First State Investments

First State Global Umbrella Fund Plc

Fund Prospectus

2 November 2015

FIRST STATE GLOBAL UMBRELLA FUND PLC

(the "Company")

(an umbrella investment company with variable capital and with segregated liability between sub-funds incorporated with limited liability under the laws of Ireland with registered number 288284)

FIRST SUPPLEMENT TO THE PROSPECTUS
(the "Supplement")

Dated 16 December 2015

This Supplement is supplemental to and should be read in conjunction with the Prospectus of the Company dated 2 November 2015 (the "Prospectus"). In all other respects the Prospectus remains unchanged. Unless otherwise provided for herein, all defined terms shall have the same meaning set forth in the Prospectus.

The Directors of the Company whose names appear on page 5 of the Prospectus accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The principal purpose of this Supplement is twofold:-

- to amend the Prospectus to allow certain Funds to invest directly in eligible China A Shares via Shanghai – Hong Kong Stock Connect ("Stock Connect"); and
- to create new share classes for various Funds.

STOCK CONNECT

1. RISK FACTORS

A. In the section of the Prospectus headed "Risk Factors" the following new paragraph is included on page 41 of the Prospectus:

"**Y. Risks specific to Investment in eligible China A Shares via Stock Connect**

Applicable to the First State Asian Equity Plus Fund, the First State Asian Growth Fund, the First State Asia Innovation Fund, the First State Asia Pacific All Cap Fund, the First State Asia Pacific Select Fund, the First State China Focus Fund, the First State China Growth Fund, the Stewart Investors Global Emerging Markets Leaders Fund, the First State Greater China Growth Fund, the First State Hong Kong Growth Fund, the Stewart Investors Worldwide Equity Fund and the Stewart Investors Worldwide Leaders Fund.

Stock Connect is a securities trading and clearing linked program developed by the Hong Kong Exchanges and Clearing Limited ("HKEx"), the Shanghai Stock Exchange ("SSE") and the China Securities Depositary and Clearing Corporation Limited ("ChinaClear") with an aim to achieve mutual stock market access between the PRC and Hong Kong ("Stock Connect"). Stock Connect comprises a Northbound Trading Link and a Southbound Trading Link. Under the Northbound Trading Link, Hong Kong and overseas investors (including the relevant Funds), through their Hong Kong brokers, sub-custodians and a securities trading service company established by the Stock Exchange of Hong Kong ("SEHK"), may be able to trade eligible China A Shares listed on the SSE by routing orders to SSE. Under the Southbound Trading Link, investors in the PRC will be able to trade certain stocks listed on the SEHK.

Stock Connect commenced trading on 17 November 2014 under a joint announcement issued by the Securities and Futures Commission of Hong Kong and the China Securities Regulatory Commission ("CSRC") on 10 November 2014.

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

- SSE-listed shares which are not traded in RMB; and
- SSE-listed shares which are included in the "risk alert board".

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

The trading is subject to rules and regulations issued from time to time. Trading under Stock Connect will initially be subject to a maximum cross-boundary investment quota ("Aggregate Quota"), together with a daily quota ("Daily Quota") which limits the maximum net buy value of cross-boundary trades under Stock Connect each day. Northbound trading and Southbound trading are subject to a separate set of Aggregate and Daily Quota. The Northbound Aggregate Quota caps the absolute amount of fund inflow into the PRC and is currently set at RMB300 billion. The Northbound Daily Quota is set at RMB13 billion.

The Hong Kong Securities Clearing Company Limited ("HKSCC"), a wholly-owned subsidiary of ("HKEX"), and ChinaClear will be responsible for the clearing, settlement and the provision of nominee and other related services of the trades executed by their respective market participants and investors. The SSE securities traded through Stock Connect are issued in uncertificated form, and investors will not hold any physical certificates in relation to these securities.

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

A failure or delay by HKSCC in the performance of its obligations may result in a failure of settlement, or the loss, of SSE securities and/or monies in connection with them and the relevant Funds may suffer losses as a result.

In addition to paying trading fees, levies and stamp duties in connection with trading in SSE securities, the relevant Funds may be subject to new fees arising from trading of SSE securities via Stock Connect which are yet to be determined and announced by the relevant authorities.

Specific Risks Applicable to investing via Stock Connect

In addition to the risk factors "B. Emerging Markets Risks" and "D. China Market Risk" the following additional risks apply:

- *Quota Limitations* Stock Connect is subject to quota limitations, as detailed above. In particular, once the remaining balance of the Northbound Daily Quota drops to zero or is exceeded during the opening call session, new buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the relevant Fund's ability to invest in SSE securities through Stock Connect on a timely basis, and the relevant Fund may not be able to effectively pursue its investment strategy.

- *Taxation Risk* The PRC tax authorities announced on 14 November 2014 that gains derived by foreign investors from China A Shares traded through Stock Connect, would be temporarily exempted from PRC taxation effective from 17 November 2014. This temporary exemption applies to China A Shares generally, however the temporary exemption does not apply to China onshore bonds. The duration of the period of temporary exemption has not been stated and is subject to termination by the PRC tax authorities with or without notice and worst case, retrospectively. In addition, the PRC tax authorities may implement other tax rules with retrospective effect which may adversely affect the relevant Funds. If the temporary exemption is withdrawn a foreign investor would be subject to PRC taxation in respect of gains on China A Shares and the resultant tax liability would be payable by the relevant Funds, and thus borne by its investors. However, this liability may be mitigated under the terms of an applicable tax treaty, and if so, any such benefits will be passed to investors.

- *Legal/Beneficial Ownership* The SSE securities in respect of the relevant Funds will be held by the sub-custodian in accounts in the Hong Kong Central Clearing and Settlement System maintained by the HKSCC as central securities depositary in Hong Kong. HKSCC in turn holds the SSE securities, as the nominee holder, through an omnibus securities account in its name registered with ChinaClear. The precise nature and rights of the relevant Funds as the beneficial owner of the SSE securities through HKSCC as nominee is not well defined under PRC law. While the Company on behalf of the relevant Fund may attempt to exercise its legal rights and interests relating to the SSE securities in the PRC through the HKSCC nominee, the Company will have no direct right of action against the issuer of the SSE securities, the SSE, or ChinaClear. Although the HKEx has recently addressed public concerns regarding the issue of beneficial ownership by clarifying the role of HKSCC as the nominee holder of the SSE Securities under Stock Connect, there is still a lack of a clear definition of, and distinction between, "legal ownership" and "beneficial ownership" under PRC law and there have been few cases involving a nominee account structure in the PRC courts. Therefore, the exact nature and methods of enforcement of the rights and interests of the Company under PRC law is uncertain. However, the CSRC has issued informal guidance in May 2015 clarifying that, as long as an overseas investor can provide evidential proof of direct interest as a beneficial owner, the investor may take legal action directly in the PRC courts.

- *Clearing and Settlement Risk* HKSCC and ChinaClear have established clearing links and each has become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on the one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house. As the national central counterparty of the PRC's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear default are considered to be remote. In the remote event of a ChinaClear default, HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear, but it is not obliged to do so. HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation process, if available. In the event of a ChinaClear default, the relevant Fund may suffer delay in the recovery process or may not fully recover its losses from ChinaClear.

- *Suspension Risk* Both SEHK and SSE reserve the right to suspend trading of SSE securities purchased on Stock Connect if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension of Northbound trading is triggered. Where a suspension in the Northbound trading through Stock Connect is effected, the relevant Fund's ability to access the PRC market through Stock Connect will be adversely affected.

- *Differences in Trading Day* Stock Connect will only operate on days when both the Shanghai and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. Therefore, it is possible that there are occasions when it is a normal trading day for the SSE market but the relevant Funds cannot carry out any SSE securities trading via Stock Connect. The relevant Funds may be subject to a risk of price fluctuations in SSE securities during the time when Stock Connect is not trading as a result.

- *Restrictions on Selling Imposed by Front-end Monitoring* PRC regulations require that before an investor sells any share, there should be sufficient shares in the account otherwise the SSE will reject the sell order concerned. SEHK will carry out pre-trade checking on SSE securities sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling. If a Fund intends to sell certain SSE securities it holds, it must ensure the availability of those securities is confirmed by its broker(s) before the market opens on the day of selling ("trading day"). If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the relevant Fund may not be able to dispose of its holdings of SSE securities in a timely manner.

- *Operational Risk* Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the SSE, the HKEx and/or the relevant clearing house.

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

- *Regulatory Risk* Stock Connect is a novel concept. The current regulations are untested and there is no certainty as to how they will be applied. Using Stock Connect as a means of investment will result in trades being subject to additional restrictions to those usually traded directly on exchange, which may result in investments being subject to greater or more frequent rises and falls in value and the investments may be harder to liquidate. In addition, the current regulations are subject to change and there can be no assurance that Stock Connect will not be abolished. New regulations may be issued from time to time by the regulators/stock exchanges in the PRC and Hong Kong in connection with operations, legal enforcement and cross-border trades under Stock Connect. The relevant Funds may be adversely affected as a result of such changes.

- *Recalling of Eligible Stocks* When a stock is recalled from the scope of eligible stocks for trading via Stock Connect, the stock can only be sold but is restricted from being bought. This may affect the investment portfolio or strategies of the relevant Funds, for example, if the Investment Manager or Sub-Investment Manager wishes to purchase a stock which is recalled from the scope of eligible stocks.

- *No Protection by Investor Compensation Fund* Investment in SSE securities via Stock Connect is conducted through brokers, and is subject to the risks of default by such brokers in their obligations. Investments of the relevant Funds through Northbound trading under Stock Connect are not covered by the Hong Kong Investor Compensation Fund, which has been established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong. Since default matters in respect of SSE securities via Stock Connect do not involve products listed or traded in SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the Investor Compensation Fund. Therefore the Company is exposed to the risks of default of the broker(s) it engages in its trading in SSE securities through Stock Connect. Investment in SSE securities via Stock Connect will also not be covered by the China Securities Investor Protection Fund.

- *UCITS Developments* Impending amendments to the rules governing the holding of UCITS assets by custodians are likely to impose strict liability for the return to the Company of any assets that may be lost while held in custody. The current way in which SSE securities are held when using Stock Connect may mean that in the future certain custodians may not continue to offer services to support such investment activities or may significantly increase their fees for doing so.

B. The penultimate paragraph of the risk factor "D. China Market Risk" on page 30 of the Prospectus is replaced by the following paragraph:

"A Fund may invest directly in China A Shares via FSIM UK's QFII quota and by also investing through Stock Connect. A Fund may also invest indirectly in China A Shares by investing in open-ended collective investment schemes that have obtained access to China A Shares through a QFII, Renminbi Qualified Foreign Institutional Investor ("RQFII"), Stock Connect, or in equity linked or participation notes.

Under current rules in China, a single foreign investor's shareholding in a listed company is limited to 10% of the company's total issued shares. In addition, all foreign investors' shareholdings in the China A Shares of a listed company (whether through Stock Connect, QFII or RQFII) are not permitted in aggregate to exceed 30% of its total issued shares. If the aggregate foreign investors' shareholdings of China A Shares of a single issuer exceeds the 30% threshold, the foreign investors concerned will be requested to sell the shares on a last-in-first-out basis within five trading days. The Company and its brokers are unlikely to have visibility on whether the Company's investments will be subject to the force-sell requirements. Where the Company is subject to a forced sale of its China A Shares, the usual investment parameters under which investment decisions are made for the relevant Fund may not be adhered to."

2. APPENDIX 1 – INVESTMENT OBJECTIVES, POLICIES AND RISKS OF THE FUNDS

A. On page 62 of the Prospectus under the section "Investing in China", the third paragraph under the sub-heading "China A Shares" is deleted and the following paragraphs are inserted respectively as the third and fourth paragraphs under this sub-heading:

"Certain Equity Funds may also invest directly in eligible China A Shares via Stock Connect. Where an Equity Fund invests in eligible China A Shares via Stock Connect the total maximum exposure to China A Shares is 25 per cent of the net assets of such Equity Fund. The Equity Funds that may invest directly in eligible China A Shares via Stock Connect are the First State Asian Equity Plus Fund, the First State Asian Growth Fund, the First State Asia Innovation Fund, the First State Asia Pacific All Cap Fund, the First State Asia Pacific Select Fund, the First State China Focus Fund, the First State China Growth Fund, the Stewart Investors Global Emerging Markets Leaders Fund, the First State Greater China Growth Fund, the First State Hong Kong Growth Fund, the Stewart Investors Worldwide Equity Fund and the Stewart Investors Worldwide Leaders Fund.

Some of the Equity Funds may also invest in the China A Shares indirectly through equity linked or participation notes issued by institutions that have obtained the QFII status or through investing in open-ended collective investment schemes that invest in China A Shares. The Chinese government may relax the QFII regulations over time and Equity Funds (other than the three Equity Funds referred to above as being eligible to invest through the QFII quota) could invest in the China A Share market directly if and when opportunities arise. Investments in equity linked or participation notes may be less liquid than direct investments and investments in collective investment schemes are subject to redemption restrictions. However, in no event will investments by an Equity Fund in warrants, equity linked or participation notes in aggregate exceed 15 per cent of the net assets of that Fund. Also, an Equity Fund may invest up to 10 per cent of its net assets in unlisted securities."

3. FUND RISK TABLE

A. In the table headed “Fund Risk Table” in Appendix 7 on page 104 of the Prospectus the rows relating to the each of the Funds referred to below are deleted and replaced with the following rows so that the rows shall be read as set out in Appendix 1 to this Supplement:-

B. On page 105 of the Prospectus an additional fund specific risk “Y Risks specific to investment in eligible China A Shares via Stock Connect” is added at the end of the table.

CREATION OF NEW SHARE CLASSES

Various new share classes (which may be accumulating and/or distributing depending on the Fund) are to be established in various Funds.

In the table headed “Other Fund Details” on pages 77 to 81 of the Prospectus various new rows are inserted in the sections relating to the relevant Funds to reflect the addition of the new share classes. These new rows are set out in Appendix 2 to this Supplement.

In the paragraph at the end of the table the reference to “14 January 2016” is replaced by “15 May 2016”.

4. DIRECTORY

The address of First State Investments (Singapore) is changing with effect from 14 December 2015. The directory on page 5 of the Prospectus is amended to include the following new address after the existing address of First State Investments (Singapore):

From 14 December 2015

Singapore Office
38 Beach Road
#06-11 South Beach Tower
Singapore 189767

Dated: 16 December 2015

APPENDIX 1

Fund Risk Table	Risks																								
Fund Name	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y
First State Asian Innovation Fund	•	•		•					•						•	•									•
First State Asia Pacific All Cap Fund	•	•		•					•						•	•									•
First State Asia Pacific Select Fund	•	•		•											•	•									•
First State Asian Equity Plus Fund	•	•		•					•						•	•	•							•	•
First State Asian Growth Fund	•	•		•					•						•	•									•
First State China Focus Fund	•	•		•			•		•						•	•									•
First State China Growth Fund	•	•		•			•		•						•	•								•	•
Stewart Investors Global Emerging Markets Leaders Fund	•	•		•											•	•									•
Stewart Investors Worldwide Leaders Fund	•	•		•												•									•
First State Greater China Growth Fund	•	•		•					•						•	•								•	•
First State Hong Kong Growth Fund	•			•			•		•							•									•
Stewart Investors Worldwide Equity Fund	•	•		•					•							•									•

APPENDIX 2 – NEW SHARE CLASSES

Name of Funds	Class of Shares	Hedged Currency Class	Initial Offer Period	Initial Offer Price	Distributing Policy	Distribution Frequency	Investment Management fee per annum
First State Asian Equity Plus Fund	VI	No	New	EUR 10	Accumulation	N/A	1%
First State Asian Growth Fund	VI	No	New	EUR 10	Accumulation	N/A	0.85%
	VI (Distributing)	No	New	USD 10	Distributing	Semi-Annually	0.85%
First State Asia Innovation Fund	VI	No	New	EUR 10	Accumulation	N/A	1%
First State Asia Pacific All Cap Fund	VI	No	New	EUR 10	Accumulation	N/A	1.25%
First State Asia Pacific Select Fund	VI	No	New	EUR 10	Accumulation	N/A	0.85%
First State Asian Property Securities Fund	VI	No	New	EUR 10	Accumulation	N/A	0.75%
First State China Focus Fund	VI	No	New	EUR 10	Accumulation	N/A	1%
First State China Growth Fund	VI	No	New	EUR 10	Accumulation	N/A	2%
First State Global Agribusiness Fund	VI	No	New	EUR 10	Accumulation	N/A	0.75%
First State Global Property Securities Fund	VI	No	New	EUR 10	Accumulation	N/A	0.75%
First State Global Resources Fund	VI	No	New	EUR 10	Accumulation	N/A	0.75%
First State Greater China Growth Fund	VI	No	New	EUR 10	Accumulation	N/A	1%
First State Hong Kong Growth	VI	No	New	EUR 10	Accumulation	N/A	1%
First State Indian Subcontinent	VI	No	New	EUR 10	Accumulation	N/A	1%
First State Japan Equity Fund	VI	No	New	EUR 10	Accumulation	N/A	1%
First State Global Listed Infrastructure Fund	I	No	New	EUR 10	Accumulation	N/A	1.5%
	VI (Distributing)	No	New	GBP 10	Distributing	Semi-Annually	0.75%
	VI	No	New	EUR 10	Accumulation	N/A	0.75%
First State Asian Bond Fund	VI (Distributing)	No	New	USD 10	Distributing	Semi-Annually	0.3 %
First State Asian Quality Bond Fund	VI (Distributing)	No	New	USD 10	Distributing	Semi-Annually	0.3 %
First State Emerging Markets Bond Fund	VI (Distributing)	No	New	USD 10	Distributing	Semi-Annually	0.6%

FIRST STATE GLOBAL UMBRELLA FUND PLC

(the "Company")

(an umbrella investment company with variable capital and with segregated liability between sub-funds incorporated with limited liability under the laws of Ireland with registered number 288284)

PROSPECTUS

This Prospectus is dated 2 November 2015

The Directors of First State Global Umbrella Fund plc whose names appear on page 5 accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

EQUITY FUNDS

First State Asian Equity Plus Fund
First State Asian Growth Fund
First State Asia Innovation Fund
First State Asia Pacific All Cap Fund
First State Asia Pacific Select Fund
First State Asian Property Securities Fund
First State Australian Growth Fund
First State China Focus Fund
First State China Growth Fund
First State Global Agribusiness Fund
First State Global Listed Infrastructure Fund
First State Global Property Securities Fund
First State Global Resources Fund
First State Greater China Growth Fund
First State Hong Kong Growth Fund
First State Indian Subcontinent Fund
First State Japan Equity Fund
First State Singapore and Malaysia Growth Fund
Stewart Investors Global Emerging Markets Leaders Fund
Stewart Investors Global Emerging Markets Select Fund
Stewart Investors Worldwide Equity Fund
Stewart Investors Worldwide Leaders Fund

BOND FUNDS

First State Asian Bond Fund
First State Asian Quality Bond Fund
First State Emerging Markets Bond Fund
First State Global Bond Fund
First State Global Credit Income Fund
First State High Quality Bond Fund
First State Hong Kong Dollar Bond Fund
First State Long Term Bond Fund

(Each a "Fund")

Investment in Shares in the Company is not permitted by or on behalf of U.S. Persons (as defined in Regulation S under the United States Securities Act of 1933, as amended).

IMPORTANT INFORMATION

THIS PROSPECTUS CONTAINS IMPORTANT INFORMATION ABOUT THE COMPANY AND SHOULD BE READ CAREFULLY BEFORE INVESTING. IF YOU HAVE QUESTIONS ABOUT THE CONTENTS OF THIS PROSPECTUS OR THE SUITABILITY OF AN INVESTMENT IN THE COMPANY, YOU SHOULD CONSULT YOUR BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER FINANCIAL ADVISER.

Certain terms used in this Prospectus are defined in **Appendix 6**.

The Company has been authorised by the Central Bank as a UCITS within the meaning of the Regulations. **The authorisation of the Company as a UCITS by the Central Bank is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus. The authorisation of the Company by the Central Bank shall not constitute a warranty as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company.**

The value of the Shares in the Company may go up or down and you may not get back the amount you have invested in the Company. Before investing in the Company you should consider the risks involved in such an investment. Due to the fact that some of the Funds may invest in Emerging Markets, smaller companies and non-investment grade bonds, investment in these Funds may involve a greater degree of risk than is the case with Funds that invest in developed markets. Some Funds may also invest in warrants on transferable securities. **The difference at any one time between the sale and repurchase price of Shares in a Fund means that the investment should be viewed as medium to long term. It is therefore recommended that an investment in any of the Funds should not constitute a substantial proportion of an investor's portfolio and may not be appropriate for all investors.** Please see the section headed "Risk Factors" below.

Shareholders should note that 100 per cent of the investment management fees and operational expenses of the First State Asian Equity Plus Fund, the First State Asian Property Securities Fund, the First State Emerging Markets Bond Fund, the First State Global Credit Income Fund, the First State Global Listed Infrastructure Fund and the First State Global Property Securities Fund will be charged to the capital of the relevant Fund. Similarly, Shareholders should also note that in certain circumstances dividends may be paid out of capital. The reason for charging these expenses against capital or paying dividends out of capital is to seek to increase the amount of distributable income but this may be achieved by foregoing the potential for future capital growth and in the case of payment of dividends this cycle may continue until all of the capital is depleted. **This charging strategy will have the effect of lowering the capital value of your investment. Thus on redemptions of holdings, Shareholders may not receive back the full amount invested.**

The Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any of the states of the US nor is such a registration contemplated. The Shares may not be offered, sold or delivered directly or indirectly within the U.S. or to, or for the account or benefit of, any U.S. Persons. Shares are being offered to non-US Persons in offshore transactions outside the United States in reliance on Regulation S of the Securities Act. Shares may not be acquired or owned by, or acquired with the assets of, an ERISA Plan except pursuant to a relevant exemption. An ERISA Plan is defined for these purposes as (i) any employee benefit plan within the meaning of section 3(3) of the United States Employee Retirement Income Security Act of 1974, as amended and subject to Title I of ERISA; or (ii) any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended.

Neither the Company nor the Funds have been or will be registered under the U.S. Investment Company Act of 1940, as amended.

Investment in Shares by or on behalf of U.S. Persons is not permitted.

The Company will be required to identify whether any of the Shareholders are "Specified United States Persons" under the tax laws of the U.S. or are non-U.S. entities with one or more Specified United States Persons as "substantial United States owners," and may be required to disclose information to the relevant tax authorities including the identity, value of holdings and payments made to such persons as set out in the section headed "Disclosure of tax information". The Company may also be required to withhold on withholdable payments made to such persons as set out in the section headed "Withholdings and Deductions".

For the purposes of this section, a Specified United States Person generally will include, subject to certain exceptions, (a) an individual who is a citizen or resident of the U.S., (b) a partnership or corporation (including any entity treated as a partnership or corporation for U.S. tax purposes, such as a limited liability company) organized in or under the laws of the U.S. or any State thereof (including the District of Columbia), (c) any estate the income of which is subject to U.S. tax regardless of its source, and (d) any trust if (i) a court within the U.S. is able to exercise primary supervision over the administration of the trust and (ii) one or more United States persons have the authority to control all substantial decisions of the trust. A person's status under US tax and securities laws can be complex and we recommend that persons unsure of their status under US law seek their own advice prior to subscribing for Shares.

The Funds are not currently qualified for sale, and the Funds, the Company and the Investment Manager are neither registered nor exempt from registration as a dealer, adviser or investment fund manager, in any province or territory of Canada. Any investment in Shares by or on behalf of a person resident or otherwise located in Canada is prohibited.

This Prospectus may not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or unauthorised. Before investing in a Fund an investor shall be required to confirm whether the investor is an Irish Resident for tax purposes.

Investors should regard any information given, or representations made, by any dealer, salesman or other person not contained in this Prospectus or in any reports and accounts of the Company forming part hereof as unauthorised and accordingly must not be relied upon. Neither the delivery of this Prospectus nor the offer, issue or sale of Shares shall under any circumstances constitute a representation that the information contained in this Prospectus is correct as of any time subsequent to the date of this Prospectus. To reflect material changes, this Prospectus may from time to time be updated and intending subscribers should enquire of the Administrator, their financial representative or their local dealing office as to the issue of any later Prospectus or as to the issue of any reports and accounts of the Company.

Distribution of this Prospectus in certain jurisdictions will require that the Prospectus be translated into other languages. Where such translation is required, it will be a direct translation from the English text and in the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English text shall prevail and all disputes as to the terms thereof shall be governed by, and construed in accordance with, the laws of Ireland.

This Prospectus should be read in its entirety before making an application for Shares.

