clauses to remove various supplemental deeds concerning sub-funds of the Trust which have been terminated and no longer exist; and
- (vi) a change in accordance with Clause 42.1(C) of the Trust Deed, which means that Cititrust will certify that in its opinion the change is made to correct a manifest error.

Please refer to Appendix 2 of this Notice for details of the changes to the Trust Deed, as will be effected by the New Trust Deed (subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Sub-Fund). Subject to the passing of the Extraordinary Resolution and conditional upon the completion of the termination of the Terminating Sub-Fund, the eighth supplemental trust deed, the ninth supplemental trust deed and the New Trust Deed will take effect on the Targeted Effective Date.

7. Change of Administrator and Termination of Appointment of Sub-Administrator

Subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Sub-Fund, the administrator of the Trust and the Sub-Fund will be changed from Cititrust (Cayman) Limited to Citibank, N.A., Hong Kong Branch (“**Citibank**”), which is currently the Sub-Administrator of the Trust.

Citibank is a wholly owned subsidiary of Citigroup. In its capacity as Administrator, Citibank is responsible for certain financial, administrative and other services in relation to the Sub-Fund, including:

- determining the Net Asset Value and the Net Asset Value per Unit;
- preparing and maintaining the Sub-Fund's financial and accounting records and statements; and
- assisting in preparing the financial statements of the Sub-Fund.

Although the change of Administrator does not require Unitholders' approval, the Manager and the Trustee have determined that the change of Administrator will not take effect unless the Extraordinary Resolution is passed at the EGM. The change of Administrator is also conditional upon the completion of the termination of the Terminating Sub-Fund. Subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Sub-Fund, the change of Administrator will come into effect on the Targeted Effective Date.

In view of the appointment of Citibank as the new administrator of the Trust, subject to the passing of the Extraordinary Resolution and conditional upon the completion of the termination of the Terminating Sub-Fund, the existing appointment of Citibank as the Sub-Administrator of the Trust will be terminated with effect from the Targeted Effective Date.

8. Change of Auditor

It is proposed that the auditor of the Trust and the Sub-Fund will change from KPMG to PricewaterhouseCoopers.

Although the change of auditor does not require Unitholders' approval, the Manager and the Trustee have determined that such change will not take effect unless the Extraordinary Resolution is passed at the EGM. The change of auditor is also conditional upon the completion of the termination of the Terminating Sub-Fund. Subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Sub-Fund, the change of auditor will come into effect on the Targeted Effective Date.

9. Procedures

9.1 EGM

The appointment of ChinaAMC as new manager of the Trust and the Sub-Fund and the proposed changes to investment strategy are subject to the passing of the Extraordinary Resolution by the Unitholders at the EGM to be held on 20 July 2017³, as set out in the accompanying EGM Notice, and conditional upon the completion of the termination of the Terminating Sub-Fund. Although the Changes in sections 3 to 8 above do not require Unitholders' approval, the Trustee and the Manager have determined that these Changes will not come into effect unless the Extraordinary Resolution is passed at the EGM.

The quorum for passing the Extraordinary Resolution shall be Unitholders present in person or by proxy registered as holding not less than 25% of all the Units for the time being in issue. If within half an hour from the time appointed for the EGM a quorum is not present, the EGM shall stand adjourned to a day not being less than fifteen days after 20 July 2017. The Manager will issue a notice to Unitholders as soon as possible if the EGM is adjourned, to inform Unitholders of the date, time and venue of the adjourned meeting and the new Targeted Effective Date for the Changes. The Unitholders present in person or by proxy at the adjourned meeting shall be a quorum.

³ In case typhoon no. 8 or black rainstorm warning signal remains hoisted at or after 2:00 pm on 20 July 2017, the EGM will be postponed to 5:00 pm on 21 July 2017. Please refer to section 1.3.

The Extraordinary Resolution must be passed by Unitholders holding 75% or more of the votes of those present and entitled to vote in person or by proxy at the EGM. None of the Trustee, the Manager, ChinaAMC or Cititrust or any of their respective Connected Persons shall cast any vote in respect of Units beneficially owned by it in relation to the Extraordinary Resolution. Furthermore, all Units beneficially owned by the Trustee, the Manager, ChinaAMC or Cititrust (as the case may be) and any of their respective Connected Persons shall be ignored for all purposes in establishing whether or not a quorum is present as if such Units were not then in issue.

According to the Manager's understanding as at the date of this Notice, the Trustee, the Manager, ChinaAMC, Cititrust and any of their respective Connected Persons are the only parties which have to abstain from voting and whose Units have to be ignored for purposes in establishing whether or not a quorum is present as if such Units were not then in issue.

9.2 Actions to be taken

If you are a registered Unitholder:

- If you wish to vote in person, you may attend the EGM.
- A corporation may by directors' resolutions authorise such person as it thinks fit to act as its representative at the EGM. You should provide the name of the representative, together with a copy of such resolution certified by a director of the corporation to be a true copy, to the Sub-Administrator by mail to 50/F, Three Garden Road, Central, Central, Hong Kong, by fax to +852 3018 7322 or by email to citifirst.im@citi.com no later than 5:00 pm (Hong Kong time) on 18 July 2017.
- If you wish to vote but do not wish to attend the EGM (in person or by appointing a representative), you may use the prescribed Form of Proxy available from the Manager's website <http://funds.citi.com/> (this website has not been reviewed by the SFC). Completed Forms of Proxy must be received by the Sub-Administrator no later than 5:00 pm (Hong Kong time) on 18 July 2017 at 50/F, Three Garden Road, Central, Central, Hong Kong / (fax) +852 3018 7322 / (email) citifirst.im@citi.com.

If you hold your Units through a distributor or nominee, please check with your distributor / nominee for its own procedures on facilitating voting at the EGM. The channels to vote may include (which may differ between distributors / nominees):

- If you wish to vote in person or appoint a representative to vote at the EGM on your behalf, you may notify your distributor / nominee that you or your representative (if you are a corporate) would like to attend and vote at the EGM. Your distributor / nominee may appoint you or your representative (as the case may be) as its representative in respect of your Units and then provide the Sub-Administrator with a list of persons who will attend and vote at the EGM. You or your representative (as the case may be) will only be permitted to attend the EGM if your name or your representative's name (as the case may be) is on the Sub-Administrator's list as of 18 July 2017.
- If you wish to vote but do not wish to attend the EGM (in person or by appointing a representative), you may instruct your distributor / nominee whether you wish to vote in favour of the Extraordinary Resolution or against it on or before the deadline as determined by your distributor / nominee. Your distributor / nominee should then complete the Form of Proxy to vote on your behalf according to your wishes.
- Please check with your distributor / nominee for its deadline for receiving the above instructions, which may be earlier than 18 July 2017.

The Extraordinary Resolution shall be decided by a poll. On a poll every Unitholder who is present in person or by representative shall have one vote for every Unit of which he is the Unitholder as at the date of this Notice and who remains a Unitholder on the date of the EGM.

The Manager will issue a notice to inform Unitholders the results of the EGM (whether or not the Extraordinary Resolution is passed) shortly after the EGM. The notice will also be published on the

Manager's website <http://funds.citi.com/> (this website has not been reviewed by the SFC) shortly after the EGM.