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DIRECTORY

The Company
First State Global Umbrella Fund plc

Registered Office
Arthur Cox Building
Earlsfort Terrace
Dublin 2
Ireland

Directors
Peter Blessing
Chris Turpin
Michael Stapleton
James Breyley
Bronwyn Wright
Kevin Molony

Investment Manager and Promoter
First State Investments (Hong Kong) Limited
Sixth Floor
Three Exchange Square
Central
Hong Kong

Sub-Investment Managers
First State Investment Management (UK) Limited
23 St. Andrew Square
Edinburgh
Scotland

First State Investments (Singapore)
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One Temasek Avenue
Singapore 039192

Colonial First State Investments Limited
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New South Wales
2000
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Colonial First State Asset Management (Australia) Limited
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New South Wales
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Sub-Sub-Investment Manager
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Distributors
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15 Finsbury Circus
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One Temasek Avenue
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Custodian
HSBC Institutional Trust Services (Ireland) Limited
1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

Administrator and Registrar
HSBC Securities Services (Ireland) Limited
1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

Auditors
PricewaterhouseCoopers
One Spencer Dock
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Arthur Cox
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Ireland

Company Secretary
Bradwell Limited
Arthur Cox Building
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DETAILS OF THE COMPANY

Structure of the Company

The Company is an investment company with variable capital organised under the laws of Ireland pursuant to the Companies Act 2014 and the Regulations. It was incorporated on 18 June, 1998 under registration number 288284 and was authorised by the Central Bank on 23 June 1998. Clause 2 of the memorandum of association of the Company provides that the sole object of the Company is the collective investment in transferable securities and/or other liquid financial assets referred to in Regulation 68 of the Regulations of capital raised from the public and which operates on the principle of risk spreading.

The Company is organised in the form of an umbrella fund. The Articles of Association provide that the Company may offer separate Classes of Shares each representing interests in a Fund comprised of a distinct portfolio of investments. Where interests in a Fund are represented by more than one Class of Shares, a separate pool of assets shall not be maintained for each such Class within that Fund.

Details of the Funds, including their investment objectives and policies are set out in **Appendix 1**. Details of the classes of shares and their characteristics by Fund are set out in **Appendix 2**. Details of the investment restrictions applicable to the Funds are set out in **Appendix 3**. The current Funds approved by the Central Bank are:–

Equity Funds

First State Asian Equity Plus Fund
First State Asian Growth Fund
First State Asia Innovation Fund
First State Asia Pacific All Cap Fund
First State Asia Pacific Select Fund
First State Asian Property Securities Fund
First State Australian Growth Fund
First State China Focus Fund
First State China Growth Fund
First State Global Agribusiness Fund
First State Global Listed Infrastructure Fund
First State Global Property Securities Fund
First State Global Resources Fund
First State Greater China Growth Fund
First State Hong Kong Growth Fund
First State Indian Subcontinent Fund
First State Japan Equity Fund
First State Singapore and Malaysia Growth Fund
Stewart Investors Global Emerging Markets Leaders Fund
Stewart Investors Global Emerging Markets Select Fund
Stewart Investors Worldwide Equity Fund
Stewart Investors Worldwide Leaders Fund

Bond Funds

First State Asian Bond Fund
First State Asian Quality Bond Fund
First State Emerging Markets Bond Fund
First State Global Bond Fund
First State Global Credit Income Fund
First State High Quality Bond Fund
First State Hong Kong Dollar Bond Fund
First State Long Term Bond Fund

With the prior approval of the Central Bank, the Company from time to time may create an additional Fund or Funds. Different Classes of Shares may be issued in respect of each Fund. The issue of new Classes of Shares shall be effected in accordance with the requirements of the Central Bank.

Each Fund will be responsible for bearing its own liabilities. The Company is an umbrella fund with segregated liability between Funds and under Irish law will not be liable as a whole to third parties.

The First State Australian Growth Fund and the First State Hong Kong Dollar Bond Fund are closed for subscriptions.

The Stewart Investors Global Emerging Markets Select Fund was merged into the Stewart Investors Global Emerging Markets Leaders Fund on 24 April 2015.

An application will be made to the Central Bank in due course to seek the revocation of approval of the Stewart Investors Global Emerging Markets Select Fund and the First State Hong Kong Dollar Bond Fund.

GENERAL INFORMATION

Share Capital

The share capital of the Company shall at all times equal the Net Asset Value. The Directors are empowered to issue up to five hundred billion Shares of no par value (being the authorised share capital) in the Company at the Net Asset Value per Share on such terms as they may think fit.

The Share issue proceeds shall be applied to the books of the relevant Fund and shall be used in the acquisition of permissible investments on behalf of the relevant Fund. The records and accounts of each Fund shall be maintained separately.

All but three of the Subscriber Shares have been repurchased by the Company. The Subscriber Shares entitle Shareholders to attend and vote at all meetings of the Company, but do not give entitlement to participate in the dividends or net assets of any fund or of the Company.

On winding up, Subscriber Shares entitle holders to receive the amount paid up in respect of the Shares but not to participate in the assets of the Company. Details of the voting rights applicable to Subscriber Shares are summarised under "**Voting Rights**" within the section "Memorandum and Articles of Association" below. The Articles provide that any Subscriber Shares which are not held by the Investment Manager or its nominees are subject to compulsory repurchase by the Company.

Reports and Accounts

The Company's year-end is 31 December in each year. The annual report and audited accounts of the Company will be sent to Shareholders within a period of four months after the end of each accounting year and at least 21 days before the general meeting of the Company at which they are to be submitted for approval. The Company will also prepare a semi-annual report and unaudited accounts within a period of two months after the end of the semi-annual period ending on 30 June in each year which will be made available to Shareholders on request free of charge. The latest audited accounts will be sent to prospective investors on request.

Commission Sharing

The Investment Manager and any of its subsidiaries, affiliates, group members, associates, agents, Directors, officers or delegates ("**Connected Persons**" and each a "**Connected Person**") may use brokerage firms that sell Shares or that provide to the Company research and advisory services, that can reasonably be expected to assist in the provision of investment services to benefit the Company. This can occur only when the Connected Person(s) believes that no other firm offers a better combination of quality execution and favourable price, the firm has agreed to provide best execution to the Company and the brokerage rates are not in excess of customary institutional full-service brokerage rates. This may include situations where the dealing commission on a particular trade or series of trades is shared between one or more providers of execution and/or research services. In this case a portion of the commission paid by the Company to the executing broker is used to purchase third-party research or execution services. Such arrangements may be entered into in order to allow maximum flexibility in the selection of execution counterparties, particularly where a research service provider does not also provide an execution service. The Company discloses any such commission sharing arrangements in its periodic reports.

Portfolio Transactions, Conflicts of Interest and Best Execution

The Company has adopted a policy designed to ensure that in all transactions, a reasonable effort is made to avoid conflicts of interest, and when they cannot be avoided, such conflicts are managed so that the Funds and their Shareholders are fairly treated. The Investment Manager, Sub-Investment Managers, Administrator, Custodian, any Shareholder and any of their respective Connected Persons may contract or enter into any financial, banking or other transaction with one another or with the Company, subject to the provisions of this section.

In particular, any Connected Person may also deal as agent or principal in the sale or purchase of securities and other investments to or from the Company through or with any Connected Person. There will be no obligation on the part of any Connected Person to account to Shareholders for any benefits so arising and any such benefits may be retained by the relevant party, provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length, and are in the best interests of Shareholders, and one of the following conditions is also satisfied; (a) a certified valuation of the transaction by a person approved by the Custodian as independent and competent has been obtained; (b) the transaction has been executed on best terms on an organised investment exchange under its rules; or (c) where (a) and (b) are not practical, such transaction has been executed on terms which the Custodian is satisfied conform with the principle that such transactions be carried out as if effected on normal commercial terms negotiated at arm's length.

The Company has adopted a policy designed to ensure that its service providers act in the Funds' best interests when executing decisions to deal and placing orders to deal on behalf of those Funds in the context of managing the Funds' portfolios. For these purposes, all reasonable steps must be taken to obtain the best possible result for the Funds, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, research services provided by the broker to the Investment Manager or Sub-Investment Managers, or any other consideration relevant to the execution of the order. Information about the Company's execution policy and any material change to the policy is available to Shareholders at no charge upon request.

The Investment Manager or Sub-Investment Managers and any Connected Person shall not retain the benefit of any cash commission rebate paid or payable from any broker or dealer in respect of any business placed with such broker or dealer by the Investment Manager or Sub-Investment Managers or any Connected Person for or on behalf of the Company. Any cash commission rebate received from any broker or dealer shall be held by the Investment Manager or Sub-Investment Managers or a Connected Person for the account of the relevant Fund.

The Investment Manager or Sub-Investment Managers may also have potential conflicts of interest with the Company, within the course of its business and in circumstances other than those referred to above, for example, when acting for other clients or for its own account. In such an event the Investment Manager or Sub-Investment Managers will observe their respective obligations under the Investment Management Agreement or Sub-Investment Management Agreement, as appropriate. This relates to its obligation to act in the best interests of the Company so far as practicable, whilst observing its obligations to other clients when undertaking any investments where conflicts of interest may arise and, in particular to allocate investment opportunities among clients in a fair and equitable manner. In the event that a conflict of interest arises, the Directors will endeavour to ensure that such conflict is resolved fairly.

The Investment Manager may in certain circumstances be responsible for valuing certain securities held by the Funds. The Investment Manager is paid a fee, being a percentage of the Net Asset Value of each Fund. The Investment Manager's fee will increase as the value of the Fund increases. Consequently a conflict of interest may arise between the interests of the Investment Manager and the Funds. In such an event, the Investment Manager shall observe its obligations to the Company and the Fund to ensure that the issue is resolved fairly and in the best interests of the Shareholders.

Voting Policy

The Company has developed a strategy for determining when and how voting rights are exercised. Details of the actions taken on the basis of those strategies are available to Shareholders at no charge upon request.

Complaints

Information regarding the Company's complaint procedures is available to Shareholders free of charge upon request. Shareholders may file any complaints about the Company or a Fund free of charge at the registered office of the Company.

Material Contracts

The following contracts, details of which are set out in the section entitled "**Management and Administration**", have been entered into and are, or may be, material:–

(a) The Custodian Agreement dated 30 June 1999 and as amended by a supplemental agreement dated 31 May 2007 between the Company and the Custodian pursuant to which the latter acts as Custodian to the Company.

(b) The Investment Management Agreement dated 2 June 1999 as amended by a supplemental agreement dated 31 May 2007 between the Company and the Investment Manager pursuant to which the latter was appointed as Investment Manager in relation to the Company.

(c) The Administration Agreement dated 30 June 1999 and as amended by a supplemental agreement dated 31 May 2007 between the Company and the Administrator pursuant to which the latter acts as Administrator and transfer agent in Ireland of the Company.

(d) The Distribution Agreement dated 23 July 2004 as amended by a supplemental agreements dated 31 May 2007 between the Company, the Investment Manager and First State Investments (UK) Limited pursuant to which the latter is appointed as a non-exclusive distributor of the Shares.

(e) The Distribution Agreement dated 24 May 2006 as amended by a supplemental agreement dated 31 May 2007 between the Company, the Investment Manager and First State Investments (Singapore) pursuant to which the latter is appointed as a non-exclusive distributor of the Shares.

(f) The Sub-Investment Management Agreement between the Investment Manager and First State Investments (Singapore) dated 2 June 1999 as amended from time to time.

(g) The Sub-Investment Management Agreement between the Investment Manager and First State Investment Management (UK) Limited ("**FSIM UK**") dated 20 September 2001 as amended from time to time.

(h) The Sub-Investment Management Agreement between the Investment Manager and Colonial First State Investments Limited dated 27 October 2006 as amended from time to time.

(i) The Sub-Investment Management Agreement between the Investment Manager and Colonial First State Asset Management (Australia) Limited dated 5 December 2012 as amended from time to time.

(j) The Sub-Sub-Investment Management Agreement between the Sub-Investment Manager Colonial First State Asset Management (Australia) Limited and Monegy, Inc dated 5 December 2012 as amended from time to time.

Documents for Inspection

Copies of the following documents may be inspected at the registered offices of the Investment Manager and the Administrator during usual business hours (weekdays, except Saturdays and public holidays):

(a) the Memorandum and Articles of Association of the Company; copies of this document may be obtained from the Investment Manager or the Administrator free of charge;

(b) the material contracts relating to the Company;

(c) the most recently prepared annual and half-yearly reports relating to the Company published by the Administrator; copies of these documents may be obtained from the Investment Manager or the Administrator upon payment of such fee as the Directors and the Investment Manager may agree;

(d) the Companies Act 2014;

(e) the Regulations;

(f) the UCITS series of notices issued by the Central Bank;

(g) a list of all the directorships and partnerships past and present held by each Director in the previous five years; and

(h) the Key Investor Information Document for each Share Class in each Fund; copies of this document may be obtained free of charge from either the Distributor in Edinburgh or the Administrator or on the Company's website **www.firststateinvestments.com**.

CHARACTERISTICS OF SHARES

Share Classes

The Company may issue several Classes of Shares in respect of each Fund. Currently Class I Shares are available for subscription in each Fund. In the case of Class I Shares, both accumulation and distributing Shares are available for certain Funds. It is not proposed to issue any further Class II Shares. Class III, Class IV and Class V Shares are also available for certain Funds. In the case of Class I and Class III Shares currency hedged Share Classes are also available in Sterling and Euro for the First State Global Credit Income Fund, for further information see the paragraph headed "Currency Hedged Share Classes" below. Each Class of Share may be distinguished on the basis of minimum subscription, currency of denomination, hedging policy, initial and annual charges and applicable distribution policy. Details of these policies as well as the minimum subsequent investment, minimum holding for each Share Class available for subscription and the Share Classes available in respect of each Fund are set out in **Appendix 2**. The Class III (G) Shares in Stewart Investors Worldwide Leaders Fund are no longer offered for subscription other than to existing Shareholders of the Stewart Investors Worldwide Leaders Fund listed in the register as of 24 February 2014. The Company reserves the right to vary the minimum investment for each Class and Fund, and choose to waive these minimum requirements if considered appropriate.

Hong Kong investors should consult the latest available "Supplement for Hong Kong Investors" for other restrictions and further information applicable to Hong Kong investors.

Reporting Fund Status

The UK offshore fund legislation will apply in the case of the Company. Under the legislation each Fund/Share Class will be treated as a separate offshore fund and may apply to HM Revenue & Customs for approval as a Reporting Fund.

UK resident Shareholders will be taxed on gains arising at the time of sale, disposal or redemption of Shares in a Reporting Fund as a capital gain and not income.

UK resident Shareholders should consult the latest available Supplement for Investors in the United Kingdom for further information on Reporting Fund status.

Currency Hedged Share Classes

For Currency Hedged Share Classes, the intention will be to either hedge from the currency of denomination of certain (but not necessarily all) assets of the relevant Fund into the currency of the Currency Hedged Share Class concerned or to hedge from the Base Currency of the relevant Fund into the currency of denomination of the Currency Hedged Share Class.

It is intended to carry out such hedging through the utilisation of various techniques, including entering into over-the-counter ("**OTC**") currency forward contracts and foreign exchange swap agreements, together the "currency hedge transactions".

Shareholders should be aware that Currency Hedged Share Classes aim to either minimise the effect of currency fluctuations between the currency of certain (but not necessary all) assets of the Fund and the currency of the Currency Hedged Share Class concerned or to reduce exposure to exchange fluctuations between the Base Currency of the Fund and the currency of denomination of the Currency Hedged Share Class. However, investors in the Currency Hedged Share Classes will still be exposed to the market risks that relate to the underlying investments in a Fund and to any exchange rate risks that arise from the investment policy of the Fund that are not fully hedged and to other risks as further set out under the section headed "Risk Factors".

Due to factors outside the control of the Company, currency exposure may be over or under hedged but hedged positions will not be permitted to exceed 105 per cent. of the net assets of the relevant Currency Hedged Share Class. Hedged positions will be kept under review by the Investment Manager to ensure that over hedged positions will not be permitted to exceed 105 per cent. Such review will incorporate a procedure to ensure that positions materially in excess of 100 per cent. will not be carried forward from month to month.

All costs, expenses, gains and losses incurred/accrued from the currency hedge transactions will be borne by the relevant Currency Hedged Share Class.

Investors should be aware that any currency hedging process may not give a precise hedge. Furthermore, there is no guarantee that the hedging will be totally successful. Investors in the Currency Hedged Share Classes may have exposure to currencies other than the currency of their Share Class.

Currency Hedged Share Classes can be identified by the suffix "(hedged)" appearing after the currency denomination of the Share Class mentioned.

Distribution Policy

The Directors do not intend to declare or pay any dividends, except in the case of the distributing Share Classes listed in **Appendix 2**. The dividends which accrue monthly shall normally be paid at the end of each month. The dividends which accrue for the half year periods ending 30 June and 31 December shall normally be paid by the end of August and February respectively in each year. The dividends which accrue for the quarter year periods ending 31 March, 30 June, 30 September and 31 December shall normally be paid by the end of February, May, August and November respectively in each year. In any event, all dividends will be paid within four months of the dividend declaration date. Details of the distributing policy and frequency of each of the Funds are set out in **Appendix 2**.

Dividends may be paid out of net revenue (including interest and dividends) plus realised and unrealised profits on the disposal/valuation of investments and other funds, less realised and unrealised losses (including fees and expenses).

Any dividend will be paid by telegraphic transfer or cheque sent by ordinary post to the registered address of the Shareholder or, in the case of joint holders, to the name and address of the first Shareholder appearing on the register. Any dividend which is unclaimed six years from the date it became payable shall be forfeited and become the property of the relevant Fund.

Shareholders should note that 100 per cent of the investment management fees and operational expenses of the First State Asian Equity Plus Fund, the First State Asian Property Securities Fund, the First State Emerging Markets Bond Fund, the First State Global Credit Income Fund, the First State Global Listed Infrastructure Fund and the First State Global Property Securities Fund will be charged to the capital of the relevant Fund. The reason for charging these expenses against capital is to seek to increase the amount of distributable income but this may be achieved by foregoing the potential for future capital growth. **This will have the effect of lowering the capital value of your investment.** Thus on redemptions of holdings, Shareholders may not receive back the full amount invested. Please note that in the case of the Class I (Distributing) Shares, Class I (Sterling Distributing) Shares and Class I (Hong Kong Dollar Distributing) Shares of the Funds stated above, distributions will be reinvested in the Fund unless the Shareholder otherwise specifies in writing. The amount reinvested will still be treated as income for UK tax purposes.

Monthly Distributing Share Classes

In the case of monthly distributing Share Classes, the monthly dividend rate per Share will be calculated by the Investment Manager based on the estimated income which is attributable to that Share Class.

Any fees and expenses relating to these Share Classes will be charged against capital to increase the amount of distributable income but this may be achieved by foregoing the potential for future capital growth.

Whilst this Share Class will provide the benefit of a regular dividend payment, Shareholders should be aware that in some cases an adjustment to the payment may be required, and this may result in a decrease or increase in dividend rate and payment. The Investment Manager will review the dividend rate for each such Share Class at least semi-annually, but may adjust the dividend rate more frequently if necessary to reflect changes in the expected income levels.

Shareholders should also be aware that in maintaining a regular dividend payment, at times dividend may be paid out of capital of the Fund instead of income and this may result in an erosion of the capital invested given the lack of potential for future capital growth and this cycle may continue until all capital is depleted.

The payment of dividends out of capital may have different tax implications from the payment of dividends out of income and it is recommended that investors seek advice in this regard.

Dividends for these Share Classes will normally be paid to Shareholders by the end of each month in the currency of the relevant Share Class.

The Company may be required to withhold tax on dividends paid to Shareholders at the applicable rate, unless it has received from the Shareholder or Shareholders a declaration in the prescribed form, confirming that the Shareholder is not an Irish Resident from whom it is required to deduct tax. In order to deduct any tax liability that may arise, the Company reserves the right to redeem such number of Shares held by such Shareholder or Shareholders.

BORROWINGS

A Fund may not borrow money, grant loans or act as guarantor on behalf of third parties,

except as follows:–

(i) foreign currency may be acquired by means of a back-to-back loan. Foreign currency obtained in this manner is not classed as borrowings for the purposes of paragraph (ii) below provided that the offsetting deposit (a) is denominated in the Base Currency of each Fund and (b) equals or exceeds the value of the foreign currency loan outstanding provided further that foreign currency borrowings do not exceed the value of the back to back deposit;

(ii) borrowings not exceeding 10 per cent of the Net Asset Value may be made on a temporary basis. The Company and the Custodian may give a charge over the assets of the Company in respect of a relevant Fund in order to secure such borrowings.

A Fund may not sell any of its investments when such investments are not in the Fund's ownership.

BUYING, SELLING AND SWITCHING SHARES

Buying Shares

Shares may be bought on every Dealing Day by sending a completed application form for initial subscriptions to the Administrator, the Investment Manager in its role as Hong Kong representative, the Edinburgh office in its role as Distributor, or the Singapore office in its role as Distributor before the dealing cut-off time of 10:00 a.m. (Irish time) on any Dealing Day. By prior agreement with the Investment Manager or a designated Distributor, subsequent subscriptions will be accepted on the basis of a faxed application form or letter of instruction where a signed original account application form and any required supporting documentation (including all required anti-money laundering documentation) has been provided in advance to the Administrator.

In addition, following any initial subscription, subsequent subscriptions may be accepted electronically in such format or method as shall be agreed in writing in advance with the Administrator and subject to and in accordance with the requirements of the Central Bank.

For Shares bought via a financial representative or local dealing office, the respective intermediary is responsible for transmitting all documentation and subscription moneys to the Administrator on a timely basis for each Dealing Day. Subscription moneys must be received within 5 Business Days of the relevant Dealing Day. Subscriptions placed with a financial representative or a local dealing office may be subject to different procedures which may delay receipt by the Administrator and consequently may affect the date of Share allotment. Contract Notes are issued on the Business Day following the relevant Dealing Day on which deals are placed. The dealing cut-off time is 10:00 a.m. (Irish time) on any Dealing Day.

Shares will be offered at the initial offer price per Share (exclusive of the sales charge) during the Initial Offer Period.

Where a Class of Shares in any Fund has not previously been issued, then initial subscriptions for such Shares will be accepted during the Initial Offer Period. The Initial Offer Period for individual Funds and Share Classes are shown in **Appendix 2**. Subscription requests made during the Initial Offer Period should be received on or before the dealing cut-off time (10:00 a.m. (Irish time)) on the final day of the Initial Offer Period. Any subscriptions received after the dealing cut-off time on the final day of the Initial Offer Period will be processed on the next Dealing Day and Shares shall be issued at the relevant Net Asset Value per Share on the Dealing Day on which they are issued.

Details of the minimum and subsequent investment for each Share Class are set out in **Appendix 2**. Applications during the Initial Offer Period should be sent to the office of the Investment Manager, either to its Edinburgh office in its role as Distributor, or its Singapore office in its role as Distributor (for onward transmission to the Administrator) to arrive as per the dealing deadline. At the end of the Initial Offer Period, Shares in the relevant Fund will be allotted to investors provided that cleared funds have been received at the close of the relevant Initial Offer Period.

After Shares have been allotted at the end of the Initial Offer Period, the Investment Manager will invest in accordance with the investment policy of the relevant Fund. The period of time taken to invest will depend on the Investment Manager's view of the market in general and on individual stocks. Investors will only become exposed to market movements once investment has occurred. No subscription monies will be invested during the Initial Offer Period. No interest will accrue on the subscription monies during the Initial Offer Period. If the application for subscription is not successful, the subscription monies will be returned (where permitted by applicable law) without interest.

Following the Initial Offer Period, Shares shall be issued at the relevant Net Asset Value per Share as determined on the Dealing Day on which they are issued.

A sales charge may be payable to the Investment Manager upon subscriptions for Shares. Such sales charge will be charged as a percentage of the amount subscribed in a particular Class. Details of the maximum sales charge payable in respect of each Class of Share are set out in **Appendix 2**. The Directors may, in their absolute discretion, vary or waive the amount of sales charge payable by investors on any Dealing Day.

An Anti-Dilution Adjustment[1] may be payable by the Shareholder from time to time as determined by the Investment Manager (which Anti-Dilution Adjustment shall not exceed 2 per cent of the subscription monies obtained on the Dealing Day on which the subscription is effected). If there are net subscriptions for Shares by investors on a Dealing Day, then the Investment Manager may have to purchase investments for the Fund and in doing so the Fund will incur dealing costs. An Anti-Dilution Adjustment reduces the effect of these costs by increasing the Net Asset Value per Share to investors in these circumstances to cover those dealing costs. Any Anti-Dilution Adjustment applicable will be included in the subscription price on any day on which a Fund receives net subscriptions. The amount of the Anti-Dilution Adjustment is paid into the Fund for the protection of continuing Shareholders in that Fund. The Anti-Dilution Adjustment is not applied for the benefit of the Company. The Anti-Dilution Adjustment may be applied in respect of all of the Funds. The decision on whether or not to make a dilution adjustment, and the level of adjustment to make in particular circumstances or generally, will be made in line with the Company's policy on anti-dilution. The price of each Class of Share in a Fund will be calculated separately but any dilution adjustment will in percentage terms affect the price of Shares of each Class identically. Further information on how Anti-Dilution Adjustment is applied can be obtained on request from the Company.

Investors who place subscriptions with their financial representative or local dealing office should be aware that customer service fees may be charged by these entities, in addition to any sales charge. Investors should consult their financial adviser for more information. Such fees are not paid by the Fund and are a matter of agreement between the relevant financial representative or local dealing office and the investor.

Fractions of not less than one-thousandth of a Share may be issued. Subscription moneys representing smaller fractions of Shares will not be returned to the applicant but will be retained as part of the assets of the relevant Fund. Payment should be made in one of the ways specified in the application form. Settlement of a purchase transaction must occur within five Business Days after the Dealing Day. If cleared funds are not received within this period, the Administrator if instructed to do so by the Directors may cancel any allotment of Shares in respect thereof. Any costs incurred by the Company as a result of an investor's failure to transmit cleared funds by the deadline shall be borne by the investor.

[1] In certain jurisdictions an Anti-Dilution Adjustment is referred to as a swing pricing adjustment.