10. Important dates

Publication of this Notice	28 June 2017
Termination Date of the Terminating Sub-Fund	14 July 2017
Last date of submitting Forms of Proxy or (if the Unitholder is a corporation) name of representative to attend the EGM	18 July 2017 <i>Note: your distributor/nominee may impose an earlier deadline.</i>
EGM	5:00 pm 20 July 2017 <i>In case typhoon no. 8 or black rainstorm warning signal remains hoisted at or after 2:00 pm on 20 July 2017, the EGM will be postponed to 5:00 pm on 21 July 2017. Please refer to section 1.3.</i>
Notice of the results of the EGM	20 July 2017 (shortly after the EGM) <i>In case typhoon no. 8 or black rainstorm warning signal is hoisted at or after 2:00 pm on 20 July 2017 and the EGM is postponed, the notice of the results of the EGM will be issued shortly after the EGM held at 5:00 pm on 21 July 2017.</i>
Effective date of Changes (subject to the passing of the Extraordinary Resolution at the EGM and conditional upon the completion of the termination of the Terminating Sub-Fund)	28 July 2017, i.e. the Targeted Effective Date

11. Costs

All costs and expenses associated with the Changes as described in this Notice will be borne by the Manager and ChinaAMC. The Trust and the Sub-Fund will not bear any costs associated with the Changes.

12. RM Services

Citigroup Global Markets Asia Limited (“**CGMAL**”), an affiliate of the Manager, has agreed to provide relationship management services (“**RM Services**”) to ChinaAMC. From the date of this Notice until the retirement of the Manager (i.e. the Targeted Effective Date), CGMAL will arrange and co-ordinate meetings between ChinaAMC and certain existing Unitholders of the Sub-Fund, and during CGMAL’s term of service, CGMAL will share its experience with ChinaAMC in relation to organising roadshows and preparing roadshow materials. CGMAL is not a service provider to the Trust or the Sub-Fund. It has general experience of relationship management including organising roadshows and facilitating due diligence by investors.

In providing the RM Services, CGMAL does not act as a distributor or sales agent of the Sub-Fund. CGMAL does not provide any investment advice to ChinaAMC and does not market the Sub-Fund or ChinaAMC to any investor. For the avoidance of doubt, the provision of RM Services is not a recommendation by the Manager or CGMAL of ChinaAMC or the services provided by ChinaAMC.

In consideration for providing the RM Services, CGMAL shall be entitled to receive a portion of the management fee ChinaAMC receives from the Sub-Fund upon ChinaAMC’s appointment as manager of the Sub-Fund. Such fee is paid out of ChinaAMC’s entitlement of management fee, which will not be increased as a result, and no additional fees or expenses will be incurred by the Sub-Fund. The Manager is of the view that the provision of the RM Services by CGMAL will not prejudice the existing Unitholders’ rights and interests.

13. Implications

13.1 Liabilities of the Manager and the Trustee following Retirement

According to Clause 34.3(E) of the Trust Deed, the Manager shall be absolved and released from all further obligations under the Trust Deed without prejudice to the rights of the Trustee or of any Unitholder or other person in respect of any act or omission of the Manager prior to its retirement.

Clause 33.6 of the Trust Deed also provides that upon effective retirement of the Trustee, the Trustee shall be discharged and shall have no further liability under the Trust Deed except as to acts of fraud, wilful default or gross negligence occurring prior to such retirement.

It is also provided under Clause 26.7 of the Trust Deed that nothing in the Trust Deed shall exempt either the Trustee or the Manager (as the case may be) from or indemnify them against any liability to Unitholders for breach of trust through fraud or negligence or any liability which by virtue of Hong Kong law or the laws of the Cayman Islands would otherwise attach to them in relation to their duties under the Trust Deed.

Please refer to the Trust Deed for provisions relating to the Manager's and the Trustee's liabilities.

13.2 China Balanced Fund

As at the date of this Notice, there are two Sub-Funds established under the Trust, namely the Sub-Fund and the Terminating Sub-Fund. As described in the Termination Notice, the Manager intends to terminate the Terminating Sub-Fund on the Termination Date, i.e. 14 July 2017. It is expected that, by the Termination Date, all assets remaining in the Terminating Sub-Fund will be liquidated and the cash proceeds so derived will normally be distributed on or shortly after the Termination Date.

If the Terminating Sub-Fund is terminated by the Targeted Effective Date, (i) the Terminating Sub-Fund will not have any impact on the Sub-Fund's implementation of the Changes, (ii) neither the Changes nor the EGM will have any impact on the Terminating Sub-Fund or its Unitholders; and (iii) by the date of the EGM, there will be no more Unitholders of the Terminating Sub-Fund who will be entitled to vote at the EGM. The Manager and the Trustee expect that the termination of the Terminating Sub-Fund will be completed before the Targeted Effective Date, and accordingly assume that the Terminating Sub-Fund will not have any impact on the EGM or the Sub-Fund's implementation of the Changes and vice versa.

In the unlikely event that the Terminating Sub-Fund is not terminated on the Termination Date, in order to ensure that Unitholders of the Terminating Sub-Fund will not be impacted by the Changes, the Manager and the Trustee have determined that the implementation of the Changes will be conditional upon the completion of termination of the Terminating Sub-Fund. In other words, if the Terminating Sub-Fund is not terminated by the Targeted Effective Date, the Changes will not come into effect.

The Manager will inform Unitholders should there be any change in the circumstances regarding the termination of the Terminating Sub-Fund to the extent that they affect the Sub-Fund, for example if the Changes will not come into effect or if the EGM is to be cancelled.

No action is required from Unitholders of the Terminating Sub-Fund in relation to the Changes or the EGM.

13.3 Cessation of marketing of the Sub-Fund and investor's right to continue to realise Units

From the date of this Notice until the Targeted Effective Date (assuming the Extraordinary Resolution is passed and conditional upon the termination of the Terminating Sub-Fund), the Sub-Fund will cease to be marketed to the public in Hong Kong and the Manager will not accept subscriptions for Units in the Sub-Fund save for subscriptions from existing Unitholders by way of regular investment plans. If the Extraordinary Resolution is not passed at the EGM, or if the Changes do not come into effect for any other reason, the Sub-Fund will continue to cease marketing and not accept subscriptions save for subscriptions from existing Unitholders by way of regular investment plans.

Investors may continue to realise Units of the Sub-Fund free of charge on any Dealing Day, in accordance with the procedures as set out in the section "Realisation of Units" in the Explanatory Memorandum. Distributors may charge a fee for the realisation request and Unitholders should check with their relevant distributor. The Manager does not offer Unitholders the option to switch to other SFC-authorized funds managed by the Manager free of charge because, as mentioned in the Termination Notice and the notice dated 15 June 2017 regarding the China StormRiders Fund, the Manager has determined to terminate the

Terminating Sub-Fund and the China StormRiders Fund. The Manager expects that it will be managing only one SFC-authorized fund (i.e. the Sub-Fund) after 15 July 2017, so it is not feasible to offer Unitholders the option to switch to other SFC-authorized funds managed by the Manager free of charge.

13.4 Operation of the Sub-Fund

The fees payable to ChinaAMC (as the proposed new manager of the Trust and the Sub-Fund) and Cititrust (as the proposed new trustee of the Trust and the Sub-Fund) and Citibank (as the proposed new administrator of the Trust and the Sub-Fund) remain the same after the Changes (compared to the fees payable to the Manager, the Trustee and the current Administrator of the Trust and the Sub-Fund). There is no material change or increase in the risk profile of the Sub-Fund due to the Changes. While the Changes will result in changes in the operation of the Trust and the Sub-Fund, the existing Unitholders' rights or interests will not be materially prejudiced.

Other than as outlined in this Notice, the Changes described in this Notice are not expected to affect the operation of the Sub-Fund.

14. **General**

A copy of the Trust Deed, the Explanatory Memorandum (including the KFS) and the latest annual report for the year ended 31 December 2016 and semi-annual report for the six months ended 30 June 2016 are available for inspection free of charge at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays) at the offices of the Manager. Copies of the Trust Deed may be purchased from the Manager at a nominal fee.