The Directors reserve the right to process a subscription order received after the dealing cut-off time of 10:00 a.m. (Irish time), provided that all subscription orders are received prior to 11:00 a.m. (Irish time) on the relevant Dealing Day. Subject to the Directors discretion, any subscription orders received after the dealing cut-off time of 10:00 a.m. (Irish time) will be held over until the next Dealing Day. The Directors may refuse to accept a new subscription or a switch from another Fund. The Articles of Association provide that the Company may issue Shares in a Fund in exchange for investments acquired in accordance with the investment objectives, policies and restrictions of the relevant Fund. No Shares shall be issued until the investments are vested in the Custodian. The number of Shares issued in exchange for a subscription *in specie* must not exceed the number of Shares that would have been issued for the cash equivalent. The value of the investments in the Company shall be determined by the Directors in accordance with the Articles of Association as at 11 a.m. (Irish time) on the relevant Dealing Day or at the end of the Initial Offer Period. The Directors and the Custodian must be satisfied that the terms of any such exchange will not be likely to result in any material prejudice to the existing Shareholders of the relevant Fund.

Measures aimed towards the prevention of money laundering, within the jurisdiction of the Administrator, will require a detailed verification of the applicant's identity, address and source of funds. Depending on the circumstances of each application, a detailed verification of source of funds might not be required where (i) the applicant makes the payment from an account held in the applicant's name at a recognised financial institution or (ii) the application is made through a recognised intermediary. These exceptions will only apply if the financial institution or intermediary referred to above is within a country recognised by Ireland as having equivalent anti-money laundering regulations. By way of example an individual will be required to produce a copy of a passport or identification card duly certified by a notary public, together with two documents verifying his/her address such as a utility bill or bank statement duly certified by a notary public. Corporate applicants will require production of certified copies of the certificate of incorporation (and any change of name), memorandum and article of association (or equivalent), a list of authorised signatories, a list of all directors and shareholders holding 10 per cent or more of the share capital, and their names, occupations, residential address and business address and dates of birth. The Administrator reserves the right to request such information as is necessary to verify the identity, address, source of funds, and certain other details of an applicant or which may be required pursuant to the EU Savings Tax Directive. In the event of delay or failure by the applicant to produce any information required for verification purposes the Administrator or the Company may refuse to accept the application and all subscription moneys. Each applicant for Shares acknowledges and agrees that each of the Administrator, the Distributor, and the Company shall be indemnified and held harmless by the applicant against any loss arising as a result of failure to process their application for, or request for the redemption of Shares, if such information and documentation as has been requested by the Administrator, the Distributor or the Company has not been provided by the applicant. If an application is rejected, subscription monies will be returned where permitted by Irish anti-money laundering legislation. In the event that any Shareholder fails to provide information required by the Administrator in connection with the prevention of money laundering or any information required pursuant to the EU Savings Tax Directive, the Company will suspend the payment of any redemption proceeds to such Shareholder until such time as the outstanding information has been provided.

Before subscribing for Shares, an investor will be required to complete a declaration of tax residency or status in the form prescribed by the Revenue Commissioners of Ireland.

Shares may not be issued other than to a person who represents in writing to the Directors that they (a) are not a U.S. Person and are not purchasing the Shares for the account or benefit of a U.S. Person, (b) agree to notify the Directors promptly if, at any time while they remain a holder of any Shares, they become a U.S. Person or shall hold any Shares for the account or benefit of a U.S. Person, and (c) agree to compensate the Company and the Directors from and against any losses, damages, costs or expenses arising in connection with a breach of the above representation and agreements.

Form of Shares and Share Certificates

The Administrator records ownership of Shares electronically in the Share register, allocates an account number to each Shareholder and issues confirmations of ownership in the form of completion notices to Shareholders. It is not proposed to issue share certificates.

Redeeming Shares

Shareholders may redeem Shares on any Dealing Day by sending a completed redemption request form or a letter of instruction to the Administrator, a financial representative or the local dealing office by 10:00 a.m. (Irish time) on a Dealing Day. The Directors reserve the right to process a redemption order received after the dealing cut-off time of 10:00 a.m. (Irish time), provided that in any event the redemption order is received prior to 11:00 a.m. (Irish time) on the relevant Dealing Day. By prior agreement with the Investment Manager or a designated Distributor, payment will be made to Shareholders on the basis of a faxed redemption request form where a signed original account application form and any required supporting documentation including any documentation required for anti-money laundering purposes has been provided in advance to the Administrator. Redemption proceeds will not be paid unless the original of the application form used on initial subscription and all relevant anti-money laundering documentation has been received by the Administrator. Where redemption requests are received by fax, payments will be made only to the account on record of the relevant Shareholder. Any changes to a Shareholder's account details will be made only upon receipt of original documentation by the Administrator.

In addition, redemption requests may also be accepted electronically (in such format or method as shall be agreed in writing in advance with the Administrator and subject to and in accordance with the requirements of the Central Bank).

If you apply to redeem Shares via a financial representative or local dealing office, that intermediary is responsible for transmitting all documentation to the Administrator on a timely basis for each Dealing Day. Redemption payments will be made upon receipt by the Administrator of all required original documentation.

An Anti-Dilution Adjustment[2] may be payable by the Shareholder from time to time as determined by the Investment Manager (which Anti-Dilution Adjustment shall not exceed 2 per cent of the redemption monies obtained on the Dealing Day). If there are net redemptions of Shares by investors on a Dealing Day, then the Investment Manager may have to sell investments in the Fund and in doing so the Fund will incur dealing costs. An Anti-Dilution Adjustment reduces the effect of these costs by decreasing the Net Asset Value per Share to investors in these circumstances to cover those dealing costs. Any Anti-Dilution Adjustment applicable will be included in the redemption price on any day on which a Fund incurs net redemptions. The amount of the Anti-Dilution Adjustment is paid into the Fund for the protection of continuing Shareholders in that Fund. The Anti-Dilution Adjustment is not applied for the benefit of the Company. The Anti-Dilution Adjustment may be applied in respect of all of the Funds. The decision on whether or not to make a dilution adjustment, and the level of adjustment to make in particular circumstances or generally, will be made in line with the Company's policy on anti-dilution. The price of each Class of Share in a Fund will be calculated separately but any dilution adjustment will in percentage terms affect the price of Shares of each Class identically. Further information on how Anti-Dilution Adjustment is applied can be obtained on request from the Company.

Any purchase of Shares is intended to be a medium to long term investment. To the extent that any client is trading on their account by way of excessive or short term trading rather than investing, the Directors reserve the right to reject subsequent subscription orders from such clients.

In the interests of Shareholder protection, the Directors may limit the number of Shares of any Fund redeemed on any Dealing Day to 10 per cent of the total number of Shares of that Fund in issue. The limitation will apply pro rata so that all Shareholders wishing to redeem Shares on that Dealing Day will realise the same proportion. Shares not redeemed but which would otherwise have been redeemed will be carried forward for redemption on the next Dealing Day and will be dealt with in priority (on a rateable basis) to redemption requests received subsequently. If requests for redemption are carried forward the Administrator will inform the relevant Shareholders.

Where a redemption request would result in more than 5 per cent of the Net Asset Value of the Shares of any Fund being repurchased on any Dealing Day, the Company may satisfy the redemption request in whole or in part by a distribution of investments of the relevant Fund *in specie*. This will occur by serving a notice of the Company's intention to the relevant Shareholder provided that such a distribution is approved by the Custodian, would not be prejudicial to the interests of the remaining Shareholders and prior consent is obtained from the relevant Shareholder. After the Shareholder receives notice of the Company's intention to satisfy the redemption request in whole or part by such a distribution of assets, the Shareholder may require the Company instead of transferring those assets to arrange for the sale and payment of the net proceeds instead of transferring the assets. The Shareholder assumes the market risk in the event of any unfavourable market movement between the Dealing Day and the date the assets are sold.

Redemption proceeds will normally be paid by the Company within three to seven Business Days of the acceptance of the redemption request and any other relevant documentation. Payment may be made by electronic funds transfer to the account of the registered holder as indicated on the application form.

Payment may be made by cheque payable to and sent to the address of the redeeming Shareholder (or in the case of joint Shareholders payable to all joint shareholders).

Compulsory Redemption or Transfer of Shares and Forfeiture of Distributions

The Company may from time to time impose such restrictions as it may think necessary for the purpose of ensuring that no Shares are acquired or held by any person in circumstances:

a. which constitute a breach of the law or requirement of any country or governmental authority of any country or territory; or

b. where in the opinion of the Directors, the holding might result in the Company incurring any liability to taxation or suffering pecuniary or administrative disadvantages which the Company or the Shareholders might not otherwise suffer or incur: or

c. where such person is a U.S. Person or is holding the Shares for the account or benefit of a U.S. Person (other than pursuant to an exemption available under U.S law).

In these circumstances, the Company may compulsorily repurchase or transfer the Shares of the relevant person in accordance with the Articles of Association.

The Articles of Association of the Company permit the Company to redeem Shares where, during a period of six years no cheque in respect of any dividend has been cashed and no acknowledgement has been received in respect of any Share certificate or other confirmation of ownership sent to the Shareholder. The redemption proceeds will be held in a separate interest bearing account and the Shareholder shall be entitled to claim the amount standing to his credit in such account.

[2] In certain jurisdictions an Anti-Dilution Adjustment is referred to as a swing pricing adjustment.

Transfer of Shares

All transfers of Shares shall be effected by transfer in writing in any usual or common form and shall state the full name and address of the transferor and the transferee. The instrument of transfer of a Share shall be signed by or on behalf of the transferor. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the share register. Where the transferee is not an existing Shareholder in a Fund, the transferee must complete an application form and comply with the relevant anti-money laundering procedures. The Directors may decline to register any transfer of Shares if it would leave the Shareholder holding below the currency equivalent of the minimum initial investment for the relevant Fund or would otherwise infringe the restrictions on holding Shares outlined above. The registration of transfers may be suspended for periods determined by the Directors, provided that registration shall never be suspended for more than thirty days in any year. The Directors may decline to register any transfer of Shares unless the instrument of transfer is deposited at the registered office of the Company or any other place the Directors may reasonably require, and is provided together with evidence as the Directors may reasonably require showing the right of the transferor to make the transfer.

Shares may not be transferred other than to a person who represents in writing to the Directors that they (a) are not a U.S. Person and are not purchasing the Shares for the account or benefit of a U.S. Person, (b) agree to notify the Directors promptly if, at any time while they remain a holder of any Shares, they become a U.S. Person or shall hold any Shares for the account or benefit of a U.S. Person, and (c) agree to compensate the Company from and against any losses, damages, costs or expenses arising in connection with a breach of the above representation and agreements.

Market Timing

With reasonable grounds, the Directors may refuse to accept a new subscription or a switch from another Fund. In particular, the Directors may exercise this discretion if they believe the investor or potential investor has been engaged in, or intends to engage in market timing activities.

Withholdings and Deductions

The Company will be required to withhold parts of certain payments to certain Shareholders as required by local laws, regulations or contractual obligations with other jurisdiction's tax authorities, such as the U.S. Inland Revenue Service ("**IRS**").

The Company will be required to account for Irish tax on the value of the Shares repurchased or transferred at the applicable rate unless it has received from the Shareholder a declaration in the prescribed form confirming that the Shareholder is not an Irish Resident. The Company will be required to account for non-Irish tax on the value of the Shares repurchased or transferred at the applicable rate unless it has received from the Shareholder a declaration in the prescribed form confirming that the Shareholder is not a person in respect of whom it is necessary to deduct tax.

The Company reserves the right to repurchase such number of Shares held by a Shareholder as may be necessary to discharge the tax liability arising. The Company reserves the right to refuse to register a transfer of Shares until it receives a declaration as to the transferee's residency or status in the form prescribed by the Company.

The Company may be required to collect additional information from Shareholders, throughout the duration of the relationship between the Company and its Shareholders, as required by local laws, regulations or contractual obligations with other jurisdictions' tax authorities, such as the IRS.

In addition to collecting additional information, the Company may require Shareholders to provide self certifications or additional documents as required by local laws, regulations or contractual obligations with other jurisdictions' tax authorities, such as the IRS.

Exchanges/Switching

Accumulation Shares of one Class in a Fund may be exchanged for Distributing Shares of a Class with the same Class designation in the same Fund or vice versa, at the Net Asset Value per Share subject to a discretionary switching fee of up to 1 per cent of the Net Asset Value of the Shares to be exchanged. Shares of one Fund may be exchanged for Shares of the same class of another Fund at Net Asset Value per Share subject to a discretionary switching fee of up to 1 per cent of the Net Asset Value of the Shares to be exchanged. The switch will be processed by redemption of the original Shares and subscription into the other Shares or Fund, as the case may be. Both transactions will be carried out under the same procedures as outlined above. A switch will not be processed when it would leave a Shareholder holding below the minimum holding in either Fund. The Company may refuse any exchange order in circumstances where the Company believes that such an order could have a detrimental effect on a Fund or the Company. Your financial representative or local dealing office may charge a fee to process exchanges or switches. Such fees are not paid by the Fund and are a matter of agreement between the financial representative or local dealing office and the investor.

Publication of Prices

The Net Asset Value per Share of the relevant Classes of Shares or Funds that are available to Hong Kong investors will normally be published daily on the website **www.firststateinvestments.com**. Hong Kong investors should consult the latest available "Supplement for Hong Kong Investors" for further information on the publication of Net Asset Value per Share.

The Net Asset Value per Share of certain Classes (including the above exceptions) will also normally be quoted on the Reuters screen service and published daily on the website **www.firststateinvestments.com**.

Prices for all Shares of all Funds will also be available from the Investment Manager, the Administrator and the Distributors.

VALUATION OF THE COMPANY

The Net Asset Value of each Fund is calculated at 11:00 a.m. (Irish time) on each Dealing Day.

The Net Asset Value of each Fund shall be determined by reference to the value of all the assets less all the liabilities of the relevant Fund. The Net Asset Value per Share shall be calculated by dividing the Net Asset Value of the relevant Fund by the number of Shares of the relevant type outstanding, and by rounding the result down to two decimal places. The Net Asset Value is calculated by the Administrator.

Where a Fund is made up of more than one Share Class, the Net Asset Value of each Class is determined by calculating the amount of the Net Asset Value of the Fund attributable to each Class. The Net Asset Value of a Fund attributable to a Class shall be determined by establishing the number of Shares in issue in that Class and the number of Shares of that Class in respect of which subscription orders (net of redemption orders) have been accepted as at the most recent Net Asset Value calculation and by allocating relevant fees and Class Expenses to the Class and making appropriate adjustments to take account of distributions paid out of the Fund, if applicable, and apportioning the Net Asset Value of the Fund accordingly. The Net Asset Value per Share of a Class shall be calculated by dividing the Net Asset Value of the Class by the number of Shares in issue in that Class plus the number of Shares of that Class in respect of which subscription orders after deduction of any redemption orders have been accepted (adjusted to the nearest whole unit of the Base Currency) as at the most recent Net Asset Value calculation immediately preceding the current calculation of the Net Asset Value per Share. Class Expenses, fees and charges relating specifically to a Class will be charged to the relevant Class. Class Expenses, fees and charges not attributable to any particular Class will be allocated amongst the Classes based on their respective Net Asset Values or any other reasonable basis approved by the Custodian, taking into account the nature of the Class Expenses, fees and charges.

Valuation of Assets

Securities listed or dealt in on a Regulated Market shall be valued on the basis of the last traded price available to the Directors as at 11:00 a.m. (Irish time) on the relevant Dealing Day, or if no last traded price is available, at their middle market price (if bid and offer prices are available) as at 11:00 a.m. (Irish time) on the relevant Dealing Day. Where a security is listed or dealt on more than one Regulated Market, the Directors may, at their absolute discretion, select any one of these Regulated Markets for such purposes.

The value of any security which is not listed or dealt on a Regulated Market, or of any security which is normally listed or dealt on a Regulated Market but for which no price is currently available, shall be the probable realisation value thereof as ascertained by or on behalf of the Directors in good faith, with the approval of the Custodian. For this purpose the Directors may accept a certified valuation of such security by a person, firm or association making a market in such security and qualified in the opinion of the Directors to provide such a certificate. In the event that there is no independent person available, the Directors may rely on the valuation of the relevant security provided by the Investment Manager or any related duly competent person, with the approval of the Custodian.

The value of any cash in hand or on deposit, prepaid expenses, cash dividends and interest declared or accrued and not yet received as at 11:00 a.m. (Irish time) on each Dealing Day shall be deemed to be the full amount thereof, unless the Directors are of the opinion that the same is unlikely to be paid or received in full in which case the value shall be arrived at after making such discount to reflect the true value thereof as at 11:00 a.m. (Irish time) on the relevant Dealing Day.

The value of any demand notes, promissory notes and accounts receivable shall be deemed to be the face value or full amount thereof after making such discount as the Directors may consider appropriate to reflect the true current value thereof as at 11:00 a.m. (Irish time) on the relevant Dealing Day.

Certificates of deposit, treasury bills, bank acceptances, trade bills and other negotiable instruments shall each be valued on a “straight line” basis by which the difference between their gross costs and their value at maturity (including interest accrued at maturity) is divided by the number of days from acquisition to maturity and the appropriate sum is added daily as from the date of acquisition and totalled as at 11:00 a.m. (Irish time) on the relevant Dealing Day.

Forward foreign exchange contracts shall be valued by reference to the price as at 11:00 a.m. (Irish time) at which a new forward contract of the same size and maturity could be undertaken.

The value of any futures contracts, share price index futures contracts and options which are dealt in on a Regulated Market shall be calculated by reference to the price appearing to the Directors (and with approval of the Custodian), as being the settlement price as determined by the Regulated Market in question as at 11:00 a.m. (Irish time) on the relevant Dealing Day, provided that where it is not the practice for the relevant Regulated Market to quote a settlement price, or such settlement price is not available for any reason at 11:00 a.m. (Irish time) on any Dealing Day, such value shall be calculated in a manner that the Directors shall determine with the concurrence of the Custodian.

Derivative instruments not traded on an exchange shall be valued daily by the counterparty to the transaction and the valuation shall be approved or verified at least weekly by an independent party approved by the Custodian.

The value of units or shares or other similar participations in any collective investment scheme which provides for the units or shares or other similar participations therein to be redeemed at the option of the holder, shall be valued at the last available net asset value per unit or share or other similar participation or (if bid and offer prices are published) the last available bid price.

Suspension of Calculation of Net Asset Value

The Directors may temporarily suspend the calculation of the Net Asset Value of any Shares, the sale of Shares and the right of Shareholders to require the redemption or exchange of Shares of any Class during:–

(a) any period when any of the principal markets or stock exchanges on which a substantial part of the investments of the relevant Fund are quoted, listed or dealt is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended;

(b) any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant class or if, in the opinion of the Directors, the Net Asset Value per Share cannot fairly be calculated;

(c) any breakdown in the means of communication normally employed in determining the price of any of the Fund's investments or when for any other reason the current prices on any market or stock exchange of any assets of the relevant Fund cannot be promptly and accurately ascertained; or

(d) any period during which the Fund is unable to repatriate funds required for the purpose of making payments due on a redemption of Shares of any class or during which the transfer of funds involved in the acquisition or realisation of investments or payments due on redemption of Shares cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange; or

(e) any period following the service of a notice convening a meeting of the Shareholders to consider a proposal to wind up the Company or a Fund.

The Central Bank may also require the suspension of the redemption of Shares of any Fund in the interests of the Shareholders.

The Company will notify Shareholders who have requested purchase, exchange or sale of Shares of any such suspension and, unless withdrawn but subject to the limitation referred to above, their requests will be dealt with on the first Dealing Day after the suspension is lifted subject to the limitation referred to above. Any such suspension will be notified without delay to the Central Bank. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

FEES AND EXPENSES

General

The Investment Manager and the Company have agreed that the ordinary operating expenses of the Class II Shares of the following funds shall be set at the following ratios as measured by the percentage of net assets:– First State China Growth Fund – 2.25 per cent; First State Asian Growth Fund – 2.3 per cent; and First State Indian Subcontinent Fund – 3 per cent. For Class II Shares only, when normal operating expenses of a Fund exceed these expense ratios, the Investment Manager will waive its fees and absorb other expenses of the Fund to maintain the set expense ratio. When normal operating expenses of a Fund fall below the set expense ratios, the Fund will pay the Investment Manager the amount equal to the difference between the actual expense ratio and the set expense ratio. Any amount waived and/or absorbed by the Investment Manager and the amount of any difference paid to the Investment Manager will be disclosed in the annual audited report.

Subject to the above paragraph, each Fund shall pay all of the ordinary operating expenses and the proportion of the Company's ordinary operating expenses allocated to that Fund. To the extent that ordinary operating expenses are allocable to a specific Class of a Fund, that Class shall bear such expenses.

Ordinary operating expenses include investment management fees and expenses; custodian and sub-custodian fees, charges and expenses, administration fees, charges and expenses including fees payable to any sub-administrator, local dealing office and support service provider (whose fees and expenses will be at normal commercial rates); insurance; the costs and expenses of preparing, translating, printing, updating and distributing the Company's prospectuses, annual and semi-annual reports and other documents furnished to current and prospective Shareholders; the costs and expenses of obtaining authorisations or registrations of the Funds or of any of their Shares with regulatory authorities in various jurisdictions; the costs and expenses of listing and maintaining a listing of Shares on any stock exchange; the costs and expenses of publishing the Net Asset Value; the costs and expenses of convening and holding Directors' and Shareholders' meetings; Directors' fees and expenses as determined from time to time including Director and officer liability insurance premiums; and professional fees for legal, auditing and other consulting services and such other costs and expenses (excluding non-recurring and extraordinary costs and expenses) as may arise from time to time and which have been approved by the Directors as necessary or appropriate for the continued operation of the Company or a Fund. Operating expenses do not include the costs of acquiring and disposing of investments including transaction charges and brokerage, interest expenses, taxes withheld by a country in which a Fund invests, capital gains taxes and any exceptional or extraordinary taxes, losses, costs and expenses or any litigation costs or expenses incurred in connection therewith.

All costs and expenses incurred in the currency hedge transactions will be borne by the relevant Currency Hedged Share Class.

Investment Management Fees

The Investment Manager shall be paid an investment management fee out of the assets of each Fund. Such fee will be charged as a percentage of the Net Asset Value of each Fund. The Investment Manager may delegate the investment management function to Sub-Investment Managers. Details of the Sub-Investment Managers shall be provided to Shareholders on request. The Investment Manager shall pay out of its investment management fee the fees and out of pocket expenses of the Sub-Investment Managers.

The Investment Manager may under the Investment Management Agreement charge an investment management fee up to a rate of 3 per cent per annum of the Net Asset Value of each relevant Fund or such other higher percentage per annum as may be approved by a resolution of Shareholders. Details of the investment management fee charged in respect of each Class of Shares of each Fund are set out in **Appendix 2**. The Company will give Shareholders three months' notice in writing of any increase in the current investment management fee. The Company pays the investment management fee monthly in arrears and calculates it by reference to the Net Asset Value of each Share Class as at each Dealing Day. The Company also pays out of the assets of each Fund any expenses reasonably incurred by the Investment Manager in accessing computer systems where such access is necessary in order for it to perform its duties in relation to the Company.

Custodian and Administrator Fees

The Administrator and the Custodian will be entitled to receive out of the assets of each Fund a composite fee of 0.0485 per cent per annum for the administration and trustee services provided to the Company in respect of all of the Classes of Shares except for the Class III Shares. The fee is determined by reference to the calculation of the Net Asset Value of each Fund on each Dealing Day and is payable monthly in arrears.

However, in respect of Class III Shares, the Administrator and the Custodian's composite fee shall be U.S. $5,000 per annum per Fund.

In addition, the Custodian shall be entitled to receive a safe-keeping fee of up to 0.45 per cent per annum of the value of the relevant assets of the Fund depending on the location of the assets held.

Transaction charges for processing of subscriptions, redemptions, transfers, security transactions and other such Shareholder related transactions are payable to the Custodian and the Administrator out of the assets of each Fund which shall be charged at normal commercial rates. The Custodian and the Administrator are entitled to reimbursement of all reasonable out-of-pocket expenses incurred on behalf of the relevant Fund, out of the assets of each Fund.

Sub-custodial Fees and Expenses

The Custodian and the Administrator shall discharge all fees and charges of sub-custodians, delegates and agents appointed by it from its own fees in respect of all Share Classes.

General

The Directors of the Company who are not employed by or affiliated with the Investment Manager are entitled to receive annual remuneration from the Company for their services as Directors. Peter Blessing, Bronwyn Wright and Kevin Molony currently receive US$37,500 each per annum for acting as Director. The Directors are entitled to be reimbursed for any reasonable out of pocket expenses incurred in execution of their duties as Directors.

The Directors, in their discretion and with the approval of the Custodian, allocate Fund expenses as they deem fair and equitable. In the case of any fees or expenses of a regular or recurring nature, (such as audit fees), the Directors may calculate such fees and expenses on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any period.

The cost of establishing any new Fund is to be borne by the Fund and amortised over five accounting periods on a straight line basis (or such other period and in such manner as may be determined by the Directors at their discretion).

The cost of establishing the First State Japan Equity Fund is not expected to exceed US$ 50,000 and the First State Japan Equity Fund shall bear these costs which shall be amortised over five accounting periods on a straight line basis (or such other period and in such manner as may be determined by the Directors in their discretion).

In the event that the Company is liquidated or terminated prior to the expiry of a particular amortisation period all unamortised preliminary expenses of such Funds will be written off against their Net Asset Values at that time.