If the Extraordinary Resolution is passed at the EGM and the Changes come into effect, the Explanatory Memorandum and the KFS will be updated to reflect the above changes as well as changes in relation to FATCA and Hong Kong requirements regarding tax reporting under the Common Reporting Standard, and will be available on ChinaAMC's website on or shortly after the Targeted Effective Date. Investors will be informed of the ChinaAMC's website address after the EGM, subject to the passing of the Extraordinary Resolution and conditional upon the completion of termination of the Terminating Sub-Fund.

If you have any queries, please contact the Manager at 50/F Champion Tower, 3 Garden Road, Central, Hong Kong or 2868 8811.

Citigroup First Investment Management Limited
as the Manager of the Trust, the Sub-Fund and the Terminating Sub-Fund

Date: 28 June 2017

APPENDIX 1

CHANGES TO INVESTMENT STRATEGY

Proposed changes to the “Investment Strategy” section of the Explanatory Memorandum is set out in this Appendix.

Note: The Sub-Fund is referred to as the “Fund” in this Appendix.

Investment strategy

Introduction

The investment strategy of the Fund seeks to identify and take investment exposure to companies which are headquartered in or which, in the Sub-Manager’s opinion, have significant business exposure to China, and which the Sub-Manager believes will generate excess return in the long term.

It is expected that approximately 70% to 100% of the Fund’s portfolio will be invested directly and indirectly in equity securities issued by companies which are listed or being offered in an initial public offer on official stock markets in Hong Kong, China (A Share and B Share markets), the United States, Singapore and other countries. The investment in A Shares and B Shares will not be more than 20% of the Fund’s Net Asset Value.

For the A Share markets in China, the Fund uses Access Products and invests via the Stock Connect, as described in further detail below respectively. It is expected that Access Products and investment via Stock Connect will generally account for up to approximately ~~40~~20% of the Fund’s ~~portfolio~~ Net Asset Value, although the actual proportion depends on, amongst other things, the availability of appropriate investment opportunities and the Sub-Manager’s assessment of prevailing market conditions. The Sub-Manager may also invest up to ~~20~~10% of the Fund’s portfolio in physical A Share ETFs and/or synthetic A Share ETFs. The Fund will not hold more than 10% of any units issued by any single physical A Share ETF or synthetic A Share ETF. Investments in A Share ETFs are considered as investments in equity securities ~~and constitute part of the 70% to 100% threshold.~~

The Fund’s portfolio may, if the Manager considers it appropriate, also include cash and/or cash based instruments such as short-term fixed deposits (together referred to as “cash assets”); the allocation of the Fund’s portfolio to cash assets fluctuates in light of prevailing market conditions, but it is expected that such allocation will not exceed 30% of the Net Asset Value of the Fund. The Fund may also use financial derivative instruments (including index futures, index options and index and currency swaps) to hedge market and currency risk only.

Selection of portfolio stocks

The investment process is a combination of bottom-up stock selection and top-down macro and sector overlay.

The bottom-up approach means that each stock is selected on its individual merits. The strategy uses fundamental analysis, which involves an assessment of a company’s potential for success in light of factors including its financial condition, earnings growth potential and outlook, profit generating capability, corporate strategy, experienced management, industry position and/or favourable valuation. The Sub-Manager has a team of in-house dedicated sector and stock analysts who cover Chinese stocks by carrying out rigorous fundamental research and analysis, including on-site visits, supplier/distributor surveys, management interviews and proprietary financial valuation models. The research output is summarised into internal ratings with key financial forecasts of each stock for the portfolio managers’ consideration in the portfolio construction process. The portfolio managers then combine the internal research with their investment skill and experience to build portfolios that are aimed to deliver returns.

In the top-down macro and sector overlay, the Sub-Manager has a team of macro economists and strategy analysts who conduct thorough analysis of macroeconomic factors, government policies, consensus corporate earnings growth, market valuation and liquidity to formulate asset allocation and sector allocation strategies. The team also conducts thematic analysis to identify cross-sector opportunities in a systematic

way. During the bottom-up stock selection, the portfolio managers also consider these top-down strategies and recommendations to determine the overall equity exposure and adjust unintended sector exposures.

The Sub-Manager actively monitors the investment portfolio of the Fund on a continuous basis and makes adjustments as and when the Sub-Manager deems necessary. There is no pre-determined frequency of rebalancing of the Fund's portfolio.

As the Fund is expected to invest in both onshore and offshore Chinese stocks, the Sub-Manager also looks at valuation differences of the same company on different stock exchanges and the dynamics between different markets to explore more investment opportunities.

Access Products

The Fund gains access to the A Share market by investing in Access Products. An Access Product represents an obligation of the relevant AP Issuer to pay to the Fund an economic return equivalent to holding the underlying A Shares. Access Products are valued on a mark-to-market basis on each Valuation Day by the relevant AP Issuer and independent verification (at least on a weekly basis) is performed on such valuations by the Manager or a suitably qualified person appointed by the Manager.

An Access Product does not provide any beneficial or equitable entitlement or interest in the A Shares to which the Access Product is linked. Because an Access Product is an obligation of the AP Issuer, the Fund would be exposed to the counterparty risk of the AP Issuer and to potential losses equal to the full value of the Access Product if the AP Issuer failed to perform its obligations under the Access Product.

However the Manager seeks to mitigate such counterparty risk by putting in place appropriate counterparty risk management procedures.

Shanghai-Hong Kong Stock Connect

The ~~Shanghai-Hong Kong Stock Connect~~ (the "~~Stock Connect~~") is a securities trading and clearing linked programme developed by the HKEx, the SSE, the SZSE and the CSDCC, with an aim to achieve mutual stock market access between mainland China and Hong Kong. It comprises the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Stock Connect comprises a Northbound Trading Link and a Southbound Trading Link. Under the Northbound Trading Link, Hong Kong and overseas investors (including the Fund), through their Hong Kong brokers and ~~a securities trading service company~~ companies established by the SEHK and the HKSCC (in Shanghai and Qianhai Shenzhen respectively), are able to trade eligible shares listed on the SSE and the SZSE by routing orders to the SSE and the SZSE (as the case may be). Under the Southbound Trading Link, eligible investors, through PRC securities firms and securities trading service ~~company~~ companies established by the SSE and the SZSE respectively, are able to trade eligible shares listed on the SEHK by routing orders to the SEHK.

Eligible securities – Initially, Hong Kong and overseas investors are only able to trade certain stocks listed on the SSE market (the "SSE Securities") and the SZSE market (the "SZSE Securities").

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 A Shares that are not included as constituent stocks of the relevant indices but which have corresponding H Shares listed on the SEHK, except the following:

SSE-listed shares which are not traded in RMB; and

SSE-listed shares which are ~~included in the~~ under "risk alert ~~board~~".

SZSE Securities will include all the constituent stocks of the SZSE Component Index and the SZSE Small/Mid Cap Innovation Index which have a market capitalisation of not less than RMB 6 billion, and all the SZSE-listed A shares which have corresponding H shares listed on SEHK, except the following:

SZSE-listed shares which are not traded in RMB; and

SZSE-listed shares which are under "risk alert".

At the initial stage of Shenzhen-Hong Kong Stock Connect, shares listed on the ChiNext Board of SZSE under Northbound Trading Link will be limited to institutional professional investors. Subject to resolution of related regulatory issues, other investors may subsequently be allowed to trade such shares.

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

Trading day – Investors (including the Fund) will only be allowed to trade on the other market on days where both markets are open for trading, and banking services are available in both markets on the corresponding settlement days.

Trading quota – Trading under the Stock Connect will be subject to ~~a maximum cross-boundary investment quota (“Aggregate Quota”), together with a daily quota (“Daily Quota”), which will be separate for Northbound and Southbound trading. The Aggregate Quota caps the absolute amount of fund inflow into the PRC under Northbound trading.~~ The Daily Quota limits the maximum net buy value of cross-boundary trades under the Stock Connect each day. The quotas do not belong to the Fund and are utilised on a first-come-first-serve basis. The SEHK will monitor the quota and publish the remaining balance of the Northbound ~~Aggregate Quota and~~ Daily Quota at scheduled times on the HKEx’s website. ~~The Aggregate Quota and the Daily Quota may change in future. The Manager will not notify investors in case of a change of quota.~~

Settlement and Custody – The HKSCC is responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by Hong Kong market participants and investors.

Corporate actions and shareholders’ meetings – Notwithstanding the fact that HKSCC does not claim proprietary interests in the SSE Securities held in its omnibus stock account in the CSDCC, the CSDCC as the share registrar for SSE listed companies still treats the HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE Securities. The HKSCC will monitor the corporate actions affecting SSE Securities and keep the relevant CCASS participants informed of all such corporate actions that require CCASS participants to take steps in order to participate in them. The same arrangement is applicable to SZSE Securities.

Currency – Hong Kong and overseas investors (including the Fund) trade and settle SSE Securities and SZSE Securities in RMB only.

Further information about the Stock Connect is available at the website: http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm.

A Share ETFs

The Fund may also invest in A Share ETFs, including physical A Share ETFs and synthetic A Share ETFs. An A Share ETF is an exchange traded fund that tracks the performance of an A Share index. Physical A Share ETFs predominantly achieve their investment objective through direct investment into A Shares, while synthetic A Share ETFs achieve their investment objective through investment in derivative instruments which provide exposure to A Shares.

General

~~Investors should note that although the Fund's portfolio is always invested directly or indirectly in assets that best reflect the Fund's investment strategy, the views and process that influence the selection of assets in the investment strategy could be contrary to other views or opinions contained in research reports or notes published by Citigroup or its affiliates.~~

APPENDIX 2

CHANGES TO TRUST DEED

Changes that reflect the appointment of ChinaAMC which requires the passing of the Extraordinary Resolution at the EGM

1. The names and address of the Manager of the Trust will be updated throughout the Trust Deed to reflect the change of Manager.

Changes falling under Clause 42.1(A) of the Trust Deed

2. The names and address of the Trustee and Administrator of the Trust will be updated throughout the Trust Deed to reflect the change of Trustee and Administrator.
3. The name of the Trust will be updated.
4. References to the Sub-Administrator will be deleted throughout the Trust Deed.
5. Supplemental deeds concerning sub-funds of the Trust which have been terminated and no longer exist will be removed.
6. The following clauses will be amended as follows in relation to the change of governing law and redomiciliation of the Trust:

The definition of "Trusts Law" (referring to the Trusts Law (2009 Revision) of the Cayman Islands) in Clause 1.1 will be deleted.

"23.4 Before making any distribution or other payment in respect of any Unit, the Trustee and/or the Manager may make any such deductions or withholdings (if any) as, by the law of ~~the Cayman Islands~~ ~~Hong Kong~~ or any country in which such payment is made, it is, or they are, required or entitled by any applicable law to make in respect of any income, interest or other taxes, charges or assessments whatsoever. The Trustee and/or the Manager may also deduct the amount of any stamp duties or other governmental taxes, charges or assessments payable by it or them in respect of any distribution made under this Deed. Neither the Trustee nor the Manager shall be liable to account to any Holder or former Holders for any payment made in good faith to any fiscal authority of any country, notwithstanding that any such payment need not or ought not to have been made or suffered."

"24.1 The Manager shall, with the prior approval of the Trustee, appoint to be the auditor or auditors of the Trust an accountant or accountants ~~being qualified to act as auditor or auditors in the Cayman Islands or such other place as the Manager and the Trustee may from time to time agree and being acceptable to the Cayman Islands Monetary Authority~~. The Manager may from time to time, with prior approval of the Trustee, and shall, if the Trustee withdraws any approval previously given, remove any auditor or auditors and, with the prior approval of the Trustee, appoint in his or their stead another person or persons qualified as aforesaid. Any such auditor or auditors so appointed shall be independent of the Trustee and the Manager."

"28.4 In the absence of fraud, wilful default or ~~gross~~ negligence by the Trustee, the Trustee shall not be liable to account to any Holder or otherwise for any payment made or suffered by the Trustee in good faith to any duly empowered authority ~~of the Cayman Islands in Hong Kong~~ or elsewhere for any taxes or other charges in any way arising out of or relating to any transaction of whatsoever nature under this Deed."

"31.4 Upon the execution of the declaration referred to in Clause 31.1:

- (A) such other trust company or institution approved by the Trustee shall be appointed as the new trustee in place of the Trustee who shall thereupon retire and shall transfer and pay over the Trust Fund to such new Trustee; and

- (B) the new Trustee may at any time or times thereafter by supplemental Deed make such consequential alterations in or additions to this Deed to the intent that the provisions of this Deed shall mutatis mutandis be as valid and effective as they are under the laws of ~~the Cayman Islands~~ Hong Kong provided that the Supplemental Deed shall not contain any provision which may exclude the jurisdiction of the courts of Hong Kong to entertain an action concerning the Trust.”

Clauses 35.1 and 35.2 will be amended to remove the period of the Trust or a Sub-Fund, as there is no rule against perpetuity of trust under Hong Kong law:

“35.1 The Trust shall continue ~~for a period of 150 years~~ from the date of this Deed until the first to occur of the following events shall occur, namely:

- (A) any law shall be passed which renders it illegal or, in the opinion of the Trustee or the Manager, impracticable or inadvisable to continue the Trust;
- (B) the Trustee shall be unable to find a person acceptable to the Trustee to act as the new Manager within 30 days after the removal or retirement of the Manager for the time being pursuant to Clause 34;
- (C) the Trustee shall have decided to retire but within three months from the date of the Trustee giving its written notice to retire as the Trustee, the Manager shall be unable to find a suitable person who is willing to act as trustee;
- (D) if the Trustee and the Manager agree that it is undesirable to continue the Trust and the Holders sanction the termination by way of Extraordinary Resolution; or
- (E) the Holders determine, by Extraordinary Resolution, that the Trust should be terminated (in which case, such termination shall take effect from the date on which such Extraordinary Resolution is passed or such later date (if any) as the Extraordinary Resolution may provide).”

“35.2 Subject to the provisions of the relevant Supplemental Deed, a Sub-Fund shall continue ~~for a period of 150 years~~ from the date of the relevant Supplemental Deed until the first to occur of the following events shall occur, namely:

- (A) the Trust being terminated pursuant to Clause 35.1;
- (B) the Net Asset Value of the relevant Sub-Fund being less than US\$5 million and the Manager by notice in writing to the Trustee, directing that the Sub-Fund be terminated;
- (C) any law shall be passed which renders it illegal or, in the opinion of the Trustee or the Manager, impracticable or inadvisable to continue the Sub-Fund;
- (D) in the case of a Sub-Fund the sole investment objective of which is to track the performance of an index or rules based investment strategy, the relevant index or strategy becomes unavailable for any reason whatsoever and no suitable replacement index or strategy can be identified by the Manager, such that, in the opinion of the Manager, the investment objective of the relevant Sub-Fund can no longer be achieved;
- (E) if the Trustee and the Manager agree that it is undesirable to continue a Sub-Fund and the Holders of Units of the relevant Sub-Fund sanction the termination by way of Extraordinary Resolution; or
- (F) the Holders of the Sub-Fund determine, by Extraordinary Resolution, that the Sub-Fund should be terminated (in which case, such termination shall take effect from the date on which such Extraordinary Resolution is passed or such later date (if any) as the Extraordinary Resolution may provide).”