RISK FACTORS

An investment in a Fund comes with a significant degree of risk. Some of these risks are general, which means that they apply to all investments. Others are specific, which means that they apply to individual Funds. Before you decide to invest, it is important to understand these risks. If you are unsure or do not fully understand the risks involved, we recommend that you contact a financial adviser about the suitability of an investment in any Fund.

The following section describes some of the general and specific risks that may affect your investment.

The Fund Risk Table in **Appendix 7** also indicates which risks are particularly relevant to the Funds, but the list and table does not purport to be exhaustive. These risks should be carefully considered by investors.

All of the Funds are actively managed and therefore the returns seen by you may be higher or lower than their benchmark return.

A. The following risks are general risks and are applicable to all the Funds.

A1. Investment Risks

The investments in securities of each Fund are subject to normal market fluctuations and other risks inherent in investing in securities. For example, the value of equity securities varies from day to day in response to activities of individual companies and general market and economic conditions. The value of investments and the income from them, and therefore the Net Asset Value of Shares can go down as well as up and an investor may lose money. Changes in exchange rates between currencies or the conversion from one currency to another may also cause the value of the investments to diminish or increase. **As investors may be required to pay a sales charge upon a subscription for Shares, an investment in a Fund should be considered as a medium to long-term investment.**

A2. Market Risk

In falling financial markets there may be increased volatility. Market prices in such circumstances may defy rational analysis or expectation for prolonged periods of time, and can be influenced by large market movements as a result of short-term factors, counter-speculative measures or other reasons. Market volatility of a large enough magnitude can sometimes weaken what is deemed to be a sound fundamental basis for investing in a particular market or stock. Investment expectations may therefore fail to be realised in such instances.

A3. *Liquidity* Risk

In certain circumstances, a Fund may not be able to purchase or sell assets in a timely manner and/or at a reasonable price, as not all securities invested in by a Fund will be listed or rated and consequently liquidity may be low. Furthermore, shares or units in certain underlying investments may trade less frequently and in smaller quantities than others. If this is the case, sufficient cash may not be available to pay out redemptions and you may not be able to get your money back when you want it.

A4. Currency Risk

Investments of a Fund may be denominated in various currencies and performance of a Fund may be strongly influenced by movements in exchange rates as currency positions held by a Fund may not correspond with securities positions held. As a result, the Investment Manager may utilise financial derivative instruments to seek to hedge against fluctuations in the relative values of the portfolio positions. Such investments require consideration of certain risks which include, among other things, trade balances and imbalances and related economic policies, unfavourable currency exchange rate fluctuations, impositions of exchange control regulation by governments, withholding taxes, limitations on the removal of Funds or other assets, policies of governments with respect to possible nationalisation of their industries, political difficulties, including expropriation of assets, confiscatory taxation and economic or political instability.

The Company may use currency hedging techniques to remove a Fund's currency exposure against its Base Currency but this may not be possible or practicable in all cases.

A5. Specialist Investment Risk

Many of our Funds are specialist in nature and invest in specific sectors, industries, markets or regions. Investment in these specialised areas may result in greater risk than investment in a broader range of sectors, industries markets or regions. Please see the Fund Specific Risks for these risks.

A6. Inflation Risk

Inflation can adversely affect the value of your Investment.

A7. Credit Risk

Investment in debt or other securities, including financial derivative instruments, may be subject to the credit risk of their issuers. In times of financial instability there may be increased uncertainty around the creditworthiness of issuers of these securities. Market conditions may mean that there are increased instances of default amongst issuers. If the issuer of any of the debt securities in which the assets of a Fund are invested defaults or suffers insolvency or other financial difficulties, the value of such Fund will be adversely affected.

A8. Taxation Risk

Potential investors' attention is drawn to the taxation risks associated with an investment in the Company. Please see the section headed "Taxation" below.

A9. Risk of Change of Laws, Regulations, Political and Economic Conditions

Changes in the applicable laws, regulations, political and economic conditions may affect substantially and adversely the business and prospects of a Fund. In addition, possible changes to the laws and regulations governing permissible activities of the Fund and the Investment Manager and any of their respective affiliates or delegates could restrict or prevent a Fund or the Investment Manager from continuing to pursue the Fund's investment objectives or to operate the Fund in the manner currently contemplated.

A10. Risk of Suspension

The calculation of the Net Asset Value of a Fund may be temporarily suspended in accordance with the procedures set out in the section of the Prospectus headed "Suspension of Calculation of Net Asset Value". In such an event, the Fund may be unable to dispose of its investments. The delay in the disposal of a Fund's investments may adversely affect both the value of the investments being disposed of, and the value and liquidity of the Fund.

A11. Derivatives Risk

The term "derivative" traditionally applies to certain contracts that "derive" their value from changes in the value of the underlying securities, currencies, commodities or index. Investors refer to certain types of securities that incorporate performance characteristics of these contracts as derivatives. When used for hedging purposes there may be an imperfect correlation between the financial derivative instruments and the investments or market sectors being hedged. Derivatives are sophisticated instruments that typically involve a small investment of cash relative to the magnitude of risks assumed. These include swap agreements, options, futures, and convertible securities. The Funds seek to use derivative contracts and securities to reduce a Fund's volatility and increase its overall performance. While the price reaction of certain derivatives to market changes may differ from traditional investments such as stocks and bonds, derivatives do not necessarily present greater market risks than traditional investments. Derivatives are subject to credit risks related to the counterpart's ability to perform, and any deterioration in the counterpart's creditworthiness could adversely affect the instrument.

The Funds are also subject to the risk of the failure of any of the exchanges on which derivatives are traded or of their clearing houses.

Derivatives traded over-the-counter may not be standardised and thus may involve negotiations on each contract on an individual basis. This may result in over-the-counter contracts being less liquid than exchange traded derivatives. Over-the-counter markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange based" markets, and there is no clearing corporation which guarantees the payment of required amounts. This exposes the Funds to risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the relevant Fund to suffer a loss.

Also, there are legal risks involved in using derivatives which may result in loss due to the unexpected application of a law or regulation or because contracts are not legally enforceable or documented correctly.

A12. Umbrella structure of the Company and Cross-Liability Risk

Each Fund will be responsible for paying its own fees and expenses regardless of the level of its profitability. The Company is an umbrella fund with segregated liability between Funds and under Irish law the Company generally will not be liable as a whole to third parties and there generally will not be the potential for cross liability between the Funds. Notwithstanding the foregoing, there can be no assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated nature of the Funds would necessarily be upheld.

The following risks are Fund specific risks and are applicable to certain Funds only.

B. Emerging Markets Risks

Applicable to the First State Asian Bond Fund, the First State Asian Equity Plus Fund, the First State Asian Growth Fund, the First State Asia Innovation Fund, the First State Asia Pacific All Cap Fund, the First State Asia Pacific Select Fund, the First State Asian Property Securities Fund, the First State Asian Quality Bond Fund, the First State Australian Growth Fund, the First State China Focus Fund, the First State China Growth Fund, the First State Emerging Markets Bond Fund, the First State Global Credit Income Fund, the First State Global Property Securities Fund, the First State Global Resources Fund, the First State Greater China Growth Fund, the First State Indian Subcontinent Fund, the First State Singapore and Malaysia Growth Fund, the Stewart Investors Global Emerging Markets Leaders Fund, the Stewart Investors Global Emerging Markets Select Fund, the Stewart Investors Worldwide Equity Fund and the Stewart Investors Worldwide Leaders Fund.

Certain Funds may invest more than 20 per cent of their Net Asset Value in the securities of issuers located in Emerging Markets and these are listed in **Appendix 1**.

Where a Fund invests in securities of issuers located in countries with emerging securities markets, risks additional to the normal risks inherent in investing in conventional securities may be encountered. The investments may be considered to be speculative in nature as they involve a greater than normal degree of risk and their market values may be expected to be of above average volatility.

These risks include:–

- *Currency depreciation*. A Fund's assets may be invested in securities which are denominated in currencies other than those of developed countries and any income received by the Fund from those investments will be received in those currencies. Historically, many developing countries' currencies have experienced significant depreciation against the currencies of developed countries. The currencies of some developing countries may continue to fall in value against currencies of developed countries. As the Company computes the Net Asset Value of its Funds and makes distributions in U.S. dollars, there is a currency exchange risk which may affect the value of the Shares.

- *Country risk*. The value of a Fund's assets may be affected by uncertainties within each individual emerging market country in which it invests such as changes in government policies, nationalisation of industry, taxation, the underdeveloped and often untested legal system, currency repatriation restrictions and other developments in the law, practice or regulations of the countries in which the Fund may invest and, in particular, by changes in legislation relating to the level of foreign ownership in companies in some emerging countries.

- *Social, Political and Economic Factors*. The economies of many of the emerging countries where the Funds may invest may be subject to a substantially greater degree of social, political and economic instability than certain developed countries. Such instability may result from, among other things, the following; authoritarian governments, popular unrest associated with demands for improved political, economic and social conditions, internal insurgencies and terrorist activities, hostile relations with neighbouring countries and drugs trafficking. This instability might impair the financial conditions of issuers or disrupt the financial markets in which the Funds invest.

- *Taxation risk*. The tax law and practices of certain Emerging Markets may not be fully developed or sufficiently certain. Any future changes in these law and practices or their interpretation may adversely affect the Net Asset Value of a Fund.

- *Stock market practices*. Many Emerging Markets are undergoing a period of rapid growth and are less regulated than many of the world's leading stock markets. In addition market practices in relation to settlement of securities transactions and custody of assets in Emerging Markets can provide increased risk to a Fund and may involve delays in obtaining accurate information on the value of securities (which may affect the calculation of the Net Asset Value as a result) and the risk that the investments may not be accurately registered. These stock markets, in general, are less liquid than those of the world's leading stock markets. Purchases and sales of investments may take longer than would otherwise be expected on developed stock markets and transactions may need to be conducted at unfavourable prices. Some Emerging Markets require that moneys for settlement be received by a local broker significantly in advance of settlement and that assets are not transferred until some time after settlement. This exposes a Fund to additional counterparty risk arising from the activities of the broker during these periods. Liquidity may also be less and volatility of prices higher than in leading markets because of a high degree of concentration of market capitalisation and trading volumes in a small number of companies. In some Emerging Markets evidence of legal title to securities is maintained in "book-entry" form and the role of the local registrar is critical to the registration and custody process. Such registrars may not be subject to effective governmental or regulatory supervision and it may be difficult to successfully claim against them.

- *Information quality*. Accounting, auditing and financial reporting standards, practices and disclosure requirements applicable to some companies in Emerging Markets in which a Fund may invest may differ from those applicable in developed countries because less information is available to investors and such information may be out of date or carry a lower level of assurance.

- *Custody*. Local custody services remain underdeveloped in many emerging market countries and there is a transaction and custody risk involved in dealing in such markets. In certain circumstances a Fund may not be able to recover some of its assets. Such circumstances may include the liquidation, bankruptcy or insolvency of a sub-custodian, retroactive application of legislation and fraud or improper registration of title. The costs borne by the Fund in investing and holding investments in such markets will be generally higher than in organised securities markets.

- *Registration*. In some emerging market countries evidence of legal title to shares is maintained in "book-entry" form. In order to be recognised as the registered owner of the shares of a company, a purchaser or purchasers' representative must physically travel to a the registrar and open an account (which, in certain cases, requires the payment of an account opening fee). Thereafter, each time that the purchaser purchases additional shares of the company, the purchasers' representative must present to the registrar, powers of attorney from the purchaser and the seller of such shares, along with evidence of such purchase, at which time the registrar will debit such purchased shares from the seller's account maintained on the register and credit such purchased shares to the purchaser's account to be maintained on the register.

  The role of the registrar in such custodial and registration processes is crucial. Registrars may not be subject to effective government supervision and it is possible for a Fund to lose its registration through fraud, negligence or mere oversight on the part of the registrar. Furthermore, while companies in certain emerging market countries may be required to maintain independent registrars that meet certain statutory criteria, in practice, there can be no guarantee that this regulation has been strictly enforced. Because of this possible lack of independence, management of companies in such emerging market countries can potentially exert significant influence over the share holding in such companies. If the company register were to be destroyed or mutilated, the Fund's holding of the relevant shares of the company could be substantially impaired, or in certain cases, deleted. Registrars often do not maintain insurance against such occurrences, nor are they likely to have assets sufficient to compensate the Fund. While the registrar and the company may be legally obliged to remedy such loss, there is no guarantee that either of them would do so, nor is there any guarantee that the Fund would be able to successfully bring a claim against them as a result of such loss. Furthermore, the registrar or the relevant company could wilfully refuse to recognise the Fund as the registered holder of shares previously purchased by the Fund due to the destruction of the company's register.

- *Investment in Russia*. A Fund may invest in the securities of Russian issuers. Investment in these securities presents many of the same risks as investing in securities of issuers in other emerging market economies, as described in the immediately preceding section. However, the social, political, legal and operational risks of investing in Russian issuers, and of having assets custodied within Russia may be particularly pronounced. Certain Russian issuers may also not meet internationally accepted standards of corporate governance. A risk of particular note with respect to investment in Russian securities is the way in which ownership of shares of private companies is recorded. The ownership of, and settlement of transactions in, many Russian securities has been moved to a central securities depository, the National Settlement Depository ("**NSD**"). The Custodian or its local agent in Russia is a participant on the NSD. The NSD in turn is reflected as the nominee holder of the securities on the register of the relevant issuer. Therefore, while this is intended to provide a centralised and regulated system for recording of the ownership of, and settlement of transactions in, Russian securities, it does not eliminate all of the risks associated with the registrar system outlined above.

  As a result of Russia's action in Crimea, as at the date of this Prospectus, the US, the EU and other countries have imposed sanctions on Russia. The scope and level of the sanctions may increase and there is a risk that this may adversely affect the Russian economy and result in a decline in the value and liquidity of Russian securities, a devaluation of the Russian currency and/or a downgrade in Russia's credit rating. These sanctions could also lead to Russia taking counter measures more broadly against Western and other countries. Depending on the form of action which may be taken by Russia and other countries, it could become more difficult for the Fund(s) with exposure to Russia to continue investing in Russia and/or to liquidate Russian investments and expatriate funds out of Russia. Measures taken by the Russian government could include freezing or seizure of Russian assets of European residents which would reduce the value and liquidity of any Russian assets held by the Fund(s).

In addition to the above risks, investors' attention is drawn to the fact that while the objective of all the Funds is medium to long-term capital growth, those Funds that invest in fast-growing economies or limited or specialist sectors may be expected to experience above-average volatility and the Net Asset Value of those Funds will be affected accordingly. Investors should regard investment in such Funds as long-term in nature, although the possibility of a change in an investor's personal circumstances is recognised by permitting redemptions on each Dealing Day. Investment in the securities of smaller companies can involve greater risk than is customarily associated with investment in large, more established companies. In particular, smaller companies often have limited product lines, markets or financial resources and may be dependent for their management on a limited number of key individuals. **Although the Directors consider that a truly diversified global portfolio should include a certain level of exposure to Emerging Markets, it is recommended that an investment in any of the Funds which invest primarily in Emerging Markets should not constitute a substantial proportion of an investor's portfolio.**

C. Indian Subcontinent Risk

Applicable to the First State Indian Subcontinent Fund.

Investing to a large extent in companies incorporated in or listed on regulated markets in India and the other countries of the Indian subcontinent carry specific risks.

India's political, social and economic stability is due to its developing status. Certain developments, beyond the control of a Fund could adversely affect the Fund's investments.

Being a rural economy, severe monsoons or drought conditions could impact India's agricultural production and decrease momentum in some sectors of the Indian economy, which could adversely affect a Fund's investments.

The Indian stock exchanges may be more volatile than the stock markets of more developed countries.

D. China Market Risk

Applicable to the First State Asian Equity Plus Fund, the First State Asian Growth Fund, the First State Asia Innovation Fund, the First State Asia Pacific All Cap Fund, the First State Asia Pacific Select Fund, the First State Asian Property Securities Fund, the First State China Focus Fund, the First State China Growth Fund, the First State Greater China Growth Fund, the First State Hong Kong Growth Fund, the Stewart Investors Global Emerging Markets Leaders Fund, the Stewart Investors Global Emerging Markets Select Fund, the Stewart Investors Worldwide Equity Fund and the Stewart Investors Worldwide Leaders Fund.

The value of a Fund's assets may be affected by uncertainties such as political developments, changes in government policies, taxation, currency repatriation restrictions and restrictions on foreign investment in China. Accounting, auditing and reporting standards in China may not provide the same degree of investor protection or information to investors as would generally apply in more established securities markets. Furthermore, the legislative framework in China for the purchase and sale of investments and in relation to beneficial interests in those investments is relatively new and untested.

Both the Shanghai and Shenzhen securities markets are in the process of development and change. This may lead to trading volatility, difficulty in the settlement and recording of transactions and difficulty in interpreting and applying the relevant regulations.

Under the prevailing tax policy in China, there are certain tax incentives available to foreign investment. There can be no assurance, however, that these tax incentives will not be abolished in the future.

Many of the People's Republic of China ("**PRC**") economic reforms are unprecedented or experimental and are subject to adjustment and modification, and such adjustment and modification may not always have a positive effect on investment in listed securities such as China A Shares.

The choice of China A Share issues currently available to the Investment Manager may be limited as compared with the choice available in other markets. There may also be a lower level of liquidity in the China A Share markets, which are relatively smaller in terms of both combined total market value and the number of China A Shares which are available for investment as compared with other markets. This could potentially lead to severe price volatility.

The national regulatory and legal frameworks for capital markets and joint stock companies in the PRC are still developing when compared with those of developed countries. Currently, joint stock companies with listed China A Shares are undergoing split-share structure reform to convert state owned shares or legal person shares into transferable shares with the intention to increase liquidity of China A Shares. However, the effects of such reform on the A-Shares market remain to be seen.

Also, the PRC government's control of currency conversion and future movements in exchange rates may adversely affect the operations and financial results of the companies invested in by a Fund.

In light of the above mentioned factors, the price of China A Shares may fall significantly in certain circumstances.

The tax laws, regulations and practice in the PRC are constantly changing, and they may be changed with retrospective effect.

A Fund may invest directly in China A Shares via FSIM UK's QFII quota and may also invest indirectly in China A Shares by investing in: open-ended collective investment schemes that have obtained access to China A Shares through a QFII; or in equity linked or participation notes.

The Investment Manager currently does not intend to make any provision for PRC taxes in relation to the Fund's investments in any securities that are linked to the China markets. If such PRC taxes are imposed on the Fund, the net asset value of the Fund may be adversely impacted and investors may as a result suffer loss.

E. Real Estate Funds Risks

Applicable to the First State Asian Property Securities Fund and the First State Global Property Securities Fund.

The ability to trade REITS in the secondary market can be more limited than other stocks. The liquidity of REITS on the major stock exchanges is on average less than the typical stock quoted on a particular index on an exchange. This may also be the case in jurisdictions other than the U.S.

The prices of equity REITs are affected by changes in the value of underlying property owned by the REITs and changes in capital markets and interest rates. The prices of mortgage REITs are affected by the quality of any credit they extend, the creditworthiness of the mortgages they hold, as well as by the value of the property that secures the mortgages.

While the Fund will not invest in real property directly, the Fund may be subject to risks similar to those associated with the direct ownership of real property (in addition to securities market risks) because of its policy of concentrating its investments in the real estate industry. These risks include declines in the value of real property, risks related to general and local economic conditions, dependency on management skill, heavy cash flow dependency, adverse changes in the operations of any property or the financial condition of any tenant, possible lack of availability of mortgage funds, overbuilding, extended vacancies of properties, increased competition, increases in property taxes and operating expenses, changes in zoning laws, losses due to costs resulting from the clean-up of environmental problems, liability to third parties for damages resulting from environmental problems, casualty or condemnation losses, limitations on rents, changes in neighbourhood values and in appeal of properties to tenants and changes in interest rates.

In addition to these risks, equity REITs may be affected by changes in the value of the underlying property owned by the trusts, while mortgage REITs may be affected by the quality of any credit they extend. Further, equity REITs and mortgage REITs are dependent upon management skills and generally may not be diversified. Equity REITs and mortgage REITs are also subject to heavy cash flow dependency, defaults by borrowers and self-liquidation. There is also the risk that borrowers under mortgages held by REITs or lessees of a property that REITs may own may be unable to meet their obligations to the REITs. In the event of a default by a borrower or lessee, the REITs may experience delays in enforcing its rights as a mortgage or lessor and may incur substantial costs associated with protecting its investments.

F. Industry or Sector Risk

Applicable to the First State Asian Property Securities Fund, the First State Global Agribusiness Fund, the First State Global Listed Infrastructure Fund, the First State Global Property Securities Fund and the First State Global Resources Fund.

Where a Fund invests primarily in fast growing economies or limited or specialist sectors, it may be subject to greater risk and above average market volatility than an investment in a broader range of securities covering different economic sectors. Technology and technology-related industries may be subject to greater government regulation than many other industries. Accordingly, changes in governmental policies and the need for regulatory approvals may have an adverse effect on these industries. Additionally, companies in those industries will be subject to the inherent risks of developing technologies, competitive pressures and other factors particularly affecting the technology sector and are dependent upon consumer and business acceptance as new technologies evolve.

Where a Fund invests in specialist sectors such as the agricultural sector, it may also be subject to greater risk from changing supply and demand relationships, adverse weather, natural disasters, livestock diseases, governmental policies and trade regimes, as well as international economic and political developments. As a result, the value of such Fund may be subject to adverse and sudden changes.

G. Single Country Risk

Applicable to the First State Australian Growth Fund, the First State China Focus Fund, the First State China Growth Fund, the First State Hong Kong Dollar Bond Fund, the First State Hong Kong Growth Fund, the First State Japan Equity Fund, the First State Long Term Bond Fund and the First State Singapore and Malaysia Growth Fund.

Where a Fund invests primarily either in a single country or a small number of countries, it may be subject to greater risk and above average market volatility than an investment in a broader range of securities covering multiple countries.

H. Single Sector Risk

Applicable to the First State Asian Property Securities Fund, the First State Global Agribusiness Fund, the First State Global Listed Infrastructure Fund, the First State Global Property Securities Fund and the First State Global Resources Fund.

Investing in a single sector offers the potential of higher returns but may involve a higher degree of risk than a more diversified portfolio.

I. Smaller Companies Risk

Applicable to the First State Asian Equity Plus Fund, the First State Asian Growth Fund, the First State Asia Innovation Fund, the First State Asia Pacific All Cap Fund, the First State Asian Property Securities Fund, the First State China Focus Fund, the First State China Growth Fund, the First State Global Agribusiness Fund, the First State Global Listed Infrastructure Fund, the First State Global Property Securities Fund, the First State Global Resources Fund, the First State Greater China Growth Fund, the First State Hong Kong Growth Fund, the First State Indian Subcontinent Fund, the First State Japan Equity Fund, the First State Singapore and Malaysia Growth Fund and the Stewart Investors Worldwide Equity Fund.

Investing in smaller companies may be less liquid than the securities of larger companies. Securities in smaller companies may provide the potential for higher returns, but also involve additional risks.

The securities of smaller companies may be more volatile than the securities of larger companies.

J. Listed Infrastructure

Applicable to the First State Global Listed Infrastructure Fund.

Investments in new infrastructure projects during the construction phase carry certain risks. For example, there may be a residual risk that projects will not be completed within budget, within the agreed timeframe or to the agreed specifications; that the operations of infrastructure projects might be exposed to unplanned interruptions caused by natural disasters or terrorist attacks; or that operational and/or supply disruption, could adversely impact the cash flows available from infrastructure assets.

National and local environmental laws and regulations may also affect the operations of infrastructure projects. Standards set and regulations imposed regarding certain aspects of health and environmental quality, impose penalties and other liabilities for the violation of such standards, and may establish obligations to rehabilitate facilities and locations where operations are, or were conducted, which may have an impact on the financial performance of infrastructure projects.

K. Investment in Agriculture and Related Opportunities

Applicable to the First State Global Agribusiness Fund.

Investing in the agricultural and related sectors on a global basis is subject to additional risks associated with the agricultural business. A Fund's investments will be exposed to global and local environmental, economic, legislative and regulatory factors affecting agricultural industries and property values which may adversely affect the value of these investments. A Fund may be indirectly exposed to a concentration of investments in a small number of territories or geographical regions.

L. Reliability of Credit Ratings

Applicable to the First State Asian Bond Fund, the First State Asian Quality Bond Fund, the First State Emerging Markets Bond Fund, the First State Global Bond Fund, the First State Global Credit Income Fund, the First State High Quality Bond Fund, the First State Hong Kong Dollar Bond Fund and the First State Long Term Bond Fund.

The ratings of fixed-income securities by institutions such as Moody's and Standard & Poor's are a generally accepted barometer of credit risk. They are, however, subject to certain limitations from an investor's standpoint. The rating of an issuer is heavily weighted by past developments and does not necessarily reflect probable future conditions. There is frequently a lag between the time the rating is assigned and the time it is updated. In addition, there may be varying degrees of difference in the credit risk of securities within each rating category. In the event of a downgrade in the credit ratings of a security or an issuer issuing a security, the value of a Fund investing in such security may be adversely affected.

M. Interest Rate Risk

Applicable to the First State Asian Bond Fund, the First State Asian Quality Bond Fund, the First State Emerging Markets Bond Fund, the First State Global Bond Fund, the First State Global Credit Income Fund, the First State High Quality Bond Fund, the First State Hong Kong Dollar Bond Fund and the First State Long Term Bond Fund.