“43.2 Subject to Clause 31, the Trust shall be subject to and governed by the laws of ~~the Cayman Islands~~ Hong Kong and this Deed shall be construed according to the laws of ~~the Cayman Islands~~ Hong Kong and the parties hereby submit to the non-exclusive jurisdiction of the courts of ~~the Cayman Islands~~ Hong Kong, save that the Trustee shall have the right to refer any dispute howsoever arising out of or in relation to the Trust (including, for the avoidance

of doubt, any dispute about the extent or application of this Clause) to arbitration in accordance with the Rules of Arbitration of the International Chamber of Commerce by one arbitrator.”

“Schedule 4

“8. This Deed shall be subject to and governed by the laws of ~~the Cayman Islands~~ Hong Kong.”

7. The following clauses will be amended to change references to “gross negligence” to “negligence”:

“13.12 The Manager may, subject to the consent of the relevant Holder in the case of Units of any Authorised Sub-Fund, satisfy a realisation request from a Holder in whole or in part, by transferring in specie to such Holder, Investments forming part of the relevant Sub-Fund in which case the following provisions shall apply:-

- (A) the Manager shall select the Investments to be transferred;
- (B) the Investments to be transferred to the relevant Holder shall be valued on such basis as the Manager may decide but the valuation shall not be less than the lowest amount nor more than the highest amount that would have been obtained on the relevant Valuation Day by applying the provisions of Schedule 1;
- (C) the aggregate Value of the Investments to be transferred and any cash to be paid to the Holder shall be equivalent to the amount which would have been payable to such Holder had the realisation of his Units not been effected by a transfer in specie out of the assets of the relevant Sub-Fund but had instead been cancelled and the redemption proceeds paid in cash, provided that all stamp duty, registration fees and other charges payable in respect of any transfer of Investments shall be borne by the Holder;
- (D) the Manager shall inform the Trustee by notice in writing of the Investments to be transferred and the amount of cash (if any) to be paid out of the relevant Sub-Fund and the Trustee shall make such transfers and payment to the Holder as soon as practicable after its receipt of such notice and upon such transfers and payment the relevant Units shall be deemed to have been cancelled and withdrawn from issue with effect from the relevant Dealing Day;
- (E) the Trustee and the Manager shall be satisfied that the terms of such transfer shall not be such as are likely to result in any prejudice to the remaining Holders of Units of the relevant Sub-Fund but in the absence of fraud or ~~gross~~ negligence, neither the Trustee nor the Manager shall incur any liability to any Holder as a consequence of the exercise of the provisions of this Clause or the selection of the Investments for transfer pursuant to this Clause.”

“26.2 None of the Trustee, the Manager or any of their officers, employees, agents or delegates shall incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done by them in good faith under the provisions of this Deed in the absence of fraud, wilful default or ~~gross~~ negligence on the part of the Manager or the Trustee, as appropriate.”

“26.3 Except to the extent otherwise provided for in this Deed, the Trustee and the Manager shall as regards all the trusts, powers, authorities and discretions vested in each of them respectively have absolute and uncontrolled discretion as to the exercise thereof whether in relation to the manner or as to the mode of and the time for the exercise thereof and none of the Trustee, the Manager or any of their officers, employees, agents or delegates shall be in any way responsible for any loss, costs, damages or inconvenience that may result from the exercise or non-exercise thereof in the absence of fraud, wilful default or ~~gross~~ negligence.”

“27.1 Without prejudice to the right of indemnity by law given to the Trustee and subject to the other provisions of this Deed, the Trustee and its respective officers, employees, agents and delegates are entitled to be indemnified, out of the assets of the relevant Sub-Fund, in respect of all liabilities and expenses incurred in relation to such Sub-Fund and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or

omitted to be done in any way relating to such Sub-Fund, including without limitation, any actions of the Manager, except to the extent that such liability, expense, action, proceeding, cost, claim or demand arises out of the fraud, ~~gross~~-negligence or wilful default of the Trustee or its officers, employees, agents or delegates.”

“27.2 Without prejudice to the right of indemnity by law given to the Manager and subject to the other provisions of this Deed, the Manager and its respective officers, employees, agents and delegates are entitled to be indemnified out of, and have recourse to, the assets of the relevant Sub-Fund, in respect of all liabilities and expenses incurred in relation to such Sub-Fund and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted to be done in any way relating to such Sub-Fund, including without limitation, any actions of the Trustee, except to the extent that such liability, expense, action, proceeding, cost, claim or demand arises out of the fraud, ~~gross~~-negligence or wilful default of the Manager or its officers, employees, agents or delegates.”

“33.6 Upon effective retirement or removal of the Trustee, the retiring Trustee shall be discharged and shall have no further liability under this Deed except as to acts of fraud, wilful default or ~~gross~~-negligence occurring prior to such retirement or removal. Any Trustee which retires or is removed from its position as Trustee shall, in respect of its period of trusteeship of the Trust, and notwithstanding that it shall have retired or been removed, continue to have the benefit of all indemnities given to the Trustee by this Deed in addition to the indemnities powers and privileges given by law to a retiring trustee.”

The definition of “gross negligence” is deleted.

Please also see clause 28.4 under 6 of this Appendix.

8. The following changes will be made in relation to the operation of the Sub-Fund.

“4.4 In the event that more than one class of Units is issued in respect of any Sub-Fund, the Trustee shall, at the request of the Manager, establish a separate class account (each a “Class Account”) in the books of the Trust in respect of the relevant Sub-Fund to which the following provisions shall apply unless otherwise specified in the relevant Supplemental Deed:

- (A) each such Class Account shall be designated by reference to a particular class of Units;
- (B) an amount equal to the proceeds of issue of each Unit of a class shall be credited to the relevant Class Account;
- (C) an amount equal to any realisation proceeds paid to a Holder and any other amounts payable in respect of any realisation of Units of a class shall be debited to the relevant Class Account;
- (D) any increase or decrease in the Net Asset Value of the relevant Sub-Fund over any valuation period, disregarding for these purposes:
 - (1) any increases in the value of the relevant Sub-Fund due to the issue of additional Units;
 - (2) any decreases in the value of the relevant Sub-Fund due to the payment of distributions in respect of Units or of realisation proceeds on the realisation of Units; and
 - (3) any Designated Class Deductions and Designated Class Additions (as defined below),

shall be allocated to each Class Account in the proportion that the value attributable to each Class Account at the beginning of the relevant valuation period bears to the aggregate value of all the Class Accounts of the relevant Sub-Fund at the beginning of the relevant valuation period;

- (E) the amount of any fees, liabilities, losses (including but not limited to losses incurred in undertaking currency hedging transactions), expenses or distributions relating to the

relevant valuation period that, in the opinion of the Manager, are attributable solely to a specific class of Units (the "Designated Class Deductions") shall be debited to the relevant Class Account;

- (F) the amount of any pre-paid expenses, assets, profits (including but not limited to profits made in undertaking currency hedging transactions), gains or income, relating to the relevant valuation period that, in the opinion of the Manager, are attributable solely to a specific class of Units (the "Designated Class Additions") shall be credited to the relevant Class Account; and
- (G) the value of each Class Account at the beginning of a valuation period, after adjustment by the debiting of any Designated Class Deductions and the crediting of any Designated Class Additions shall be the value of the relevant class of Units as at the date in respect of which the valuation is being determined, provided that where any event takes place which may affect the proportion of the Net Asset Value of the relevant Sub-Fund attributable to the Class Account maintained for any particular class, the Manager after consultation with the Trustee may make such adjustment as it deems appropriate to ensure that any increase or decrease in the Net Asset Value of the Sub-Fund, and all liabilities and expenses, are properly and fairly attributed to the Class Account maintained for each class of Units relating to the relevant Sub-Fund."

"4.6 In respect of the first issue of Units of any class, the Manager shall determine whether Units of that class shall be issued in series and, if so, shall designate such Units as the first series of the relevant class. In the event that Units of any class are issued in series the following provisions shall apply unless otherwise specified in the relevant Supplemental Deed:

- (A) the Trustee, at the request of the Manager, may establish a separate Class Account in the books of the Trust in respect of each series (in which case the provisions of Clause 4.3 shall apply mutatis mutandis) or may make such other arrangements as it considers appropriate to ensure the equitable allocation of assets and liabilities, costs and expenses, and profits and losses as between each series as maintained by the Administrator;
- (B) any Units of a particular class issued on a particular Dealing Day shall constitute a new series; and
- (C) all issued and outstanding series of Units of a particular class in relation to which a Performance Fee has been paid in respect of a particular Performance Period may, at the discretion of the Manager, be consolidated on any Valuation Day into the oldest series of Units of the relevant class in issue as at such Valuation Day and in relation to which a Performance Fee has been paid in respect of the relevant Performance Period (the "Consolidated Series") provided that no consolidation will occur with respect to a series of Units if, in the opinion of the Manager, such consolidation would be in breach of any applicable law or if a particular series of Units is offered on terms which are materially different (whether as to the payment of Performance Fee or otherwise) as would make any consolidation inappropriate.
- (D) any consolidation of Units pursuant to paragraph (C) above shall take place by way of the compulsory realisation of Units of the series to be consolidated and the issue of an appropriate number of Units of the Consolidated Series, such that the aggregate Net Asset Value of the Units of the Consolidated Series held by relevant Holder immediately after the consolidation shall be equal to the aggregate Net Asset Value of the Units of the series to be consolidated immediately before such consolidation."

"5.1 Except when the determination of the Net Asset Value has been suspended pursuant to Clause 6.1, the ~~Trustee~~ Manager shall procure the calculation of, in accordance with the provisions of this Deed:

- (A) the Net Asset Value per Unit of each class or series (if applicable) as at each relevant Valuation Day;
- (B) the Subscription Price of a Unit of each class or series (as applicable) as at each relevant Dealing Day in respect of which an application for the issue of Units of the relevant class has been received;

- (C) the Realisation Price of a Unit of each class or series (as applicable) as at each relevant Dealing Day in respect of which an application for the realisation of Units of the relevant class or series (as applicable) has been received.”

Clause 17.2 is deleted and the sub-clauses of Clause 17 are re-numbered accordingly.

~~“17.2 Subject to the provisions of Clause 18 and the relevant Supplemental Deed, the Trustee shall have full and unrestricted power to deal in any way with or dispose of (including, without limitation, power to lend, sell, mortgage or charge and whether or not in favour of any Connected Person of the Trustee or of the Manager) the assets of each Sub-Fund as if it were the beneficial owner thereof.”~~

“17.2 Subject to the provisions of this Deed and the relevant Supplemental Deed, the Manager shall have complete discretion, ~~as agent of the Trustee,~~ to deal in any way with or dispose of (including, without limitation, power to lend, sell, mortgage or charge and whether or not in favour of any Connected Person of the Manager or of the Trustee but excluding power to appoint custodians) the assets of each Sub-Fund and the selection of all Investments, assets or other property and the currency or currencies in which cash or deposits are kept or into which they are converted shall in all respects be the responsibility of the Manager and not of the Trustee. The Trustee shall take such actions and execute such documents as the Manager may reasonably require to enable the Manager to deal with or dispose of the assets of any Sub-Fund (including by way of loan, sale, mortgage or charge).”

“17.6 The Manager may arrange and request the Trustee to enter into such agreements with affiliated or unaffiliated third parties in connection with dealings in the assets of a Sub-Fund (including, without limitation, brokerage agreements, master trading agreements, sale and purchase agreements and agreements relating to collateral arrangements but excluding power to appoint custodians) on such terms as the Manager may determine, including as to the payment out of the assets of the relevant Sub-Fund of such fees or other amounts as may be set out in any such agreement, Provided that any transaction with a Connected Party of the Manager shall be carried out at arm’s length and executed on the best available terms.”

“17.8 The Manager and any Connected Person of the Manager may purchase and sell Investments for the account of a Sub-Fund and shall be entitled to retain for its own use and benefit all brokerage and commission, and all rebates of brokerage and commission, which it may derive from or in connection with any such purchase or sale, ~~Provided that the rate of brokerage or commission in respect of which a rebate is received~~ is not in excess of customary full service brokerage rates. The Manager or the Connected Person of the Manager, as the case may be, may share any such commissions, brokerages, discounts or rebates with any other person.”

“19.5 For the purposes of securing any borrowing, and any interest on and expenses in relation to such borrowing, the Trustee shall be entitled, at the request of the Manager, to charge or pledge in any manner any assets comprising the relevant Sub-Fund. Where, as a consequence of any such charge or pledge, any assets of the relevant Sub-Fund or any documents of title thereto is for the time being under the custody of, or held by, the lender or an agent or nominee of the lender, the Trustee shall not be responsible for the custody and control of such assets or documents of title thereto. Any such charge or pledge shall be made upon the terms that the lender or the agent or nominee of the lender, as applicable, provides a written commitment to the effect that (i) under no circumstances will it pledge or charge all or any of part of the asset to any other person or use all or any part of it for the purpose of providing margin or to guarantee, secure, discharge or settle any borrowing, trades or contracts, or dispose of all or any part of it, or treat it as if any person other than the Trustee has any interest in it, and (ii) that no step shall be taken to enforce the security constituted by the charge or pledge until reasonable notice is given to thirty days after giving the Trustee ~~written notice~~ demanding repayment of the moneys secured by the charge or pledge. The Trustee shall promptly advise the Manager of any notice given under this Clause and the Manager shall promptly effect such sales of Investments, assets or other property of the relevant Sub-Fund as may be necessary to enable such repayment to be effected in due time.”

“20.2 The Trustee may from time to time appoint such person or persons as it thinks fit (including, without limitation, any of its Connected Persons) to hold, as custodian, nominee or agent or the Trustee, all or any of the Investments, assets or other property comprised in any Sub-Fund (each such person a “Custodian”) and may empower any such Custodian to appoint, with ~~the prior consent~~ no objection in writing ~~of~~ by the Trustee, co-custodians and/or sub-custodians.”

“28.5 The ~~Trustee-Manager~~ may take any action which it considers appropriate so as to comply with any law, regulation or request of a public or regulatory authority which relate to the prevention of fraud, money laundering, terrorism or other criminal activities or the provision of financial and other services to any persons or entities which may be subject to sanctions (collectively “Relevant Requirements”). Such action may include, but is not limited to, the interception and investigation of transactions in relation to the Trust (particularly those involving the international transfer of funds) including the source of or intended recipient of funds paid in or out in relation to the Trust and any other information or communications sent to or by any party in respect of the Trust. In certain circumstances, such action may delay or prevent the processing of proper instructions, the settlement of transactions in respect of the Trust or the ~~Trustee’s-Manager’s~~ performance of its obligations under this Deed, but where possible, the ~~Trustee-Manager~~ will endeavour to notify the Trustee of the existence of such circumstances. The Manager and the Trustee will not be liable for loss (whether direct or consequential and including, without limitation, loss of profit or interest) or damage suffered by any party arising out of or caused in whole or in part by any actions which are taken by the ~~Trustee-Manager~~ to comply with the Relevant Requirements.”