Where a Fund invests primarily in fixed income securities, the value of the Fund's investments fluctuates in response to movements in interest rates. If rates go up, the value of debt securities fall; if rates go down, the value of debt securities rise. Bonds with longer maturities tend to be more sensitive to interest rate movements than those with shorter maturities. Periods of high interest rates and recession may adversely affect the issuer's ability to pay interest and principal, and to obtain additional business.

N. High Yield Risk

Applicable to the First State Asian Bond Fund, the First State Emerging Markets Bond Fund, the First State Global Bond Fund, the First State Global Credit Income Fund and the First State High Quality Bond Fund.

To the extent that the Fund invests in lower-rated debt securities, these securities, while usually offering higher yields, generally have more risk and volatility than high-rated securities, because of reduced credit worthiness, liquidity and greater chance of default.

O. Investment in Equity Linked Notes

Applicable to the First State Asian Equity Plus Fund, the First State Asian Growth Fund, the First State Asia Innovation Fund, the First State Asia Pacific All Cap Fund, the First State Asia Pacific Select Fund, the First State China Focus Fund, the First State China Growth Fund, the First State Greater China Growth Fund, the Stewart Investors Global Emerging Markets Leaders Fund and the Stewart Investors Global Emerging Markets Select Fund.

Equity linked notes are subject to the terms and conditions imposed by their issuers. These terms may lead to delays in implementing the Investment Manager's investment strategy due to the restrictions they may place on the issuer acquiring or disposing of the securities underlying the equity linked notes, or on the implementation of redemptions and payment of redemption proceeds to a Fund. Investment in equity linked notes can be illiquid as there is no active market in equity linked notes. In order to meet realisation requests, a Fund relies upon the counterparty issuing the equity linked notes to quote a price to unwind any part of the equity linked notes. This price will reflect the market liquidity conditions and the size of the transaction.

Investment through equity linked notes may lead to a dilution of performance of the Fund when compared to a Fund investing directly in similar assets due to fees embedded in the notes. In addition, when a Fund intends to invest in a particular security through equity linked notes, there is no guarantee that subsequent application monies for Shares in a Fund can be immediately invested in a particular security through equity linked notes. This may impact the performance of the Fund.

As a Fund will invest in equity linked notes, performance of the Fund may be adversely affected if the issuer of the equity linked notes defaults due to a credit or liquidity problem.

An investment in an equity linked note entitles the holder to certain cash payments calculated by reference to the shares to which the equity linked note is linked. It is not an investment directly in the shares themselves. An investment in the equity linked note does not entitle the holder to the beneficial interest in the shares nor to make any claim against the institution issuing the shares.

A Fund may invest in the China A Share market through the equity linked notes issued by institutions which have obtained the QFII status in China. Certain restrictions imposed by the Chinese government on QFIIs may have an adverse effect on the Fund's liquidity and performance. QFIIs are subject to restrictions on the maximum stake which can be held in any one listed company. Transaction sizes for QFIIs are large and there are lock-up restrictions on repatriation of capital invested by a QFII in China. These restrictions will impact on the terms of any equity linked notes acquired by the Fund. In order to reduce such impact, the Fund will generally invest in equity linked notes that are realisable on each Dealing Day under normal market conditions, subject to the credit risk of the counterparty.

Valuation of the equity linked notes will be the probable realisation value which shall be performed in accordance with the terms of the Articles of Association and therefore may be obtained from the issuer (in accordance with the terms of the equity linked notes), or independent third parties. Investors should note that different issuers of equity linked notes may have different terms for the equity linked notes and may have varying valuation principles. Generally, valuation will be based on, among other factors, the closing price of the relevant China A Shares underlying the equity linked notes. If the equity linked notes are not denominated in RMB, the value of the equity linked notes may also be subject to the foreign exchange conversion between RMB and the currency in which the equity linked notes are denominated. Valuation of the equity linked notes may also involve the imposition of any bid and offer spread or any other charges by the issuer. Valuation uncertainties such as foreign exchange conversion risk, bid and offer spread and other charges could have an adverse effect on the net asset value of a Fund.

As the assets and liabilities of a Fund may be denominated in currencies different from the Base Currency of the Fund, the Fund may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between the Base Currency and other currencies.

P. Investments in collective investment schemes

Applicable to the First State Asian Equity Plus Fund, the First State Asian Growth Fund, the First State Asia Innovation Fund, the First State Asia Pacific All Cap Fund, the First State Asia Pacific Select Fund, the First State Asian Property Securities Fund, the First State Australian Growth Fund, the First State China Focus Fund, the First State China Growth Fund, the First State Global Agribusiness Fund, the First State Global Listed Infrastructure Fund, the First State Global Property Securities Fund, the First State Global Resources Fund, the First State Greater China Growth Fund, the First State Hong Kong Growth Fund, the First State Indian Subcontinent Fund, the First State Japan Equity Fund, the First State Singapore and Malaysia Growth Fund, the Stewart Investors Global Emerging Markets Leaders Fund, the Stewart Investors Global Emerging Markets Select Fund, the Stewart Investors Worldwide Equity Fund and the Stewart Investors Worldwide Leaders Fund.

A collective investment scheme in which an Equity Fund may invest may have less frequent dealing days than the Equity Fund and this could impair the Equity Fund's ability to distribute redemption proceeds to a Shareholder who wishes the Company to redeem its Shares because of the Equity Fund's inability to realise its investments. In circumstances where the underlying scheme has less frequent dealing days than the Equity Fund and where requests for the redemption of Shares exceed 10 per cent of the Equity Fund's Net Asset Value on a Dealing Day, it may be necessary for the Company to impose a restriction on the redemption of its Shares in excess of that specified amount because the Equity Fund is unable to realise its investments in the underlying scheme or other investments to meet the redemption requests on that Dealing Day. This may mean that a Shareholder's redemption request is not met on that Dealing Day but will then be dealt with on the next and/or subsequent Dealing Days. This limitation will apply pro rata so that all Shareholders wishing to redeem Shares will realise the same proportion. In addition, the underlying scheme may itself impose a restriction on the redemption of its shares in circumstances where the redemption requests it receives exceed a certain threshold or percentage of its shares in issue on a particular dealing day. The imposition of such a restriction by the underlying scheme will also affect the Equity Fund's ability to realise its investment in that scheme in a timely manner.

Q. Charges against capital

Applicable to the First State Asian Equity Plus Fund, the First State Asian Property Securities Fund, the First State Emerging Markets Bond Fund, the First State Global Credit Income Fund, the First State Global Listed Infrastructure Fund and the First State Global Property Securities Fund.

Fees and expenses are charged against the capital of certain Funds. Deducting expenses from capital reduces the potential for capital growth and on any redemption Shareholders may not receive back the full amount invested.

R. Below Investment Grade and Unrated Debt Securities Risk

Applicable to the First State Asian Bond Fund, the First State Asian Quality Bond Fund, the First State Emerging Markets Bond Fund, the First State Global Bond Fund, the First State Global Credit Income Fund, the First State High Quality Bond Fund, the First State Hong Kong Dollar Bond Fund and the First State Long Term Bond Fund.

Certain Funds may invest in securities which are below investment grade (as described in more detail in the investment policies of the relevant Funds) or which are unrated. These securities are speculative and involve a greater risk of default and price changes than investment grade debt securities due to changes in the issuer's creditworthiness. Low rated debt securities generally offer a higher current yield than higher grade issues. However, the market prices of these securities fluctuate more than investment grade debt securities and may decline significantly in periods of general economic difficulty. The market for lower rated debt securities may not be liquid at all times. In a relatively illiquid market a Fund may not be able to acquire or dispose of such securities quickly and as such a Fund may experience adverse price movements upon liquidation of its investments. Settlement of transactions may be subject to delay and administrative uncertainties.

S. Currency Hedged Share Class Risk

Applicable to the First State Global Credit Income Fund.

A Fund may issue Classes where the class currency is different to the Base Currency of the Fund. Accordingly the value of a Shareholder's investment may be affected favourably or unfavourably by fluctuations in the rates of the different currencies. The Company may create Currency Hedged Share Classes to hedge the resulting currency exposure back into the currency of the relevant Class. In addition, the Company may hedge currency exposure due to investing in assets denominated in a currency other than the Fund's Base Currency.

Whilst these hedging strategies aim to reduce the losses to a Shareholder's investment if the currency of that Currency Hedged Share Class or the currencies of the underlying assets which are denominated in currencies other than the Fund's Base Currency fall against that of the Base Currency of the relevant Fund the use of hedging strategies may substantially limit Shareholders of Shares in the relevant Class from benefiting if the currency of that Currency Hedged Share Class rises against that of the Base Currency of the relevant Fund and/or the currency in which the assets of the relevant Fund are denominated. The gains and losses on and the costs of such hedging transactions will accrue solely to the relevant Currency Hedged Share Class.

The Currency Hedged Share classes in the First State Global Credit Income Fund intends to reduce exposure to exchange rate fluctuations between the Base Currency of the Fund and the currency of denomination of the Currency Hedged Share Class.

Investors should be aware that any currency hedging process may not give a precise hedge. Furthermore, there is no guarantee that the hedging will be totally successful and no hedging strategy can eliminate currency risk entirely. Investors in the Currency Hedged Share Classes may have exposure to currencies other than the currency of their Share Class and may also be exposed to the risks associated with the instruments used in the hedging process.

Due to factors outside the control of the Company, currency exposure may be over or under hedged but over hedged positions will not be permitted to exceed 105 per cent of the net assets of the relevant Currency Hedged Share Class. Hedged positions will be kept under review to ensure that over hedged positions will not be permitted to exceed 105 per cent. Such review will incorporate a procedure to ensure that positions materially in excess of 100 per cent will not be carried forward from month to month.

In the case of a subscription or redemption request for Shares in a Currency Hedged Share Class, the hedging strategies may not be accurately adjusted and reflected in the Net Asset Value of the relevant Currency Hedged Share Class until the Business Day following the day on which the subscription or redemption request was accepted.

T. Global Resources Risk

Applicable to the First State Global Resources Fund.

Where a Fund invests primarily in the global resources sector (such as the natural resources and energy sectors), it may be vulnerable to price fluctuations and other factors that particularly affect the relevant sectors.

U. Property Securities Risk

Applicable to the First State Asian Property Securities Fund and the First State Global Property Securities Fund.

Where a Fund invests primarily in the shares of companies that are involved in property (like REITS) rather than property itself, the Fund is subject to the risks associated with direct ownership of the property (in addition to securities markets risks). Accordingly the value of these investments may fluctuate more than actual property.

V. Concentrated Risk

Applicable to the First State Global Listed Infrastructure Fund.

Where a Fund invests in a relatively small number of companies, it may be subject to greater risk of the Fund suffering proportionately higher loss should the shares in a particular company decline in value or otherwise be adversely affected than a Fund that invests in a large number of companies.

W. Sovereign Debt Risk

Applicable to the First State Asian Bond Fund, the First State Asian Quality Bond Fund, the First State Emerging Markets Bond Fund, the First State Global Bond Fund, the First State High Quality Bond Fund, the First State Hong Kong Dollar Bond Fund and the First State Long Term Bond Fund.

Certain Funds may invest substantially in debt securities issued or guaranteed by governmental entities or their agencies. Government debtors may default on their debt and holders of government debt, including the Funds, may be requested to participate in the rescheduling of such debt and to extend further loans to government debtors.

If the government debtor defaults, the Funds may have limited legal recourse against the issuer and/or guarantor. There is no assurance that the sovereign debts for which the relevant government debtor has defaulted may be collected in whole or in part.

X. Risks of Investing in China A Shares via QFII

Applicable to the First State Asian Equity Plus Fund, the First State China Growth Fund and the First State Greater China Growth Fund.

FSIM UK has been granted a licence from the CSRC to act as a QFII and has been granted an investment quota (the "**QFII quota**") by the SAFE.

By way of a facility arrangement between FSIM UK and the Company, FSIM UK has agreed to make available a portion of its QFII quota as an investment facility to the Company ("**Facility Arrangement**") so as to enable various Funds of the Company to invest directly in China A Shares and other eligible securities under the QFII regime, including stocks which are traded and transferred on a stock exchange in the PRC, securities investment funds and other financial instruments permitted by the CSRC or the People's Bank of China. Such investments will be managed on behalf of the relevant Funds by the Investment Manager and/or Sub-Investment Manager (as applicable) rather than FSIM UK.

The relevant Funds do not have exclusive use of FSIM UK's QFII quota, as the remaining portion will be used by FSIM UK to invest directly in China A Shares on behalf of other collective investment schemes for which it acts as investment manager or sub-investment manager (each, for the purposes of this risk factor, an "**Other Scheme**").

The relevant Funds can therefore gain exposure to China A Shares either by investing directly in China A Shares via FSIM UK's QFII quota and/or indirectly by investing in an Other Scheme which invests in China A Shares via FSIM UK's QFII quota.

For the avoidance of doubt, direct investment in China A Shares through the QFII quota of FSIM UK is limited to 10 per cent of the net asset value of each relevant Fund.

General China A Shares Risks

Exposure to China A Shares involves the taking of certain risks which are inherent in such an investment, including the following:

Uncertainty on the applicable regulations: Investments in China A Shares are subject to certain rules and regulations which are promulgated by the Government of the PRC. These rules and regulations may be applied inconsistently or not at all and are subject to change at any time. There is no assurance that any future changes in the rules and regulations or their interpretation or their enforcement will not have a material adverse effect on the relevant Fund's investments in the PRC.

Risks relating to suspension of the PRC stock markets: Securities exchanges in the PRC typically have the right to suspend or limit trading in any security traded on the relevant exchange. In particular, trading band limits are imposed by the stock exchanges on China A Shares, whereby trading in any China A Shares on the relevant stock exchange may be suspended if the trading price of the security fluctuates beyond the trading band limit. Such a suspension would make any dealing with the existing positions impossible and would potentially expose the relevant Fund to losses. Further, when the suspension is subsequently lifted, it may not be possible for the Fund to liquidate positions at a favourable price, which could also entail losses for the Fund.

Risks Specific to Direct Investments in China A Shares via QFII

Risks associated with QFII rules and regulations: The QFII rules and regulations under which the relevant Fund will invest in the PRC via FSIM UK's QFII quota are relatively new and give the CSRC, the People's Bank of China and the SAFE wide discretion on their interpretation. There are no precedents on how such discretion might be exercised for issues that have not been clearly provided in the QFII regulations, therefore leaving a considerable amount of uncertainty. Such QFII regulations are undergoing continual change: they may therefore be subject to further revisions in the future, and there is no assurance that such revisions would not prejudice QFIIs, or result in the substantial or entire removal of QFII quotas (including the quota utilised for the Funds). The CSRC, the People's Bank of China and/or SAFE may have power in the future to impose new restrictions or conditions on or terminate FSIM UK's QFII status which may adversely affect the relevant Funds and its shareholders. It is not possible to predict how such changes would affect the relevant Funds.

The prevailing rules and regulations governing QFII licence holders impose restrictions on the types of investments, minimum investment holding periods and restrictions on remittance as well as on the repatriation of principal and profits in relation to investments made by or through QFII, which may restrict or affect a Fund's investments. Under current QFII regulations, any investments made by a relevant Fund through the QFII quota may not be repatriated within three months of the remittance by the Fund and thereafter the net difference between subscription and redemption amounts may only be effected on a weekly basis up to a maximum cumulative limit of 20 per cent of the total value of the onshore investments made by the relevant Fund via the QFII quota as at the end of the previous year and so the liquidity of the investment is determined by reference to historical amounts invested by the relevant Fund in these investments. Also, as more than one of the Funds may utilise the QFII quota, the repatriation of funds by a relevant Fund may be restricted by the level of investments and subscriptions and redemptions made via the QFII quota by the other relevant Funds.

The ability of the relevant Funds to invest in China A Shares and any other permissible PRC securities may be restricted accordingly.

QFIIs are required to remit the entire investment principal for their quota in the PRC within six months of the quota being issued by SAFE. The amount actually remitted shall in no case be less than US$20 million. If FSIM UK (as a QFII) fails to remit at least US$20 million under its QFII quota into the PRC within six months, its QFII quota shall be cancelled. Such requirements may change from time to time.

Liquidity Risks: The PRC laws and practice may affect FSIM UK's ability to liquidate investments and to remit the proceeds thereof out of the PRC. The repatriation of monies to the relevant Fund out of the PRC is subject to certain restrictions (such as lock-up periods and restrictions on the amounts to be repatriated) and, in some cases, to obtaining approval from SAFE. The QFII regulations and/or the approach adopted in relation to the repatriation limit may change from time to time. A repatriation of principal and/or profits over and above the limit will require approval from SAFE which may delay payment of redemption proceeds relating to the relevant Fund's investment in the China A Shares; there is no assurance that such approval will be granted.

These restrictions on the repatriation of principal and profits imposed by the QFII regulations may have an adverse impact on the liquidity of the relevant Funds' portfolio. The Company will nevertheless ensure that the overall liquidity of the relevant Funds' portfolios is maintained.

Dependence on FSIM UK's QFII quota and QFII licence: To gain direct exposure to the China A Shares, the relevant Funds are dependent on gaining access to FSIM UK's QFII quota through the Facility Arrangement and on obtaining advice in relation to its investments in the PRC markets.

Should FSIM UK for any reason be subject to a reduction or a revocation of its QFII quota, the relevant Funds may partly or totally lose access to FSIM UK's QFII quota and may no longer be able to invest directly in China A Shares to meet all proposed investments to be made by the relevant Funds. Also, these circumstances may require the relevant Funds to dispose of its holdings in China A Shares which may have a material adverse effect on the Funds. If the Facility Arrangement is terminated, the relevant Funds will lose access to FSIM UK's QFII quota and may no longer be able to invest directly into China A Shares via the QFII scheme. FSIM UK's QFII licence may also be revoked or terminated or otherwise invalidated at any time by reason of a change in applicable law, regulations, practice or other circumstances, an act or omission of FSIM UK or for any other reasons. In such event, all assets held by Citibank (China) Co., Ltd, (the "**QFII custodian**") for the account of the relevant Funds will be liquidated and repatriated in accordance with applicable laws and regulations; this may lead to significant losses to the relevant Funds and there may be delays in the payment of the amount invested in China A Shares.

As set out above, the relevant Funds do not have exclusive use of FSIM UK's QFII quota. Investors should be aware that the QFII regulations generally apply to FSIM UK (and its QFII quota) as a whole and not solely in relation to the investments made by the relevant Funds: such Funds may therefore be adversely affected for reasons linked to the use of the QFII quota for Other Schemes (for example, the Funds could be exposed to particular disclosure requirements or suffer from regulatory action linked to a breach of the QFII regulations) (including revocation of the QFII quota).

There is no assurance that sufficient QFII quota will be allocated to such Funds via the Facility Arrangement to meet their planned investment in China A Shares via the QFII scheme.

Currency risk: The Renminbi is not, as of the date of this Prospectus, a freely convertible currency, and is subject to the foreign exchange control policies of the PRC government.

Direct investments by the relevant Funds in China A Shares will be made through FSIM UK's QFII quota in Renminbi, and the relevant Funds will therefore be exposed to any fluctuation in the exchange rate between the Base Currency of each relevant Fund and the Renminbi in respect of such investment. The relevant Funds may also be adversely affected by controls of currency conversions by the PRC government.

For the purposes of investment through the QFII scheme, Renminbi are exchangeable into US Dollars at prevailing market rates. The relevant Fund will be subject to bid/offer spread on currency conversion and transaction costs. Such foreign exchange risk and costs of conversion may result in losses to the relevant Fund. There can be no assurance that the Renminbi will not be subject to devaluation or revaluation or that shortages in the availability of foreign currency will not develop.

Custody risks: China A Shares traded on the Shanghai and Shenzhen Stock Exchanges are dealt and held in dematerialized form through the China Securities Depository and Clearing Corporation Limited ("**CSDCC**"). Securities purchased on behalf of a relevant Fund using FSIM UK's QFII quota are required to be recorded by CSDCC as credited to a securities trading account maintained in the joint names of FSIM UK and the relevant Fund. As a matter of PRC law, FSIM UK as QFII should have no ownership interest in the securities and the relevant Fund should be ultimately and exclusively entitled to ownership of the securities. However, given that FSIM UK belongs to a group of companies, there is a risk that creditors of the group may incorrectly assume that the relevant Fund's assets belong to the group or to FSIM UK and such creditors may seek to gain control of such Fund's assets to meet the liabilities of the FSIM UK or its group.

The evidence of title of exchange-traded securities in the PRC consists only of electronic book-entries in the depository and/or registry associated with the exchange. These arrangements of the depositories and registries are new and not fully tested in regard to their efficiency, accuracy and security.

In the event that there is an over-purchase of PRC securities by the relevant Fund, the CSDCC may require collateral from the Fund's securities trading account. It is possible that the QFII custodian may also be required by law to select and provide CSDCC with PRC securities from the securities account as collateral for the over-purchase of a party other than the relevant Fund and investors should note that the relevant Fund's assets may be so provided to the CSDCC.

Investors should note that cash deposited in the cash account of a relevant Fund with the QFII custodian will not be segregated but will be a debt owed from the QFII custodian to the QFII on behalf of the relevant Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of the QFII custodian. In the event of bankruptcy or liquidation of the QFII custodian, the relevant Fund will not have any proprietary rights to the cash deposited in such cash account, and such Fund will become an unsecured creditor, ranking pari passu with all other unsecured creditors of the QFII custodian. The relevant Fund may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case such Fund will suffer losses.

PRC Brokers and Best Execution: The relevant Funds may have difficulty in consistently obtaining best execution for all transactions in China A Shares or other permissible securities as a consequence of restrictions/limitations under applicable QFII regulations or operational constraints such as the restriction/limitation as to the number of brokers that FSIM UK as QFII may appoint. Each relevant Fund will use one or more PRC brokers appointed by FSIM UK to execute transactions in the PRC markets for the account of such Fund. If a PRC broker offers the standards of execution which FSIM UK reasonably believes to be amongst best practice in the PRC marketplace, FSIM UK may determine that it should consistently execute transactions with that PRC broker (including where it is an affiliate) notwithstanding that such transactions may not be executed at the best price and such PRC brokers shall have no liability to account to the relevant Fund in respect of the difference between the price at which the relevant transactions have been executed and any other price that may have been available in the market at that relevant time. There can be no guarantee that the execution of transactions will be at the best price available or that best execution of all transactions can be achieved.

Disclosure of Interests and Short Swing Profit Rule: Under the PRC disclosure of interests requirements, the Company or the relevant Funds may be deemed to be acting in concert with other investors (for example, funds managed within FSIM UK's group) and may be subject to the risk that the Company or the relevant Funds' holdings may have to be reported in aggregate with the holdings of such other funds should the aggregate holding trigger the reporting threshold under the PRC law, currently being 5 per cent of the total shares in issue of the relevant PRC listed company. This may expose the relevant Funds' holdings to the public which may have an adverse impact on the Funds.

In addition, subject to the interpretation of PRC courts and PRC regulators, the operation of the PRC short swing profit rule may be applicable to the relevant Fund's investments with the result that where the holdings of the relevant Fund (possibly in aggregate with the holdings of other investors deemed as concert parties of the Fund) exceed 5 per cent of the total shares in issue of a PRC listed company, the relevant Fund may not reduce its holdings in such company for a period of six months following its last purchase of shares of such company.

Investment Restrictions: There are limits on the total number of China A Shares held by all foreign investors in one PRC listed company and so the capacity of a relevant Fund to make investments in China A Shares will be affected by the activities of all other foreign investors investing through QFIIs.

In particular, each relevant Fund, by obtaining exposure to the PRC securities markets via the QFII quota, is subject to the following restrictions:

(a) the shareholding of a single foreign investor (such as the relevant Fund), who invests via one or more QFIIs in a single listed company, cannot exceed 10% of the total issued shares of the single listed company;

(b) the aggregate shareholding of China A Shares by all foreign investors, who invest via one or more QFIIs in a single listed company, cannot exceed 30% of the total issued shares in such company.

PRC Taxation Risk: In November 2014, the Chinese authorities released a statement confirming that foreign investors will not be subject to taxation in the PRC on capital gains derived from the trading of shares and other equity interest investments through the QFII licence on or after 17 November 2014. This is on the basis that the QFII licence holder is without an establishment or place in the PRC or having an establishment or place in the PRC but the income so derived in the PRC is not effectively connected with such establishment or place. This is a temporary exemption with no indication of an expiry date therefore there can be no certainty that the China A Shares will not attract a liability to tax in the future. This tax may be levied on any capital gain that such shares have or on any other aspect of such shares. There can be no certainty of the level of tax which will apply or the period which it will be levied in respect of. FSIM UK as QFII may retain an amount from the performance of such shares to be able to satisfy any such liability in the event that it arises, however any level of provision (or no provision) may be inadequate to meet the PRC tax liabilities that may arise.

Risks Specific to Indirect Investment in China A Shares via an Other Scheme

The above restrictions imposed on QFII licence holders by the PRC government may have an adverse effect on an Other Scheme's liquidity and performance. Accordingly, the Company, the relevant Fund or the Other Scheme itself may not be able to sell or decrease exposure to China A Shares in which the Other Scheme has invested even in the event that it wishes to do so.

Conflicts of Interest

In the event that FSIM UK is granted an additional QFII quota in the future, it may be faced with conflicting interests in terms of allocating its additional QFII quota between the relevant Funds of the Company, Other Scheme and any of its other clients.

However, in accordance with its conflicts of interest policy, FSIM UK will endeavour to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients in the event that any such conflict arises.