“29.7 Notwithstanding any other provision of this Deed, in the event that the Manager enters into any agreement, arrangement, dealing or transaction (each, a “third party arrangement”) of any kind with any third party (including but not limited to third party brokers or counterparts) for and on behalf of the Trust and/or the relevant Sub-Funds (as the case may be) to which the Trustee is not a party, the Manager shall ensure that any such third party arrangement is in writing and ensure that the Trustee reviews the terms before entering into such third party arrangement.”

“32.2 The ~~Trustee-Manager~~ (or any other person delegated by the Manager) shall keep or cause to be kept proper books of account and records in relation to the Trust so as to enable the accounts referred to in Clause 24 to be prepared.”

“32.4 The ~~Trustee-Manager~~ (or any other person, with the approval of the ~~Trustee-Manager~~) shall be entitled to make and retain copies, whether as computer records or otherwise of all or any documents, including but not limited to the following classes of documents:

- (A) application forms for Units, realisation requests and conversion requests;
- (B) instruments of transfer which have been registered; and
- (C) Distribution Reinvestment Mandates, notifications of change of address and forms of proxy in respect of any meeting of Holders.”

“34.3 As soon as practicable following the issue of a notice to remove the Manager pursuant to Clause 34.1 or the Manager has indicated an intention to retire pursuant to Clause 34.2:

- (A) the Trustee (in the case of Clause 34.1) or the Manager, in consultation with the Trustee (in the case of Clause 34.2) shall convene a meeting of Holders to consider an Extraordinary Resolution to approve some other person considered by the Trustee to be suitably qualified to act as Manager;
- (B) subject to (i) such person being approved by Extraordinary Resolution as the new Manager, (ii) the obtaining of any necessary consents from any relevant regulatory authority and (iii) such person entering into such deed or deeds as the Trustee may be advised to be necessary or desirable to be entered into by such person in order to secure the due performance of its duties as Manager, the Trustee shall, by deed or deeds supplemental to this Deed, appoint such person as the new Manager;

- (C) the Trustee shall pay to the retiring Manager all sums due to the retiring Manager under this Deed (calculated on the basis of days elapsed in the then current payment period up to the date of its retirement or removal);
- (D) the retiring Manager shall execute such documents and take such actions as may be reasonably necessary use its reasonable endeavours to assign or novate to the replacement Manager, on terms reasonably acceptable to the new Manager (and to obtain the consent of the relevant counterparties) of all agreements to which it, as Manager, is a party concerning the Trust; and
- (E) the retiring Manager shall be absolved and released from all further obligations under this Deed but without prejudice to the rights of the Trustee or of any Holder or other person in respect of any act or omission of such Manager prior to its retirement or removal.”

“34.5 On the appointment of a new manager, unless ~~Citigroup First Investment China Asset Management (Hong Kong)~~ Limited otherwise agrees by confirmation in writing delivered to the Trustee, the then new manager and/or the then Trustee shall change the name of the Trust to a name not including the words “~~Citi ChinaAMC~~.”

“Schedule 1

1. Subject to the provisions of the relevant Supplemental Deed, the Net Asset Value of each Sub-Fund, the Net Asset Value per Unit of each class and, if applicable, the Subscription Price and Realisation Price of Units of such class, shall be calculated as at the Valuation Point on the relevant Valuation Day in accordance with Clause 5 and the rules set out in this Schedule and the ~~Manager Trustee, as Administrator,~~ shall procure that the ~~Sub-Administrator~~ shall undertake the actions specified in this Schedule.”

Note: the first change of Clause 1 of Schedule 1 is added pursuant to Clause 42.1(C) of the Trust Deed to correct a manifest error.

“Schedule 3

6. Some person, who need not be a Holder, nominated in writing by the ~~Trustee Manager~~ (save in the case of a meeting convened under Clause 34.3, in which case such person shall be nominated by the Trustee) shall preside as Chairman at every meeting and if no such person is nominated or if at any meeting the person nominated shall not be present within fifteen minutes after the time appointed for holding the meeting the Holders present shall choose one of their number to be Chairman.”
9. The following clause will be added in relation to the Contracts (Rights of Third Parties) Ordinance:

“43.3 Any person who is not a party to this Deed shall not have any rights under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) (the “Ordinance”) to enforce any term of this Deed. For the avoidance of doubt (i) except as otherwise provided in this Deed and subject to applicable trust law and other applicable legal and regulatory requirements (including the Code and applicable requirements related to the listing of Units), the consent of or notice to any person who is not a party to this Deed is not required for any termination, rescission or agreement to any variation, waiver, assignment, novation, release or settlement under this Deed at any time, and (ii) the rights and remedies of any person that exist or are available under the laws of Hong Kong apart from the Ordinance shall be unaffected by this Clause.”

Changes falling under Clause 42.1(B) of the Trust Deed

10. The following clauses will be added to better comply with the latest guidelines issued by the SFC on minimum disclosure requirements in constitutive documents:
 - “2.6 The Manager and the Trustee shall in the performance of their respective duties under this Deed with respect to the Trust and each Sub-Fund at all times comply with the applicable provisions of the Code and shall act at all times in compliance with and in a manner consistent

with the Code (as may be modified by any applicable waivers or exemptions granted by the SFC).

2.7 Nothing in this Deed shall diminish or exempt any of the Manager or the Trustee from any of its duties and liabilities under the Code.”

11. The following clauses will be amended as follows to better comply with the latest guidelines issued by the SFC on minimum disclosure requirements in constitutive documents:

“20.1 The Trustee shall take into its custody or under its control all the property of the Trust and hold it in trust for the Holders in accordance with this Deed. The Trustee shall be responsible and shall remain at all times liable for the safe-keeping of the Investments, assets and other property forming part of the Trust Fund in accordance with the provisions of this Deed and such Investments, assets and other property shall be dealt with as the Trustee may think proper for the purpose of providing for the safe-keeping thereof, subject to the provisions of this Deed. To the extent permitted by applicable laws and regulation (and subject to Clause 19.5), all cash and registrable assets from time to time comprised in the Trust Fund shall be registered in the name of or held to the order of the Trustee. Where borrowing is undertaken in respect of a Sub-Fund in accordance with Clause 19 such assets may be registered in the lender’s name or in that of a nominee appointed by the lender.”

The addition of the last paragraph in Clause 20.4:

“20.4 Notwithstanding Clause 30.2, the Trustee shall:-

- (A) exercise reasonable skill, care and diligence in the selection, appointment and monitoring of any Custodian;
- (B) be responsible during the term of appointment of any Custodian for satisfying itself as to the ongoing suitability of such Custodian to provide services to the Trust, having regard to the market or markets for which such Custodian is appointed;
- (C) remain liable for any act or omission of any Custodian that is a connected person of the Trustee, as if the same were the act or omission of the Trustee, however if the Trustee has discharged its obligations set out in Clause 20.4(A) and 20.4(B), the Trustee shall not be liable for any act or omission of any Custodian that is not a Connected Person of the Trustee; and
- (D) use reasonable endeavours to recover any loss of Investments or other property of the Trust arising from any default of a Custodian.

For the avoidance of doubt, for so long as the Trust is authorised by the SFC under section 104 of the SFO, section 41O of the Trustee Ordinance (Cap. 29) shall not apply to the extent that is inconsistent with Clause 20.4 and/or with the Trustee’s duties and responsibilities under the SFC Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structured Investment Products, and shall not in any way operate to exempt or diminish any liability of the Trustee as set out in Clause 26.7.”

“31.1 Notwithstanding any other provision of this Deed if it shall appear to the Trustee to be beneficial to the interests of the Holders to remove the Trust to the jurisdiction of some other country or place in any part of the world then, subject to the fulfilment of the conditions set out in Clause 31.3, the Trustee may (but is under no obligation to) at any time or times and from time to time, by deed, declare that from the date specified in such declaration this Trust shall take effect in accordance with the law of such other country or place and so that the forum for the administration of the Trust shall thenceforth be the courts of that country or place and that the laws of that country or place shall be the governing law of the Trust, provided however that this Clause 31.1 and this Deed (including any amendment thereto) shall not exclude the jurisdiction of the Courts of Hong Kong to entertain any action concerning the Trust and/or any Sub-Fund so long as the Trust and any Sub-Fund is an Authorised Sub-Fund.”

Please also refer to Clause 31.4(B) in 6 above.

“Schedule 1

2.6 Notwithstanding Rules 2.1 to 2.5 (inclusive) above, the Manager may, in consultation with the Trustee, permit some other method of valuation to be used if, having regard to currency, applicable rate of interest, maturity, marketability and other considerations the Manager deems relevant, it considers that such adjustment is required to reflect the fair value thereof.”

12. The following clauses will be added in relation to the Common Reporting Standard and FATCA:

The following definitions will be added in Clause 1.1:

“CRS” means “the OECD Standard for Automatic Exchange of Financial Account Information in Tax Matters – the Common Reporting Standard” developed by the Organization for Economic Co-operation and Development to be an international standard for the automatic exchange of financial account information between relevant jurisdictions;’

“FATCA” means the foreign account tax compliance provisions of the Hiring Incentives to Restore Employment Act of 2010, as amended, and as used in Clause 37 shall refer to Sections 1471 through 1474 of the IRS Code, the United States Treasury Regulations or other official guidance or interpretations issued thereof or any agreements entered into thereunder;’

“Tax Authority” means any government, state or municipality or any local, state, federal or other authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function;’

“29.8 Subject to applicable laws and regulations in Hong Kong, the Trustee or the Manager or any of their authorised person(s) (as permissible under applicable law or regulation) shall have the power to sign and/or file any returns, elections, or statements by the Trust or any Sub-Fund to be filed with the applicable Tax Authorities, report or disclose information regarding any Holder to any government agency, regulatory authority or Tax Authority in any jurisdiction to enable the Trust or the relevant Sub-Fund to comply with any applicable law or regulation or any agreement with a Tax Authority (including, but not limited to, any applicable law, regulation or agreement under FATCA or CRS) (“Tax Law”), and enter into agreements on behalf of the Trust with any applicable Tax Authority (including, but not limited to, any agreement entered into pursuant to FATCA, or any similar or successor legislation) to the extent it determines, in its sole discretion, such agreement is in the best interest of the Trust.”

“29.9 The Manager shall on behalf of each Sub-Fund ensure that each Sub-Fund will at all times be compliant with the obligations pursuant to or arising from the Tax Law.”

“29.10 To the extent permitted by the applicable laws and regulations, the Manager shall as soon as reasonably practicable upon request by the Trustee provide or cause to be provided to the Trustee such tax documentation as the Trustee reasonably requests (“Tax Documentation”) in connection with any Tax Law applicable to the Trust, any Holder, the Trustee or its affiliates. The Manager shall notify the Trustee and provide relevant updated Tax Documentation as soon as reasonably practicable following a material change in the validity of, or information contained in, any Tax Documentation that the Manager previously provided to the Trustee.”

13. Clarificatory changes are made to the following clause:

The amendments to Clause 20.4(C):

“20.4 Notwithstanding Clause 30.2, the Trustee shall:-

- (A) exercise reasonable skill, care and diligence in the selection, appointment and monitoring of any Custodian;
- (B) be responsible during the term of appointment of any Custodian for satisfying itself as to the ongoing suitability of such Custodian to provide services to the Trust, having regard to the market or markets for which such Custodian is appointed;

(C) remain liable for any act or omission of any Custodian that is a connected person of the Trustee, as if the same were the act or omission of the Trustee, however if the Trustee has discharged its obligations set out in Clause 20.4(A) and 20.4(B), the Trustee shall not be liable for any act or omission of any Custodian that is not a Connected Person of the Trustee; and

(D) use reasonable endeavours to recover any loss of Investments or other property of the Trust arising from any default of a Custodian.

For the avoidance of doubt, for so long as the Trust is authorised by the SFC under section 104 of the SFO, section 41O of the Trustee Ordinance (Cap. 29) shall not apply to the extent that is inconsistent with Clause 20.4 and/or with the Trustee's duties and responsibilities under the SFC Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structured Investment Products, and shall not in any way operate to exempt or diminish any liability of the Trustee as set out in Clause 26.7."

"20.5 Notwithstanding Clause 20.4, the Trustee shall not be liable for (i) any act, ~~or omission,~~ insolvency, liquidation or bankruptcy of Euro-clear Clearing System Limited or Cedel, S.A. or any other recognised depositary or clearing system which may from time to time be approved by the Trustee and the Manager, ~~(ii) the insolvency of any brokers or agents appointed by the Trustee, at the direction of the Manager, to hold any assets of any Sub-Fund or (iii) the custody or control of any Investments, assets or other property which is under the custody or held by or on behalf of a lender pursuant to Clause 19.5."~~

"26.7 Nothing in any of the provisions of this Deed shall exempt either the Trustee or the Manager (as the case may be) from ~~or indemnify them against~~ any liability to Holders of any Authorised Sub-Fund for breach of trust through fraud or negligence or any liability which by virtue of Hong Kong law or any rule of law applicable to this Deed would otherwise attach to them in relation to their duties under this Deed, nor may they be indemnified against such liability by Holders or at Holders' expense."

**CHINA SELECT FUND (the “Sub-Fund”)
CHINA BALANCED FUND (the “Terminating Sub-Fund”)
(collectively the “Sub-Funds”)**

sub-funds of

CITI INVESTMENT TRUST (CAYMAN) II (the “Trust”)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of the Trust and the Sub-Fund will be held at 5:00 pm on 20 July 2017 at 50/F Champion Tower, 3 Garden Road, Central, Hong Kong⁴ for the purpose of considering and, if thought fit, passing the following resolution:

EXTRAORDINARY RESOLUTION

THAT:

- (i) the appointment of China Asset Management (Hong Kong) Limited as manager of the Trust and the Sub-Fund; and**
- (ii) the proposed changes to the investment strategy of the Sub-Fund as described in section 2 and Appendix 1 in the Notice to Unitholders dated 28 June 2017**

be hereby approved and the Manager and the Trustee are authorised to take all necessary steps to effect the same.

The quorum for passing the Extraordinary Resolution shall be Unitholders present in person or by proxy registered as holding not less than 25% of all the Units for the time being in issue.

The Extraordinary Resolution must be passed by Unitholders holding 75% or more of the votes of those present and entitled to vote in person or by proxy at the EGM.

Please refer to section 9 of the Notice to Unitholders dated 28 June 2017 if you wish to attend and/or vote at the EGM.

Citigroup First Investment Management Limited
as the Manager of the Trust and the Sub-Fund

Date: 28 June 2017

⁴ In case typhoon no. 8 or black rainstorm warning signal remains hoisted at or after 2:00 pm on 20 July 2017, the EGM will be postponed to 5:00 pm on 21 July 2017 at 50/F Champion Tower, 3 Garden Road, Central, Hong Kong.