TAXATION

The following is a general summary of the main Irish tax considerations applicable to the Company and certain investors in the Company who are the beneficial owners of Shares in the Company. It does not purport to deal with all of the tax consequences applicable to the Company or to all categories of investors, some of whom may be subject to special rules. For instance, it does not address the tax position of Shareholders whose acquisition of Shares in the Company would be regarded as a shareholding in a Personal Portfolio Investment Undertaking (PPIU). Accordingly, its applicability will depend on the particular circumstances of each Shareholder. It does not constitute tax advice and Shareholders and potential investors are advised to consult their professional advisors concerning possible taxation or other consequences of purchasing, holding, selling, converting or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile, and in the light of their particular circumstances.

The following statements on taxation are based on advice received by the Directors regarding the law and practice in force in Ireland at the date of this document. Legislative, administrative or judicial changes may modify the tax consequences described below and as is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made will endure indefinitely.

Taxation of the Company

The Directors have been advised that, under current Irish law and practice, the Company qualifies as an investment undertaking for the purposes of Section 739B of the Taxes Consolidation Act, 1997, as amended ("**TCA**") so long as the Company is resident in Ireland. Accordingly, it is generally not chargeable to Irish tax on its income and gains.

Chargeable Event

However, Irish tax can arise on the happening of a "**chargeable event**" in the Company. A chargeable event includes any payments of distributions to Shareholders, any encashment, repurchase, redemption, cancellation or transfer of Shares and any deemed disposal of Shares as described below for Irish tax purposes arising as a result of holding Shares in the Company for a period of eight years or more. Where a chargeable event occurs, the Company is required to account for the Irish tax thereon.

No Irish tax will arise in respect of a chargeable event where:

(a) the Shareholder is neither resident nor ordinarily resident in Ireland ("**Non-Irish Resident**") and it (or an intermediary acting on its behalf) has made the necessary declaration to that effect and the Company is not in possession of any information which would reasonably suggest that the information contained in the declaration is not, or is no longer, materially correct; or

(b) the Shareholder is Non-Irish Resident and has confirmed that to the Company and the Company is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to provide the necessary declaration of non-residence has been complied with in respect of the Shareholder and the approval has not been withdrawn; or

(c) the Shareholder is an Exempt Irish Resident as defined below.

A reference to "**intermediary**" means an intermediary within the meaning of Section 739B(1) of the TCA, being a person who (a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons; or (b) holds units in an investment undertaking on behalf of other persons.

In the absence of a signed and completed declaration or written notice of approval from the Revenue Commissioners, as applicable, being in the possession of the Administrator at the relevant time there is a presumption that the Shareholder is resident or ordinarily resident in Ireland ("**Irish Resident**") or is not an Exempt Irish Resident and a charge to tax arises.

A chargeable event does not include:

- any transactions (which might otherwise be a chargeable event) in relation to Shares held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland; or
- a transfer of Shares between spouses/civil partners and any transfer of Shares between spouses/civil partners or former spouses/civil partners on the occasion of judicial separation, decree of dissolution and/or divorce, as appropriate; or
- an exchange by a Shareholder, effected by way of arm's length bargain where no payment is made to the Shareholder, of Shares in the Company for other Shares in the Company; or
- an exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the TCA) of the Company with another investment undertaking.

If the Company becomes liable to account for tax on a chargeable event, the Company shall be entitled to deduct from the payment arising on that chargeable event an amount equal to the appropriate tax and/or, where applicable, to repurchase and cancel such number of Shares held by the Shareholder as is required to meet the amount of tax. The relevant Shareholder shall indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax on the happening of a chargeable event.

Deemed Disposals

The Company may elect not to account for Irish tax in respect of deemed disposals in certain circumstances. Where the total value of Shares in a Fund held by Shareholders who are Irish Resident and, who are not Exempt Irish Residents as defined below, is 10 per cent or more of the Net Asset Value of the Fund, the Company will be liable to account for the tax arising on a deemed disposal in respect of Shares in that Fund as set out below. However, where the total value of Shares in the Fund held by such Shareholders is less than 10 per cent of the Net Asset Value of the Fund, the Company may, and it is expected that the Company will, elect not to account for tax on the deemed disposal. In this instance, the Company will notify relevant Shareholders that it has made such an election and those Shareholders will be obliged to account for the tax arising under the self-assessment system themselves. Further details of this are set out below under the heading "Taxation of Irish Resident Shareholders".

Irish Courts Service

Where Shares are held by the Irish Courts Service the Company is not required to account for Irish tax on a chargeable event in respect of those Shares. Rather, where money under the control or subject to the order of any Court is applied to acquire Shares in the Company, the Courts Service assumes, in respect of the Shares acquired, the responsibilities of the Company to, inter alia, account for tax in respect of chargeable events and file returns.

Exempt Irish Resident Shareholders

The Company will not be required to deduct tax in respect of the following categories of Irish Resident Shareholders, provided the Company has in its possession the necessary declarations from those persons (or an intermediary acting on their behalf) and the Company is not in possession of any information which would reasonably suggest that the information contained in the declarations is not, or is no longer, materially correct. A Shareholder who comes within any of the categories listed below and who (directly or through an intermediary) has provided the necessary declaration to the Company is referred to herein as an "**Exempt Irish Resident**":

(a) a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the TCA, or a retirement annuity contract or a trust scheme to which Section 784 or Section 785 of the TCA, applies;

(b) a company carrying on life business within the meaning of Section 706 of the TCA;

(c) an investment undertaking within the meaning of Section 739B(1) of the TCA or an investment limited partnership within the meaning of Section 739J of the TCA;

(d) a special investment scheme within the meaning of Section 737 of the TCA;

(e) a charity being a person referred to in Section 739D(6)(f)(i) of the TCA;

(f) a qualifying management company within the meaning of Section 739B(1) of the TCA;

(g) a unit trust to which Section 731(5)(a) of the TCA applies;

(h) a person who is entitled to exemption from income tax and capital gains tax under Section 784A(2) of the TCA where the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;

(i) a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the TCA, and the Shares are assets of a PRSA;

(j) a credit union within the meaning of Section 2 of the Credit Union Act, 1997;

(k) the National Pensions Reserve Fund Commission;

(l) the National Asset Management Agency;

(m) a company within the charge to corporation tax in accordance with Section 110(2) of the TCA (securitisation companies);

(n) in certain circumstances, a company within the charge to corporation tax in respect of payments made to it by the Company; or

(o) any other person who is resident or ordinarily resident in Ireland who may be permitted to own Shares under taxation legislation or by written practice or concession of the Revenue Commissioners without giving rise to a charge to tax in the Company or jeopardising the tax exemptions associated with the Company.

There is no provision for any refund of tax to Shareholders who are Exempt Irish Residents where tax has been deducted in the absence of the necessary declaration. A refund of tax may only be made to corporate Shareholders who are within the charge to Irish corporation tax.

Taxation of Non-Irish Resident Shareholders

Non-Irish Resident Shareholders who (directly or through an intermediary) have made the necessary declaration of non-residence in Ireland, where required, are not liable to Irish tax on the income or gains arising to them from their investment in the Company and no tax will be deducted on distributions from the Company or payments by the Company in respect of an encashment, repurchase, redemption, cancellation or other disposal of their investment. Such Shareholders are generally not liable to Irish tax in respect of income or gains made from holding or disposing of Shares except where the Shares are attributable to an Irish branch or agency of such Shareholder.

Unless the Company is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to provide the necessary declaration of non-residence has been complied with in respect of the Shareholder and the approval has not been withdrawn, in the event that a non-resident Shareholder (or an intermediary acting on its behalf) fails to make the necessary declaration of non-residence, tax will be deducted as described above on the happening of a chargeable event and notwithstanding that the Shareholder is not resident or ordinarily resident in Ireland any such tax deducted will generally not be refundable.

Where a Non-Irish Resident company holds Shares in the Company which are attributable to an Irish branch or agency, it will be liable to Irish corporation tax in respect of income and capital distributions it receives from the Company under the self assessment system.

Taxation of Irish Resident Shareholders

Deduction of Tax

Tax will be deducted and remitted to the Revenue Commissioners by the Company from any distributions made by the Company (other than on a disposal) to an Irish Resident Shareholder who is not an Exempt Irish Resident at the rate of 41 per cent.

Tax will also be deducted by the Company and remitted to the Revenue Commissioners from any gain arising on an encashment, repurchase, redemption, cancellation or other disposal of Shares by such a Shareholder, at the rate of 41 per cent. Any gain will be computed as the difference between the value of the Shareholder's investment in the Company at the date of the chargeable event and the original cost of the investment as calculated under special rules.

Where the Shareholder is an Irish resident company and the Company is in possession of a relevant declaration from the Shareholder that it is a company and which includes the company's tax reference number, tax will be deducted by the Company from any distributions made by the Company to the Shareholder and from any gains arising on an encashment, repurchase, redemption, cancellation or other disposal of shares by the Shareholder at the rate of 25 per cent.

Deemed Disposals

Tax will also be deducted by the Company and remitted to the Revenue Commissioners in respect of any deemed disposal where the total value of Shares in a Fund held by Irish Resident Shareholders who are not Exempt Irish Residents is 10 per cent or more of the Net Asset Value of the Fund. A deemed disposal will occur on each and every eighth anniversary of the acquisition of Shares in the Fund by such Shareholders. The deemed gain will be calculated as the difference between the value of the Shares held by the Shareholder on the relevant eighth year anniversary or, as described below where the Company so elects, the value of the Shares on the later of the 30 June or 31 December prior to the date of the deemed disposal and the relevant cost of those Shares. The excess arising will be taxable at the rate of 41 per cent (or in the case of Irish resident corporate shareholders where a relevant declaration has been made, at the rate of 25 per cent). Tax paid on a deemed disposal should be creditable against the tax liability on an actual disposal of those Shares.

Where the Company is obliged to account for tax on deemed disposals it is expected that the Company will elect to calculate any gain arising for Irish Resident Shareholders who are not Exempt Irish Residents by reference to the Net Asset Value of the relevant Fund on the later of the 30 June or 31 December prior to the date of the deemed disposal, in lieu of the value of the Shares on the relevant eight year anniversary.

The Company may elect not to account for tax arising on a deemed disposal where the total value of Shares in the relevant Fund held by Irish Resident Shareholders who are not Exempt Irish Residents is less than 10 per cent of the Net Asset Value of the Fund. In this case, such Shareholders will be obliged to account for the tax arising on the deemed disposal under the self assessment system themselves. The deemed gain will be calculated as the difference between the value of the Shares held by the Shareholder on the relevant eighth year anniversary and the relevant cost of those Shares. The excess arising will be regarded as an amount taxable under Case IV of Schedule D and will be subject to tax where the Shareholder is a company, at the rate of 25 per cent, and where the Shareholder is not a company, at the rate of 41 per cent. Tax paid on a deemed disposal should be creditable against the tax payable on an actual disposal of those Shares.

Residual Irish Tax Liability

Corporate Shareholders resident in Ireland which receive payments from which tax has been deducted will be treated as having received an annual payment chargeable to tax under Case IV of Schedule D from which tax at the rate of 25 per cent (or 41 per cent if no declaration has been made) has been deducted. Subject to the comments below concerning tax on a currency gain, in general, such Shareholders will not be subject to further Irish tax on payments received in respect of their holding from which tax has been deducted. A corporate Shareholder resident in Ireland which holds the Shares in connection with a trade will be taxable on any income or gains received from the Company as part of that trade with a set-off against corporation tax payable for any tax deducted from those payments by the Company. In practice, where tax at a rate higher than 25 per cent. has been deducted from payments to a corporate Shareholder resident in Ireland, a credit of the excess tax deducted over the higher corporation tax rate of 25 per cent. should be available.

Subject to the comments below concerning tax on a currency gain, in general, non-corporate Irish Resident Shareholders will not be subject to further Irish tax on income arising on the Shares or gains made on disposal of the Shares, where the appropriate tax has been deducted by the Company from distributions paid to them.

Where a currency gain is made by a Shareholder on the disposal of Shares, the Shareholder will be liable to capital gains tax in respect of that gain in the year/s of assessment in which the Shares are disposed of.

Any Irish Resident Shareholder who is not an Exempt Irish Resident and who receives a distribution from which tax has not been deducted or who receives a gain on an encashment, repurchase, redemption, cancellation or other disposal from which tax has not been deducted, (for example, because the Shares are held in a recognised clearing system) the Shareholder will also be liable to account for income tax or corporation tax as the case may be on the payment or on the amount of the gain under the self-assessment system and in particular, Part 41A of the TCA.

Pursuant to Section 891C of the TCA and the Return of Values (Investment Undertakings) Regulations 2013, the Company is obliged to report certain details in relation to Shares held by investors to the Revenue Commissioners on an annual basis. The details to be reported include the name, address and date of birth if on record of, and the value of the Shares held by, a Shareholder. In respect of Shares acquired on or after 1 January 2014, the details to be reported also include the tax reference number of the Shareholder (being an Irish tax reference number or VAT registration number, or in the case of an individual, the individual's PPS number) or, in the absence of a tax reference number, a marker indicating that this was not provided. No details are to be reported in respect of Shareholders who are:

- exempt Irish Residents (as defined above);
- shareholders who are neither Irish Resident nor ordinarily resident in Ireland (provided the relevant declaration has been made); or
- shareholders whose Shares are held in a recognised clearing system.

Overseas Dividends

Dividends (if any) and interest which the Company receives with respect to investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of the investments are located. It is not known whether the Company will be able to benefit from reduced rates of withholding tax under the provisions of the double tax treaties which Ireland has entered into with various countries.

However, in the event that the Company receives any repayment of withholding tax suffered, the Net Asset Value of the relevant Fund will not be restated and the benefit of any repayment will be allocated to the then existing Shareholders rateably at the time of such repayment.

Overseas Gains

Gains which the Company makes on investments may be subject to taxes, including withholding taxes, in the countries in which the issuers of the investments are located and may affect the overall level of returns to the Shareholders.

Stamp Duty

On the basis that the Company qualifies as an investment undertaking within the meaning of Section 739B of the TCA, generally, no stamp duty will be payable in Ireland on the issue, transfer, repurchase or redemption of Shares in the Company. However, where any subscription for or redemption of Shares is satisfied by an in-kind or *in specie* transfer of Irish securities or other Irish property, Irish stamp duty might arise on the transfer of such securities or properties.

No Irish stamp duty will be payable by the Company on the conveyance or transfer of stock or marketable securities of a company not registered in Ireland, provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property, or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B of the TCA or a qualifying company within the meaning of Section 110 of the TCA) which is registered in Ireland.

Residence

In general, investors in the Company will be either individuals, corporate entities or trusts. Under Irish rules, both individuals and trusts may be resident or ordinarily resident. The concept of ordinary residence does not apply to corporate entities.

Individual Investors

Test of Residence

An individual will be regarded as resident in Ireland for a particular tax year if the individual is present in Ireland: (1) for a period of at least 183 days in any one tax year; or (2) for a period of at least 280 days in any two consecutive tax years, provided that the individual is resident in Ireland for at least 31 days in each tax year. In determining days present in Ireland, an individual is deemed to be present if he/she is present in the country at any time during the day.

If an individual is not resident in Ireland in a particular tax year the individual may, in certain circumstances, elect to be treated as resident.

Test of Ordinary Residence

If an individual has been resident for the three previous tax years then the individual will be deemed "ordinarily resident" from the start of the fourth year. An individual will remain ordinarily resident in Ireland until the individual has been non-resident for three consecutive tax years.

Trust Investors

A trust will generally be regarded as resident in Ireland where all of the trustees are resident in Ireland. Trustees are advised to seek specific tax advice if they are in doubt as to whether the trust is resident in Ireland.

Corporate Investors

A company will be resident in Ireland if its central management and control is in Ireland or (in certain circumstances) if it is incorporated in Ireland. For Ireland to be treated as the location of a company's central management and control this typically means Ireland is the location where all fundamental policy decisions of the company are made.

All companies incorporated in Ireland are resident in Ireland for tax purposes except where:

(i) in the case of a company incorporated before 1 January 2015, the company or a related company carries on a trade in Ireland, and either (a) the company is ultimately controlled by persons resident in a "relevant territory", being an EU member state (other than Ireland) or a country with which Ireland has a double taxation agreement in force by virtue of Section 826(1) of the TCA or that is signed and which will come into force once all the ratification procedures set out in Section 826(1) of the TCA have been completed, or (b) the principal class of the shares in the company or a related company is substantially and regularly traded on a recognised stock exchange in a relevant territory; or

(ii) the company is regarded as resident in a country other than Ireland and not resident in Ireland under a double taxation agreement between Ireland and that other country.

A company incorporated in Ireland and coming within either (i) or (ii) above will not be regarded as resident in Ireland unless its central management and control is in Ireland, provided, however, a company coming within (i) above which has its central management and control outside of Ireland will still be regarded as resident in Ireland if: (a) it would by virtue of the law of a relevant territory be tax resident in that relevant territory if it were incorporated in that relevant territory but would not otherwise be tax resident in that relevant territory; (b) is managed and controlled in that relevant territory; and (c) would not otherwise by virtue of the law of any territory be regarded as resident in that territory for tax purposes.

The exception from the incorporation rule of tax residence at (i) above in respect of a company incorporated before 1 January 2015 will however cease to apply or be available after 31 December 2020, or, if earlier, from the date, after 31 December 2014, of a change in ownership (direct or indirect) of the company where there is a major change in the nature or conduct of the business of the company within the period beginning on the later of 1 January 2015 or the date which occurs one year before the date of the change in ownership of the company, and ending 5 years after the date of the change in ownership. For these purposes a major change in the nature or conduct of the business of the company includes the commencement by the company of a new trade or a major change arising from the acquisition by the company of property or of an interest in or right over property.

Disposal of Shares and Irish Capital Acquisitions Tax

(a) Persons Domiciled or Ordinarily Resident in Ireland

The disposal of Shares by means of a gift or inheritance made by a disponer domiciled or ordinarily resident in Ireland or received by a beneficiary domiciled or ordinarily resident in Ireland may give rise to a charge to Irish Capital Acquisitions Tax for the beneficiary of such a gift or inheritance with respect to those Shares.

(b) Persons Not Domiciled or Ordinarily Resident in Ireland

On the basis that the Company qualifies as an investment undertaking within the meaning of Section 739B of the TCA, the disposal of Shares will not be within the charge to Irish Capital Acquisitions Tax provided that;

- the Shares are comprised in the gift or inheritance at the date of the gift or inheritance and at the valuation date;
- the donor is not domiciled or ordinarily resident in Ireland at the date of the disposition; and
- the beneficiary is not domiciled or ordinarily resident in Ireland at the date of the gift or inheritance.

EU Savings Tax Directive

Ireland has implemented the EC Council Directive 2003/48/EC on the taxation of savings income into national law. Accordingly, where the Administrator or a paying agent (within the meaning of the Directive), makes a payment of interest (which may include an income or capital distribution payment) on behalf of the Company to an individual or to certain residual entities, resident in another Member State of the European Union (or certain associated and dependent territories of a Member State), it will be obliged to provide details of the payment and certain details relating to the Shareholders (including the Shareholder's name and address) to the Irish Revenue Commissioners. The Irish Revenue Commissioners in turn are obliged to provide such information to the competent authorities of the state or territory of residence of the individual or residual entity concerned.

The Administrator, Paying Agent or such other entity considered to be a paying agent for these purposes shall be entitled to require Shareholders to provide any information regarding tax status, identity or residency in order to satisfy the disclosure requirements in this Directive and Shareholders will be deemed by their subscription for Shares in a Fund to have authorised the automatic disclosure of such information by the Administrator, Paying Agent or other relevant person to the relevant tax authorities.

Disclosure of tax information

The Company, Custodian and/or Administrator will require Shareholders to provide any information regarding tax status, identity or residency in order to satisfy the disclosure requirements and Shareholders will be required to authorise the automatic disclosure of such information by the Company, Custodian and/or Administrator or other relevant person to the relevant tax authorities and to notify the Company, Custodian and/or Administrator of any update to such information previously provided by them to the Company, Custodian and/or Administrator in this regard.

Other local tax authority requirements

The Company will report personal and payment information of relevant Shareholders to the local tax authorities in accordance with local laws and regulations.

The Company will report personal and payment information of relevant Shareholders to other jurisdiction's tax authorities, such as the IRS, as required by local laws or regulations, or pursuant to contractual obligations with such foreign tax authorities.

MANAGEMENT AND ADMINISTRATION

Directors of the Company

The Directors control the affairs of the Company and are responsible for the overall investment policy of the Company. The Directors may delegate certain duties to the Investment Manager, the Custodian and the Administrator. The Company shall be managed and its affairs supervised by the Directors. The Directors of the Company are described below:–

Peter Blessing (Permanent Chairman) is a director of and consultant to, a number of Irish financial services and fund companies.

Mr Blessing was previously Managing Director of Credit Lyonnais Financial Services Limited, Dublin from its establishment in 1991 until 1995. Prior to this, he worked with Allied Irish Banks p.l.c. as a founding director of its Irish International Financial Services Centre subsidiary from 1988 to 1991 and as a senior executive in its Corporate Finance division from 1982 to 1988.

Mr. Blessing is a qualified chartered accountant and holds a degree in Engineering from University College Dublin and an MBA degree from Trinity College Dublin.

Mr Blessing is Irish resident.

Chris Turpin is currently the Regional Managing Director of FSI EMEA, responsible for clients, business development and operations in the region. Mr Turpin sits on the board of directors of each of First State Investments' ("**FSI**") main operating entities in EMEA, Singapore and Hong Kong and of many of FSI's collective investment schemes.

Prior to joining FSI in September 2003, Mr Turpin was a Director of Product Management at Northern Trust Asset Management, having commenced his career at Price Waterhouse in London, specialising in the investment management industry.

Mr Turpin holds an MA (Hons) from the University of Edinburgh and is an Associate of the UK Society of Investment Professionals, a Regular Member of the Chartered Financial Analyst Institute and a Chartered Alternative Investment Analyst.

Mr Turpin is UK resident.

James Breyley is currently the Chief Financial Officer of FSI EMEA, responsible for the finance function (including statutory reporting, management reporting, local tax matters and financial control) in the region. Mr Breyley sits on the board of directors of certain of FSI's operating entities and collective investment schemes in EMEA.

Prior to joining FSI in May 2012, Mr Breyley worked for FSI's parent, the Commonwealth Bank of Australia, in a range of roles, most recently as Financial Controller for CommInsure. Prior to that, he worked with ING Australia and with Zurich Financial Services Australia.

Mr Breyley has a Science degree from the University of Sydney, a Commerce degree from the University of Newcastle and is a member of the Chartered Accountants, Australia and New Zealand.

Mr Breyley is UK resident.

Michael Stapleton is currently a Joint Managing Partner of First State Stewart (Asia), a business division of FSI. Mr Stapleton sits on the board of directors of each of FSI's main operating entities in Singapore and Hong Kong and of certain of FSI's collective investment schemes.

Prior to the creation of the First State Stewart (Asia) business line on 1 July 2015, Mr Stapleton was FSI's Managing Director, Asia Pacific, responsible for clients, business development and operations in the Region and for institutional business in Australia and New Zealand.

Prior to joining FSI in 1998, Mr Stapleton commenced his career at JP Morgan Investments in Australia, as a member of the Institutional Business Team.

Mr Stapleton holds a Bachelor of Economics from Monash University in Melbourne and is a Chartered Financial Analyst charter holder.

Mr Stapleton is Hong Kong resident.

Bronwyn Wright currently acts as an independent director to a number of Irish collective investment schemes.

Ms Wright was previously a Managing Director and Head of Securities and Fund Services at Citi Ireland, responsible for the management and strategic direction of the securities and fund services business, which included funds, custody, security finance and global agency and trust. Due to her role in managing, leading and growing Citi's European fiduciary business, Ms. Wright has extensive knowledge of regulatory requirements and best market practice in the UK, Luxembourg, Jersey and Ireland. Following extensive due diligence exercises she also understands the Nordics, Germany and Asia.

Ms Wright holds a degree in Economics and Politics and a Master's degree in Economics from University College Dublin and is a past chairperson of the Irish Funds Industry Association committee for Trustee Services. She was on an Executive Committee for the DIT School of Accounting and Finance postgraduate doctorate programme.

Ms Wright is Irish resident.

Kevin Molony currently acts as an independent director to several international investment managers.

Mr Molony was previously the Managing Director of Walkers Corporate Services (Dublin) Limited until that business was acquired in June 2012. From 1999 to 2009, he was a Director at Citi, where his specific area of expertise was broking US and Latin American equities. He was involved in establishing and building Citi's institutional broking business in Ireland. Prior to joining Citi, Mr Molony was an institutional broker with Deutsche Bank.

Mr Molony began his career as a UK equity fund manager with Phillips & Drew Fund Managers, later joining AIB Investment Managers as a Senior Portfolio Manager specialising in US equity funds.

Mr Molony received a BA in Economics from University College Dublin and a Professional Diploma in Corporate Governance from Smurfit Business School, Dublin.

Mr Molony is Irish resident.

For the purposes of this Prospectus, the address of all the Directors is the registered office of the Company.

The company secretary is Bradwell Limited.

Investment Manager

The Investment Manager is part of the international operation of Colonial First State Global Asset Management ("**CFS GAM**"), the asset management business of the Commonwealth Bank of Australia. The CFS GAM group has funds under management of US$162.0 billion (A$171.7 billion)[3] as at 30 June 2014 and is one of the largest fund manager in Australia with offices in Sydney, Melbourne, Auckland, London, Edinburgh, Paris, Frankfurt, New York, Louisville, Dubai, Hong Kong, Singapore, Jakarta and Tokyo. The Commonwealth Bank of Australia is an international financial services company listed on the Australian Securities Exchange and is the second largest bank in Australia.

The Investment Manager is a company incorporated on 22 December 1987 under the laws of Hong Kong and is licensed by the Hong Kong Securities and Futures Commission to undertake regulated activities types 1 (dealing in securities), 4 (advising on securities) and 9 (asset management).

The Investment Manager is the Promoter.

The Company has delegated the powers of determining investment policy and investment management of each Fund to the Investment Manager pursuant to the Investment Management Agreement. The Company has granted to the Investment Manager the exclusive right to make a market in the Shares though the Investment Manager is not obliged to do so. The Investment Management Agreement may be terminated by either party upon six months' written notice. The Investment Management Agreement may also be terminated by the Company upon notice in writing to the Investment Manager in the event that (i) the Investment manager shall at any time become insolvent or go into liquidation either voluntarily or under an order of a court of competent jurisdiction or make a general assignment for the benefit of its creditors or otherwise acknowledge its insolvency; or (ii) the Investment Manager fails to observe or perform its obligations under the Investment Management Agreement and such failure continues to be unremedied for thirty days after receipt of notice from the Company requiring such breach to be remedied; or (iii) the Directors are of the opinion and so state in writing that, for good and sufficient reason, a change in Investment Manager is desirable in the interests of the Shareholders.

[3] Exchange rate of A$1: US$0.94385 total assets and funds under management are based on 30 June 2014 figure.

The Company has agreed to indemnify the Investment Manager from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature other than those resulting from its wilful misfeasance, negligence, bad faith or reckless disregard of duties or obligations under the Investment Management Agreement on the part of the Investment Manager, its directors, officers or agents.

The Investment Manager may appoint one or more Sub-Investment Managers to manage the assets of a Fund pursuant to a Sub-Investment Management Agreement. In this regard, the Investment Manager shall only appoint Sub-Investment Managers from the list set out below, each of which has been approved to act as such by the Central Bank:

a) First State Investment Management (UK) Limited;

b) First State Investments (Singapore);

c) Colonial First State Investments Limited;

d) Colonial First State Asset Management (Australia) Limited (save as outlined in the following paragraph).

The Investment Manager shall not be permitted to appoint Colonial First State Asset Management (Australia) Limited to manage the assets of any of the Funds which are registered with the Hong Kong Securities and Futures Commission.

Further information concerning the Sub-Investment Managers and Sub-Sub-Investment Manager(s) appointed and any changes thereto will be provided by the Company, upon request. Details of all of these appointments by the Investment Manager shall be disclosed in the periodic reports of the Company. The Investment Manager remains responsible for the acts and omissions of the Sub-Investment Managers and any other delegate as if such acts or omissions were its own.

In addition, it should be noted that the name of the each of the Funds include the brand name, First State or Stewart Investors, of the particular team of portfolio managers within the Investment Manager or the relevant Sub-Investment Manager who manage the Fund. Shareholders may on request obtain information about the identity and performance of the particular portfolio management team in respect of a Fund.

In addition, for certain Funds that are managed by Colonial First State Asset Management (Australia) Limited, the discretionary investment management will from time to time be the subject of a further delegation to Monegy, Inc. Further information on this will be provided by the Company upon request and shall be disclosed in the periodic reports.

Custodian

HSBC Institutional Trust Services (Ireland) Limited (the "**Custodian**") was appointed as custodian of the Company pursuant to the Custodian Agreement. The main activity of the Custodian is to act as trustee and custodian of the assets of collective investment schemes. The Custodian was incorporated in Ireland on 29 November 1991 as a limited liability company and is an indirect wholly-owned subsidiary of HSBC Holdings plc, a public limited company incorporated in England and Wales. The Custodian is authorised by the Central Bank. As at 31 December 2014, HSBC Holdings plc had consolidated gross assets of approximately US$ 2,434 billion.

The Custodian will be liable to the Company and the Shareholders for any loss suffered by them as a result of its unjustifiable failure to perform or its improper performance of its obligations. The Custodian generally will not be liable for any action taken in good faith in reliance on or any inaccurate information received or for the disposition of moneys or investments or for any depreciation or loss incurred by reason of the sale of any investments subject to the terms of the Custodian Agreement. The Custodian will not be personally liable for any taxes or other governmental charges imposed upon or in respect of the investments or upon the interest thereon.

The Custodian Agreement may be terminated by either the Custodian or the Company giving not less than ninety days' written notice to the other party at any time. Either party may terminate the Custodian Agreement immediately in the event that: (i) the other party shall go into liquidation other than a voluntary liquidation for the purpose of reconstruction or an examiner or receiver is appointed to the other or upon the happening of a like event whether at the direction of an appropriate regulatory agency or court of competent jurisdiction or otherwise; or (ii) the other party fails to remedy a material breach of the Custodian Agreement within thirty (30) days of being requested to do so. The Company may terminate the Custodian Agreement if the Custodian is no longer permitted to perform its obligations hereunder pursuant to applicable law. The Custodian shall continue in office until a successor is appointed. If no successor custodian is appointed within ninety days of the service of notice of termination the Shares in the Company shall be redeemed and the Central Bank shall be requested to revoke the authorisation of the Company. The Custodian's appointment shall not terminate until revocation of the Company's authorisation by the Central Bank.

The Custodian Agreement contains detailed provisions as to the responsibilities of the Custodian and provides that the Custodian shall be liable to the Company and the Shareholders for any loss suffered by them as a result of its unjustifiable failure to perform its obligations or its improper performance of such obligations. The Company shall indemnify the Custodian for any loss arising to the Custodian in the performance of its duties under the Custodian Agreement other than loss arising as a result of the Custodian's unjustifiable failure to perform its obligations or its improper performance of such obligations.

Under the terms of the Custodian Agreement the Custodian has full power to delegate the whole or any part of its custodial functions. The liability of the Custodian will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safe-keeping. The Company and the Custodian acknowledge that the Central Bank considers that in order for the Custodian to discharge its responsibility under the Regulations the Custodian must exercise care and diligence in choosing and appointing a third party as safe-keeping agent so as to ensure that the third party has and maintains the expertise, competence and standing appropriate to discharge the responsibilities concerned. The Custodian must maintain an appropriate level of supervision over the safe-keeping agent and make appropriate enquiries from time to time to confirm that the obligations of the agent continue to be competently discharged. This does not purport to be a legal interpretation by the Central Bank, the Regulations and the UCITS Directive.

As the Fund may invest in Emerging Markets where custodial and/or settlement systems are not fully developed, the assets of the relevant Fund which are traded in such markets and which have been entrusted to correspondents of the Custodian, in circumstances where the use of such correspondents is necessary, may be exposed to risk in circumstances whereby the Custodian will have no liability. Prospective investors are referred to the risk factors set out in the section headed "Risk Factors" above. There can be no assurance that losses will not arise to the Fund from the actions, inactions, or insolvency of such correspondents, particularly since regulations and standard of administration in Emerging Markets may be underdeveloped and not of the standards experienced in most industrialised economies.

Administrator and Registrar

HSBC Securities Services (Ireland) Limited (the "**Administrator**") was appointed as administrator of the Company pursuant to the Administration Agreement. The Administrator is a limited liability company incorporated under the laws of Ireland on the 29 November 1991 and is authorised by the Central Bank. It is an indirect wholly-owned subsidiary of HSBC Holdings plc, a public limited company incorporated in England and Wales. The Administrator provides administration services to collective investment funds such as the Company.

The Administration Agreement shall continue in force until terminated by either the Company or the Administrator on ninety days' notice in writing to the other party at any time or may be terminated immediately in the event of: (i) the other party going into liquidation or the appointment of an examiner or receiver to that party or on the happening of a like event whether at the direction of an appropriate regulatory agency or court of competent jurisdiction or otherwise; or (ii) the other party failing to remedy a material breach of the Administration Agreement within thirty days of being requested to do so; or (iii) the Administrator's tax certificate under Section 446 of the Finance Act, 1980 of Ireland being revoked or notice of intention to revoke the certificate is received from the Minister for Finance of Ireland; or (iv) the authorisation by the Central Bank of the Company being revoked; or (v) either party being no longer permitted to perform its obligations under the Administration Agreement pursuant to applicable law.

The Administration Agreement provides that in the absence of negligence, wilful default, bad faith or fraud on the part of the Administrator, the Administrator will not be liable to the Company for any loss incurred by the Company in connection with the performance by the Administrator of its obligations and duties under the Administration Agreement, and the Company agrees to indemnify the Administrator against any loss suffered by the Administrator in the performance of its obligations under the Administration Agreement save where such loss arises as a result of negligence, wilful misconduct, bad faith or fraud on the part of the Administrator.

In calculating the Net Asset Value, the Administrator shall not be liable for any loss suffered by the Company by reason of any error in the calculation of the Net Asset Value resulting from any inaccuracy in the information provided by any pricing service. The Administrator shall use reasonable endeavours to verify any pricing information supplied by the Investment Manager or any connected person thereof (including a connected person who is a broker, market maker or other intermediary). However, in certain circumstances it may not be possible or practicable for the Administrator to verify such information and, in such circumstances, the Administrator shall not be liable for any loss suffered by the Company by reason of any error in the calculation of the Net Asset Value resulting from any inaccuracy in the information provided by the Investment Manager or its delegates. In circumstances where the Administrator is directed by the Investment Manager or its delegates to use particular pricing procedures, brokers, market makers or other intermediaries, the Administrator shall not be liable for any loss suffered by the Company by reason of any error in the calculation of the Net Asset Value resulting from any inaccuracy in the information provided by such pricing services, brokers, market makers or other intermediaries not appointed or selected by the Administrator.

MEMORANDUM AND ARTICLES OF ASSOCIATION

Memorandum and Articles of Association

The Memorandum and Articles of Association of the Company contain provisions to the following effect:

(a) ***Objects***. Clause 2 of the Memorandum of Association provides that the Company's sole object is the collective investment in transferable securities and/or other liquid financial assets referred to in Regulation 68 of the Regulations of capital raised from the public operating on the principle of risk-spreading in accordance with the Regulations.

(b) ***Variation of rights***. The rights attached to any Class may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of three-fourths of the issued Shares of that Class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of that Class. Any holder of Shares of the Class in question present in person or by proxy may demand a poll.

(c) ***Voting Rights***. The Articles provide that on a show of hands at a general meeting of the Company every holder of Shares present in person or by proxy shall have one vote; on a poll at a general meeting every holder of Shares who is present in person or by proxy shall have one vote in respect of each whole Share held by him.

The Articles further provide that on a poll of all of the holders of Shares of more than one Class for the time being the voting rights of holders shall be adjusted in a manner determined by the Directors so as to reflect the latest calculated Repurchase Price per Share of each of the Classes in question.

(d) ***Change in Share Capital***. The Company may from time to time by ordinary resolution increase its capital, consolidate and divide its Shares or any of them into Shares of larger amount than its existing Shares and subdivide its Shares or any of them into Shares of smaller amount or cancel any Shares not taken or agreed to be taken by any person. The Company may by special resolution from time to time reduce its share capital in any way permitted by law.

(e) ***Directors' Interests***. Provided the nature of his interest is or has been declared at the first opportunity at a meeting of the Directors or by general written notice of his interest to the Directors, a Director may enter into any contract with the Company and shall not be liable to the Company for any profit realised by any such contract or arrangement. As a general rule a Director shall not vote or be counted in the quorum present on any resolution in respect of his appointment (or the arrangement of the terms of appointment) to hold any office or place or profit with the Company or in respect of any contract or arrangement in which he is materially interested.

(f) ***Borrowing Powers***. Subject to the Regulations, the directors may exercise all the powers of the Company to borrow money (including the power to borrow for the purpose of repurchasing Shares) and hypothecate, mortgage, charge or pledge its undertaking, property and assets or any part thereof, and to issue debentures, debenture stock or other securities, whether outright or as collateral security for any debt liability or obligation of the Company.

(g) ***Retirement of Directors***. There is no provision for the retirement of Directors on their attaining a certain age.

(h) ***Transfer of Shares***. Save as provided above under "**Form of Shares and Share Certificates**" and "**Transfer of Shares**" the Shares are freely transferable and entitled to participate equally in the profits and dividends of the Fund to which they relate and in its assets upon liquidation. The Shares, which are of no par value and which must be fully paid on issue, carry no preferential or pre-emptive rights.

(i) ***Dividends***. The Directors may if they think fit declare such dividends, including interim dividends on the Shares or on any Class of Shares, as appear to the Directors to be justified for the relevant Fund. The Directors may satisfy any dividend due to holders of the Shares in whole or in part by distributing to them in specie any of the assets of the Company and in particular any investments to which the Company is entitled. Any dividend unclaimed after a period of six years from the date of declaration of such dividend shall be forfeited and shall revert to the Fund.

(j) ***Segregated Liability***. The Company is an umbrella fund with segregated liability between Funds and each Fund may comprise one or more Classes of Shares in the Company. The Directors may, from time to time, upon the prior approval of the Central Bank, establish further Funds by the issue of one or more separate Classes of Shares on such terms as the Directors may resolve. The Directors may from time to time, in accordance with the requirements of the Central Bank, establish one or more separate Classes of Shares within each Fund on such terms as the Directors may resolve.

The assets and liabilities of each Fund will be allocated in the following manner:

(i) the proceeds from the issue of Shares representing a Fund shall be applied in the books of the Company to the Fund and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Memorandum and Articles of Association;

(ii) where any asset is derived from another asset, such derivative asset shall be applied in the books of the Company to the same Fund as the assets from which it was derived and in each valuation of an asset, the increase or diminution in value shall be applied to the relevant Fund;

(iii) where the Company incurs a liability which relates to any asset of a particular Fund or to any action taken in connection with an asset of a particular Fund, such a liability shall be allocated to the relevant Fund, as the case may be; and

(iv) where an asset or a liability of the Company cannot be considered as being attributable to a particular Fund, such asset or liability, subject to the approval of the Custodian, shall be allocated to all the Funds pro rata to the Net Asset Value of each Fund.

Any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund, and neither the Company nor any Director, receiver, examiner, liquidator, provisional liquidator or other person shall apply, nor be obliged to apply, the assets of any such Fund in satisfaction or any liability incurred on behalf of, or attributable to, any other Fund.

There shall be implied in every contract, agreement, arrangement or transaction entered into by the Company the following terms, that:

(i) the party or parties with the Company shall not seek, whether in any proceedings or by other means whatsoever or wheresoever, to have recourse to any assets of any Fund in the discharge of all or any part of a liability which was not incurred on behalf of that Fund;

(ii) if any party contracting with the Company shall succeed by any means whatsoever or wheresoever in having recourse to any assets of any Fund in the discharge of all or any part of a liability which was not incurred on behalf of that Fund, that party shall be liable to the Company to pay a sum equal to the value of the benefit thereby obtained by it; and

(iii) if any party contracting with the Company shall succeed in seizing or attaching by any means, or otherwise levying execution against, the assets of a Fund in respect of a liability which was not incurred on behalf of that Fund, that party shall hold those assets or the direct or indirect proceeds of the sale of such assets on trust for the Company and shall keep those assets or proceeds separate and identifiable as such trust property.

All sums recoverable by the Company shall be credited against any concurrent liability pursuant to the implied terms set out in (i) to (iii) above.

Any asset or sum recovered by the Company shall, after the deduction or payment of any costs of recovery, be applied so as to compensate the Fund.

In the event that assets attributable to a Fund are taken in execution of a liability not attributable to that Fund, and in so far as such assets or compensation in respect thereof cannot otherwise be restored to the Fund affected, the Directors, with the consent of the Custodian, shall certify or cause to be certified, the value of the assets lost to the Fund affected and transfer or pay from the assets of the Fund or Funds to which the liability was attributable, in priority to all other claims against such Fund or Funds, assets, or sums sufficient to restore the Fund affected, the value of the assets or sums lost to it.

A Fund is not a legal person separate from the Company but the Company may sue and be sued in respect of a particular Fund and may exercise the same rights of set-off, if any, as between its Funds as apply at law in respect of companies and the property of a Fund is subject to orders of the court as it would have been if it were a separate legal person.

Separate records shall be maintained in respect of each Fund.

WINDING UP

Duration of the Company

The Company continues indefinitely unless wound up in accordance with the Memorandum and Articles of Association. The Directors may terminate any Fund by notice in writing to the Custodian if:

(a) on any date the Net Asset Value of a Fund shall be less than such amount as may be determined by the Directors (currently US$10,000,000); or

(b) the relevant Fund ceases to be authorised or otherwise officially approved; or

(c) any law should be passed which renders it illegal or in the opinion of the Directors impracticable or inadvisable to continue the relevant Fund.

The Directors may terminate all of the Funds if the total Net Asset Value of the Funds is less than US$25,000,000. The Directors will give notice of termination of a Fund to the Shareholders of such Fund and by such notice shall fix the date at which such termination is to take effect, which date shall be for such period after the service of such notice as the Directors shall at their absolute discretion determine.

Where a redemption of Shares would result in the number of Shareholders falling below three or such other minimum number stipulated by statute or where a redemption of Shares would result in the issued share capital of the Company falling below such minimum amount as the Company may be obliged to maintain pursuant to applicable law, the Company may defer the redemption of the minimum number of Shares sufficient to ensure compliance with applicable law. The redemption of such Shares will be deferred until the Company is wound up or until the Company procures the issue of sufficient Shares to ensure that the redemption can be effected. The Company shall be entitled to select the Shares for deferred redemption in such manner as it may deem to be fair and reasonable and as may be approved by the Custodian.

Winding up

On the winding up of the Company the Company's liquidator shall realise the assets of each Fund and (after satisfaction of creditors' claims) shall pay to the Shareholders a sum as near as possible equal to the Net Asset Value of the Shares held by them. The assets available for distribution among the Shareholders shall be applied in the following priority:

(i) firstly, in payment to the Shareholders of each Class of each Fund of a sum in the Base Currency in which that Class is denominated or in any other currency selected by the liquidator as nearly as possible equal (at a rate of exchange reasonably determined by the liquidator) to the Net Asset Value of the Shares of such Class held by such holders respectively as at the date of commencement of the winding up provided that there are sufficient assets available in the relevant Fund to enable such payment to be made. In the event that, as regards any Class of Shares, there are insufficient assets available in the relevant Fund to enable such payment to be made, recourse shall be had to the assets of the Company not comprised within any of the Funds;

(ii) secondly, in the payment to the holders of the Subscriber Shares of sums up to the amount paid thereon (plus any interest accrued) out of the assets of the Company not comprised within any Funds remaining after any recourse thereto under paragraph (i) above. In the event that there are insufficient assets as aforesaid to enable such payment in full to be made, no recourse shall be had to the assets comprised within any of the Funds;

(iii) thirdly, in the payment to the Shareholders of any balance then remaining in the relevant Fund, such payment being made in proportion to the number of Shares held; and

(iv) fourthly, in the payment to the Shareholders of any balance then remaining and not comprised within any of the Funds, such payment being made in proportion to the value of each Fund and within each Fund to the value of each Class and in proportion to the Net Asset Value per Share.

On winding up, the liquidator may at his discretion with the approval of the Shareholders divide among the Shareholders of the Company in specie the whole or any part of the assets of the Company.

APPENDIX 1 – INVESTMENT OBJECTIVES, POLICIES AND RISKS OF THE FUNDS

Goal of the First State Funds

The Company is designed to provide investors with a specialist investment programme by offering investors various Funds each with different investment objectives and policies. Each Fund employs its own strategy and has its own risk/reward profile. As you could lose money by investing in the Funds, be sure to read all risk disclosures carefully before investing. For more details, please refer to the section headed "Risk factors" above.

The investment objectives and any material change of the investment policies of each Fund may be altered with the approval of its Shareholders by way of an ordinary resolution passed at a general meeting or by way of a written resolution of all of the Shareholders of the Fund. In the event of a change of investment objective and/or change of investment policies reasonable notification will be provided to enable Shareholders to request the repurchase of their Shares prior to implementation of the change.

EQUITY FUNDS

The investment objective of the First State Asian Property Securities Fund, the First State Global Listed Infrastructure Fund and the First State Global Property Securities Fund is to achieve a total investment return consistent with income and long term capital growth. The investment objective of each of the other Equity Funds is to achieve long term capital appreciation. Each of the Equity Funds invests primarily in equity and equity related securities (including warrants, convertible bonds, depository receipts such as ADR and GDR, equity linked or participation notes etc.) that are listed, traded or dealt on Regulated Markets, provided that each Fund may not invest more than 15 per cent of its net assets in aggregate in warrants or equity linked or participation notes. Each of the Equity Funds may invest up to 10 per cent of its net assets in transferable securities that are not listed, traded or dealt in on Regulated Markets.

Each of the Equity Funds may invest up to 5 per cent of its net assets in open-ended collective investment schemes. These collective investment schemes will be established as UCITS under the UCITS Directive in any EU member state or non-UCITS which satisfy the requirements of Regulation 68(e) of the Regulations. **As the Equity Funds may invest in warrants, it is recommended that an investment in these Funds should not constitute a substantial proportion of an investor's portfolio and may not be appropriate for all investors.**

The Equity Funds may invest cash balances in short-term securities listed, traded or dealt in on a Regulated Market. The short-term securities in which the Equity Funds may invest will include securities such as commercial paper, certificates of deposit, and bankers' acceptances all rated above investment grade or in the opinion of the Investment Manager to be of comparable quality. For defensive purposes during periods of perceived uncertainty and volatility, each Equity Fund may also hold all or part of its assets in debt securities, asset-backed and mortgage-backed securities which must be rated at least investment grade or in the opinion of the Investment Manager to be of comparable quality and which are listed, traded or dealt in on a Regulated Market.

Each of the Equity Funds which indicate an investment objective or policy in a particular sector, geographic region or market will normally invest at least 70 per cent of its non-cash assets in such securities to reflect the particular objective though it may invest in securities outside such sectors or markets when the Investment Manager considers appropriate.

The following Equity Funds may invest more than 20 per cent of their Net Asset Value in the securities of issuers located in Emerging Markets.

First State Asian Equity Plus Fund
First State Asian Growth Fund
First State Asia Innovation Fund
First State Asia Pacific All Cap Fund
First State Asia Pacific Select Fund
First State Asian Property Securities Fund
First State Australian Growth Fund
First State China Focus Fund
First State China Growth Fund
First State Global Property Securities Fund
First State Global Resources Fund
First State Greater China Growth Fund
First State Indian Subcontinent Fund
First State Singapore and Malaysia Growth Fund
Stewart Investors Global Emerging Markets Leaders Fund
Stewart Investors Global Emerging Markets Select Fund
Stewart Investors Worldwide Equity Fund
Stewart Investors Worldwide Leaders Fund

Investors should note that those Equity Funds that may invest more than 20 per cent of their net assets in Emerging Markets should not constitute a substantial proportion of an investor's portfolio and may not be appropriate for all investors.

In determining whether an investment reflects a particular objective or policy in a geographic region or market, the Investment Manager will consider not only the principal trading market for the stock or place of incorporation of the issuer but also the location of its principal activities and business interests, source of revenue and location of its substantial assets.

Each of the Equity Funds may employ a portion of its assets in futures contracts, options, non-deliverable options, forward currency transactions, non-deliverable forwards, swaps, interest rate swaps, zero-coupon swaps, currency swaps, contracts for difference and credit default swaps for the purposes of efficient portfolio management and to hedge against exchange rate risk under the conditions and limitations as laid down by the Central Bank. Certain instruments in which the Equity Funds may invest, such as equity linked or participation notes, may contain an embedded derivative component. The Equity Funds will use financial derivative instruments and will be leveraged, however, to the extent that the Equity Funds are leveraged, the limits described in **Appendix 4** under the heading "Cover Requirements" will apply. Leverage will be measured using the commitment approach and such leverage cannot exceed 100 per cent of the Net Asset Value of the Fund. The Equity Funds current exposure to leverage will vary between low exposure, medium exposure and high exposure, with low exposure being less than 25 per cent of the Fund's Net Asset Value, medium exposure being between 25 to 60 per cent of the Fund's Net Asset Value and high exposure being more than 60 per cent of the Fund's Net Asset Value. As an indication based on the use of leverage up to 31 December 2014 all of the Equity Funds fall in the low exposure category.

Financial derivative instruments, in general, involve special risks and costs and may result in losses to a Fund. A fuller description of the risks associated with financial derivative instruments is set out in the section entitled "Risk Factors".

A Fund may invest in the Shares of another Fund provided that that Fund does not hold shares in other funds. Where such an investment is made the Fund which is making the investment may not charge subscription, conversion or redemption fees on account of its investment in the Shares of the other Fund. In addition, the investing Fund may not charge the annual management fee charged by the Investment Manager in respect of that portion of its assets invested in the other Fund.

The REITs in which a Fund may invest must be subject to corporate governance mechanisms which apply to companies or which are equivalent to those that apply to companies, must be managed by an entity which is subject to national regulation for the purpose of investor protection and whose shares or units must be transferable securities listed, traded or dealt in on a Regulated Market. Issuers that will qualify for investment principally engage in the ownership, management, financing, purchase and sale of land and residential, commercial or industrial real estate.

Investing in China

Chinese Stock Exchanges:

The Chinese Stock Exchanges (which currently comprise the two stock exchanges in the PRC, the Shanghai Stock Exchange and Shenzhen Stock Exchange) are supervised by the CSRC and are highly automated with trading and settlement executed electronically. The Chinese Stock Exchanges are less liquid and developed, and more volatile than the major securities markets in the United States, United Kingdom and in other western countries. The Chinese Stock Exchanges divide listed shares into two classes: China A Shares and China B Shares for different currency denominations. Companies whose shares are traded on the Chinese Stock Exchanges that are incorporated in the PRC may issue both China A Shares and China B Shares. China A Shares and China B Shares may both be listed on either of the Chinese Stock Exchanges. Both classes of shares represent an ownership interest comparable to a share of common stock and all shares are entitled to substantially the same rights and benefits associated with ownership.

China A Shares:

China A Shares are traded on the Chinese Stock Exchanges in onshore Renminbi. Foreign investors had historically been unable to participate in the China A Share market. However, following China's introduction of the QFII program in 2002, a legal framework has been provided for foreign investors through licensed QFIIs to invest in China A Shares on the Chinese Stock Exchanges and certain other securities previously not eligible for investment by foreign investors. This is administered through quotas granted by the SAFE to those QFIIs which have been approved by the CSRC.

The current QFII regulations impose strict restrictions (such as investment guidelines and a minimum holding period) on investments in China A Shares. As of the date of this Prospectus, only the First State Asian Equity Plus Fund, the First State China Growth Fund and the First State Greater China Growth Fund may invest directly in the China A Share market through the QFII quota of FSIM UK under the Facility Arrangement. Direct investment in China A Shares through the QFII quota is limited to 10 per cent of the net assets of the relevant Fund.

Some of the Equity Funds may also invest in the China A Shares indirectly through equity linked or participation notes issued by institutions that have obtained the QFII status or through investing in open-ended collective investment schemes that invest in China A Shares. The Chinese government may relax the QFII regulations over time and Equity Funds (other than the three Funds referred to above) could invest in the China A Share market directly if and when opportunities arise. Investments in equity linked or participation notes may be less liquid than direct investments and investments in collective investment schemes are subject to redemption restrictions. However, in no event will investments by an Equity Fund in warrants, equity linked or participation notes in aggregate exceed 15 per cent of the net assets of that Fund and an Equity Fund may invest up to 10 per cent of its net assets in unlisted securities.

The Equity Funds that may invest in equity linked or participation notes in relation to China A Shares are the First State Asian Equity Plus Fund, the First State Asian Growth Fund, the First State Asia Innovation Fund, the First State Asia Pacific All Cap Fund, the First State Asia Pacific Select Fund, the First State China Focus Fund, the First State China Growth Fund, the First State Greater China Growth Fund, the First State Hong Kong Growth Fund, the Stewart Investors Global Emerging Markets Leaders Fund, the Stewart Investors Global Emerging Markets Select Fund, the Stewart Investors Worldwide Equity Fund and the Stewart Investors Worldwide Leaders Fund. These Funds will only invest in equity linked or participation notes if the notes are listed on any Regulated Market worldwide.

The Equity Funds that may invest in collective investment schemes in relation to China A Shares are the First State Asian Equity Plus Fund, the First State Asian Growth Fund, the First State Asia Pacific All Cap Fund, the First State Asia Pacific Select Fund, the First State China Focus Fund, the First State China Growth Fund, the First State Greater China Growth Fund, the Stewart Investors Global Emerging Markets Leaders Fund, the Stewart Investors Global Emerging Markets Select Fund, the Stewart Investors Worldwide Equity Fund and the Stewart Investors Worldwide Leaders Fund.

An Equity Fund's investment in listed equity linked or participation notes is subject to a limit of 15 per cent of the net assets of the Fund. On the other hand, an Equity Fund's investment in non-UCITS collective investment schemes may constitute an investment in other collective investment schemes pursuant to Regulation 68 of the Regulations (subject to a limit of 5 per cent of the net assets of the Fund). Where an Equity Fund invests in China A Shares through listed equity linked or participation notes and/or non-UCITS collective investment schemes the total maximum exposure to China A Shares could be 25 per cent of the net assets of the Equity Fund.

China B Shares:

China B Shares are traded on the Chinese Stock Exchanges in Hong Kong Dollars and US Dollars, respectively. China B Shares were originally intended to be available only to foreign individual and institutional investors. However, China B Shares are also available to domestic individual investors who trade through legal foreign currency accounts.

All of the Equity Funds (except First State Australian Growth Fund, First State Indian Subcontinent Fund and First State Singapore and Malaysia Growth Fund) may invest directly in China B Shares through the Chinese Stock Exchanges.

Where an Equity Fund invests in China B Shares, the total maximum exposure to China B Shares is 25 per cent of the net assets of such Equity Fund.

Please note that the investment limits set out above are maximum amounts and the actual or intended exposure to China A Shares and China B Shares could vary among individual Equity Funds.

Notwithstanding the levels of maximum exposure to China A Shares and China B Shares as set out above, it is expected that any of the Equity Fund's which have such an exposure will have a maximum exposure to China A Shares and China B Shares in aggregate which will not exceed 25 per cent of the Fund's net assets.

Profile of a Typical Investor

The following funds are suitable for investors seeking capital growth over the long term and who are prepared to accept a moderate level of volatility:

– First State Asian Equity Plus Fund
– First State Asian Growth Fund
– First State Asia Innovation Fund
– First State Asia Pacific All Cap Fund
– First State Asia Pacific Select Fund
– First State Australian Growth Fund
– First State China Focus Fund
– First State China Growth Fund
– Stewart Investors Global Emerging Markets Leaders Fund
– Stewart Investors Global Emerging Markets Select Fund
– First State Global Agribusiness Fund
– First State Global Resources Fund
– First State Greater China Growth Fund
– First State Hong Kong Growth Fund
– First State Indian Subcontinent Fund
– First State Japan Equity Fund
– First State Singapore and Malaysia Growth Fund
– Stewart Investors Worldwide Equity Fund
– Stewart Investors Worldwide Leaders Fund

The following Funds are suitable for investors seeking income and capital growth over the long term and who are prepared to accept a moderate level of volatility:

– First State Asian Property Securities Fund
– First State Global Listed Infrastructure Fund
– First State Global Property Securities Fund

First State Asia Innovation Fund

Investment Policy:

The Fund shall invest primarily in equity and equity-related securities in the Asia region (excluding Australia, New Zealand and Japan), focusing on those companies which the Investment Manager believes are especially innovative in terms of what they produce, or services they provide, and/or the way in which they carry out their business, for example, innovative capital structures, innovative use of technology, and innovative employee incentivisation schemes, but the Fund shall not specialise in any particular sector.

First State Asia Pacific Select Fund

Investment Policy:

The Fund invests primarily in a diversified portfolio of securities of larger capitalisation companies established or having significant operations in the Asia Pacific region (excluding Japan, including Australasia) and are listed, traded or dealt in on Regulated Markets worldwide.

Larger capitalisation companies are currently defined as companies with a minimum investible market cap (free float) of US$3 billion at the time of investment. The Investment Manager may review this definition as considered appropriate.

First State Asian Equity Plus Fund

Investment Policy:

The Fund invests primarily in securities in the Asia Pacific region (excluding Japan). Such companies will be selected on the basis of their high dividend yields and their potential for long term capital appreciation.

The Investment Manager will select investments which it believes offer the potential for sustainable above average dividend yields in addition to price appreciation.

First State Asian Growth Fund

Investment Policy:

The Fund invests primarily in securities in the Asian region, excluding Japan.

First State Asian Property Securities Fund

Investment Policy:

The Fund primarily invests in a broad selection of Asian securities issued by real estate investment trusts or companies that own, develop or manage real property and which are listed, traded or dealt in on Regulated Markets in the Asian Region.

First State Australian Growth Fund

Investment Policy:

The Fund invests primarily in a portfolio of securities of companies listed, traded or dealt in on regulated Australian exchanges. The Fund may also invest in the securities of companies which are incorporated in or have a majority of their economic activity based in Australia but are listed, traded or dealt in on other Regulated Markets worldwide.

The Fund may invest in any industry.

First State China Focus Fund

Investment Policy:

The Fund invests primarily in a concentrated portfolio of equities of large and mid capitalisation companies established or having significant operations in Mainland China and which are listed, traded or dealt in on Regulated Markets worldwide.

First State China Growth Fund

Investment Policy:

The Fund invests primarily in securities issued by companies with either assets in, or revenues derived from the People's Republic of China that are listed, traded or dealt in on Regulated Markets in China, Hong Kong, Taiwan, the U.S. or in a member state of the OECD.

First State Global Agribusiness Fund

Investment Policy:

The Fund invests primarily in a diversified portfolio of equity and equity related instruments of issuers in the Agribusiness sector, which are listed, traded or dealt in on Regulated Markets worldwide.

The sector includes but is not limited to companies involved in the production, processing, transporting, trading and marketing of soft commodities, as well as those that supply products and services (including seeds, fertilisers, crop nutrients, agricultural equipment and water) to the agricultural/forestry industry.

Soft commodities include, amongst other things, coarse grains, soya beans, sugar, coffee, cocoa, palm oil, livestock, forestry, pulp and water. The Fund will not invest in physical commodities or derivatives relating to commodities.

First State Global Listed Infrastructure Fund

Investment Policy:

The Fund invests primarily in a diversified portfolio of listed Infrastructure and Infrastructure-related securities of issuers listed, traded or dealt in on Regulated Markets worldwide. The Infrastructure sector includes, but is not limited to, utilities (e.g. water and electricity), highways and railways, airports services, marine ports and services, and oil and gas storage and transportation.

First State Global Property Securities Fund

Investment Policy:

The Fund primarily invests in a broad selection of securities issued by real estate investment trusts or companies that own, develop or manage real property from around the world (including initially the EEA, Russia, Switzerland, United States, and the Asian Region) and which are listed, traded or dealt in on Regulated Markets worldwide.

First State Global Resources Fund

Investment Policy:

The Fund primarily invests in the equities of issuers engaged in the discovery, development, extraction, processing or distribution of natural resources (including without limitation minerals, water, metals and timber) and energy sectors (including without limitation oil, coal, gas, nuclear energy and renewable energy), or issuers of securities that provide services to the natural resources and energy sectors and which are listed, traded or dealt in on Regulated Markets worldwide.

First State Greater China Growth Fund

Investment Policy:

The Fund invests primarily in securities issued by companies with either assets in, or revenues derived from, the People's Republic of China, Hong Kong, and Taiwan and which are listed, traded or dealt in on Regulated Markets in the People's Republic of China, Hong Kong, Taiwan, the U.S., Singapore, Korea, Thailand and Malaysia or in a member state of the OECD.

The Fund may also invest in government and corporate debt securities such as, but not limited to, convertible and non-convertible debt securities, fixed and floating rate bonds, zero coupon and discount bonds or certificates of deposit each rated investment grade or, if unrated, of comparable quality as determined by the Investment Manager.

First State Hong Kong Growth Fund

Investment Policy:

The Fund invests primarily in securities listed on the Stock Exchange of Hong Kong Limited or securities issued by such companies which in the Investment Manager's opinion have significant assets, business, production activities, trading or other business interests in Hong Kong and traded on Regulated Markets.

First State Indian Subcontinent Fund

Investment Policy:

The Fund will comprise a diversified portfolio of companies of the Indian subcontinent. Countries of the Indian subcontinent include India, Pakistan, Sri Lanka and Bangladesh. The Fund concentrates on securities that are listed, traded or dealt in on Regulated Markets in the Indian subcontinent and offshore instruments issued by companies established or operating or have significant interests in the Indian subcontinent and listed on other Regulated Markets.

First State Singapore and Malaysia Growth Fund

Investment Policy:

The Fund invests primarily in securities issued by companies that are listed, traded or dealt in on Regulated Markets in Singapore or Malaysia or companies that are listed, traded or dealt in on another Regulated Market but that are incorporated in, have substantial assets in, or derive significant revenues from operations in Singapore or Malaysia.

The Fund may from time to time also invest in companies that are listed, traded or dealt in on Regulated Markets in the Asia-Pacific region other than Singapore and Malaysia which, in the opinion of the Investment Manager, offer potential for diversification and capital growth, subject to a maximum of 20 per cent of the Fund's net assets in aggregate being invested in such countries. In its investment decisions the Investment Manager does not emphasise any particular company size but instead considers investments which in its opinion offer the potential for capital appreciation.

First State Asia Pacific All Cap Fund

Investment Policy:

The Fund will invest primarily in the equity securities of companies established or having significant operations in the Asia Pacific region (excluding Japan, including Australasia) and which are listed, traded or dealt in on Regulated Markets worldwide.

First State Japan Equity Fund

Investment Policy:

The Fund will invest primarily in a portfolio of equity securities which are established or have significant operations in Japan and which are listed, traded or dealt in on Regulated Markets worldwide. The Fund may invest in any industry. The Fund is not managed to a benchmark.

Stewart Investors Global Emerging Markets Leaders Fund

Investment Policy:

The Fund invests primarily in large and mid capitalisation securities in emerging economies, including those of companies listed on developed market exchanges whose activities predominantly take place in emerging market countries. Such securities will primarily be listed, traded or dealt in on Regulated Markets in EEA, Brazil, Colombia, China, Egypt, Hong Kong, India, Indonesia, Israel, Korea, Malaysia, Mexico, Peru, Philippines, Singapore, South Africa, Sri Lanka, Taiwan, Thailand, Turkey and United States of America.

Large and mid capitalisation equities are currently defined as companies with a minimum market capitalisation of US$1 billion and a minimum free float of US$500 million at the time of investment. The Investment Manager may review this definition as considered appropriate.

Stewart Investors Global Emerging Markets Select Fund

Investment Policy:

The Fund invests primarily in a diversified portfolio of securities of larger capitalisation companies established or having significant operations in emerging economies and are listed, traded or dealt in on Regulated Markets worldwide.

Such securities will primarily be listed, traded or dealt in on Regulated Markets in EEA, Brazil, Colombia, China, Egypt, Hong Kong, India, Indonesia, Israel, Korea, Malaysia, Mexico, Peru, Philippines, Singapore, South Africa, Sri Lanka, Taiwan, Thailand, Turkey and United States of America.

Larger capitalisation companies are currently defined as companies with a minimum investible market cap (free float) of US$3 billion at the time of investment. The Investment Manager may review this definition as considered appropriate.

Stewart Investors Worldwide Equity Fund

Investment Policy:

The Fund will seek to invest in a diverse portfolio of equity securities which are listed, traded or dealt in on any of the Regulated Markets worldwide.

The Fund is not managed to a benchmark and may have exposure to developed or Emerging Markets whilst maintaining its geographical diversity.

The Fund may invest in any industry.

Stewart Investors Worldwide Leaders Fund

Investment Policy:

The Fund invests primarily in a diverse portfolio of equity securities of larger capitalisation companies which are listed, traded or dealt in on any of the Regulated Markets worldwide. Larger capitalisation companies are currently defined as companies with a minimum investible market cap (free float) of US$3 billion at the time of investment. The Investment Manager may review this definition as considered appropriate.

In relation to the term Leaders, this indicates the Fund will not invest in securities of small capitalisation companies. Small capitalisation companies are currently defined as companies with a minimum investible market cap (free float) of less than US$1 billion at the time of investment.

The Fund is not managed to a benchmark and may have exposure to developed or Emerging Markets whilst maintaining its geographical diversity.

The Fund may invest in any industry.

BOND FUNDS

Each of the Bond Funds has a different investment objective, details of which are set out below.

Each of the Bond Funds will invest in convertible, exchangeable and non-exchangeable and non convertible debt securities, fixed and floating rate bonds, zero coupon and discount bonds, transferable notes, mortgaged-backed and asset-backed securities, commercial paper, certificates of deposits of variable or fixed interest rates listed, traded or dealt in Regulated Markets. The Bond Funds may invest up to 10 per cent of net assets in transferable securities that are not listed, traded or dealt in on Regulated Markets and may invest up to 5 per cent in open ended collective investment schemes. These collective investment schemes will be established as UCITS under the UCITS Directive in any EU member state.

Each of the Bond Funds which indicate an investment objective or policy in a particular sector, geographic region objective will normally invest at least 70 per cent of its non-cash assets in such securities to reflect the particular objective though it may invest in securities outside such sectors or markets when the Investment Manager considers it appropriate.

The following Bond Funds may invest more than 20 per cent of their Net Asset Value in the securities of issuers located in Emerging Markets.

First State Asian Bond Fund
First State Asian Quality Bond Fund
First State Emerging Markets Bond Fund

Investors should note that those Bond Funds which may invest more than 20 per cent of their net assets in Emerging Markets should not constitute a substantial proportion of an investor's portfolio and may not be appropriate for all investors.

The following Bond Funds may invest more than 30 per cent of their Net Asset Value in below investment grade debt securities.

First State Emerging Markets Bond Fund

Investors should note that those Bond Funds which may invest more than 30 per cent of their net assets in below investment grade debt securities should not constitute a substantial proportion of an investor's portfolio and may not be appropriate for all investors.

In determining whether an investment reflects a particular objective or policy in a geographic region or market, the Investment Manager will consider not only the principal trading market for the stock or place of incorporation of the issuer but also the location of its principal activities and business interests, source of revenue and location of its substantial assets.

A Fund may invest in the Shares of another Fund provided that that Fund does not hold shares in other funds. Where such an investment is made the Fund which is making the investment may not charge subscription, conversion or redemption fees on account of its investment in the Shares of the other Fund. In addition, the investing Fund may not charge the annual management fee charged by the Investment Manager in respect of that portion of its assets invested in the other Fund.

The Bond Funds may employ a portion of their assets in futures contracts, options, non-deliverable options, forward currency transactions, non-deliverable forwards, swaps, interest rate swaps, zero-coupon swaps, currency swaps, contracts for difference and credit default swaps for the purposes of efficient portfolio management and to hedge against exchange rate risk under the conditions and limitations as laid down by the Central Bank. Only one Fund, First State Global Credit Income Fund, is permitted to invest in financial derivative instruments for investment purposes, such investment will be subject to the limits from time to time laid down by the Central Bank. The Bond Funds will use financial derivative instruments and will be leveraged, however, to the extent that the Bond Funds are leveraged, the limits described in **Appendix 4** under the heading "Cover Requirements" will apply. Leverage will be measured using either the commitment approach or value-at-risk ("**VaR**") method. If the commitment approach is used such leverage cannot exceed 100 per cent of the Net Asset Value of the Fund. If absolute VaR is used, the absolute VaR calculates a Fund's VaR as a percentage of the Fund's Net Asset Value and is subject to an absolute VaR limit of 20% of its Net Asset Value. VaR is a statistical methodology that predicts, using historical data, the likely maximum daily loss that the Fund could lose. The VaR is calculated to a 99 per cent confidence level using a one month holding period, meaning there is a 1 per cent statistical chance that the daily VaR limit may be exceeded. All the Bond Funds currently use the commitment approach apart from the First State Global Credit Income Fund which uses absolute VaR. The Bond Funds current exposure to leverage will vary between low exposure, medium exposure and high exposure, with low exposure being less than 25 per cent of the Fund's Net Asset Value, medium exposure being between 25 and 60 per cent of the Fund's Net Asset Value and high exposure being more than 60 per cent of the Fund's Net Asset Value. As an indication based on the use of leverage up to 31 December 2014 the Bond Funds can be categorised as follows:

Low exposure

First State Emerging Markets Bond Fund
First State Hong Kong Dollar Bond Fund

Medium exposure

First State Asian Bond Fund
First State Asian Quality Bond Fund
First State Global Bond Fund
First State High Quality Bond Fund
First State Long Term Bond Fund

It is expected that the First State Global Credit Income Fund will fall in to high exposure.

Financial derivative instruments, in general, involve special risks and costs and may result in losses to a Fund. A fuller description of the risks associated with financial derivative instruments is set out in the section entitled "Risk Factors".

If any Fund intends to make use of financial derivative instruments for any purpose other than efficient portfolio management or to hedge against market or currency risks, this will be specified in the Investment Objectives and Investment Policies of the Funds.

As with any fund that invests primarily in bonds, the value of a Bond Fund's investments fluctuates in response to movements in interest rates in countries where the Bond Fund invests. Lower rated debt securities in which certain Bond Funds may invest offer higher yields than investment grade securities but generally have more risk and volatility, particularly in deteriorating economic periods, because of their reduced creditworthiness and greater chance of default. Investors' attention is drawn to the risks of investing in securities rated below investment grade as set out in the section headed "Risk Factors" above. Where a Fund's investment policy refers to ratings from a rating agency and where a security has multiple ratings, as long as at least one of the ratings satisfies the minimum requirement, the rule is deemed to be satisfied.

Profile of a Typical Investor

The following funds are suitable for investors seeking income and capital growth over the long term and who are prepared to accept a moderate level of volatility:

– First State Asian Bond Fund
– First State Asian Quality Bond Fund
– First State Emerging Markets Bond Fund
– First State Global Bond Fund
– First State Global Credit Income Fund
– First State High Quality Bond Fund
– First State Hong Kong Dollar Bond Fund
– First State Long Term Bond Fund

First State Asian Bond Fund

Investment Objective:

To achieve long-term returns through investment in a diversified portfolio of fixed income and similar transferable instruments issued primarily by government and corporate entities in Asia.

Investment Policy:

The Fund invests primarily in debt securities of issuers organised, headquartered or having their primary business operations in Asia. The Fund may also invest in treasury bonds of the United States Government.

The Fund may invest in investment grade debt securities (rated as Baa3 or above by Moody's Investor Services, Inc. or BBB- or above by Standard & Poor's Corporation or other recognised rating agencies) and below investment grade debt and convertible securities, or, if unrated, of comparable quality as determined by the Investment Manager.

First State Asian Quality Bond Fund

Investment Objective:

To achieve long term returns through investment in a diversified portfolio of investment grade fixed income and similar transferable instruments issued primarily by government and corporate entities in Asia.

Investment Policy:

The Fund invests primarily in debt securities of issuers organised, headquartered or having their primary business operations in Asia. The Fund will invest in investment grade debt and convertible securities (rated as Baa3 or above by Moody's Investor Services Inc or BBB- or above by Standard & Poor's Corporation or other recognised rating agencies) or if unrated, of comparable quality as determined by the Investment Manager.

First State Global Bond Fund

Investment Objective:

To provide a total return greater than the Citigroup World Government Bond Index ("**WGBI**").

Investment Policy:

The Fund invests primarily in debt securities of issuers from countries organised, headquartered or having their primary business operations in the WGBI Index, although in the event of unusual market conditions, investments in countries not included in the WGBI Index may be included and may constitute up to 50 per cent of the net assets of the Fund.

No more than 10 per cent of the Fund's net assets will be invested in any country outside of the United States, the European Union, Switzerland, Australia, Canada, New Zealand, Japan or Norway and no more than 30 per cent in aggregate will be invested outside these countries. The Fund will hold securities of issuers from at least three countries.

The Fund will normally invest at least 70 per cent of its net assets in investment grade debt securities (rated as Baa3 or above by Moody's Investor Services, Inc or BBB- or above by Standard & Poor's Corporation, or other recognised rating agencies), or, if unrated, of comparable quality as determined by the Investment Manager. The Fund is not constrained as to the maximum maturity of its portfolio securities.

First State High Quality Bond Fund

Investment Objective:

To provide a total return greater than the Barclays Capital U.S. Government/Credit Bond Index

Investment Policy:

The Fund will invest primarily in debt securities of issuers organised, headquartered or having their primary business operations in the countries included in the Barclays Capital U.S. Government/Credit Bond Index. No more than 10 per cent of the Fund's net assets will be invested in any one country outside the United States, the European Union, Switzerland, Australia, Canada, New Zealand, Japan or Norway and no more than 30 per cent in aggregate will be invested outside these countries. The Investment Manager intends to ensure at least 70 per cent of the Fund's net assets will be exposed to United States Dollars.

The Fund will normally invest 80 per cent of its net assets in high quality investment grade debt securities (rated as A3 or above by Moody's Investor Services, Inc or A- or above by Standard & Poor's Corporation or other recognised rating agencies) or, if unrated, of comparable quality as determined by the Investment Manager. The average portfolio duration of the Fund ranges from two to eight years.

First State Hong Kong Dollar Bond Fund

Investment Objective:

To achieve long-term returns through investment in a diversified portfolio of fixed income and similar transferable instruments primarily denominated in Hong Kong Dollars.

Investment Policy:

The Fund will invest at least 80 per cent of its net assets in debt securities denominated in either Hong Kong dollars or United States Dollars, or at least 80 per cent of the Fund's net assets will be exposed to both currencies through currency hedging transactions such as forward contracts for purposes of hedging against currency exchange risks.

The Fund will invest in investment grade corporate and government debt securities (rated Baa3 or above by Moody's Investor Services, Inc or BBB- or above by Standard & Poor's Corporation or other recognised rating agencies) or, if unrated, of comparable quality as determined by the Investment Manager.

First State Long Term Bond Fund

Investment Objective:

To provide a total return greater than the Citigroup US Government Bond Index.

Investment Policy:

The Fund will invest at least 95 per cent of its net assets in the United States or in United States Dollar denominated debt securities (including up to 10% of its net assets in U.S. Dollar cash deposits).

The Fund will invest in investment grade corporate and government debt securities (rated A3 or above by Moody's Investor Services, Inc or A- or above by Standard and Poor's Corporation, or other recognised ratings agencies) or, if unrated, of comparable quality as determined by the Investment Manager.

The Fund will hold securities from at least 6 different issues. The maximum investment in any non government issuer rated Aa2 or above by Moody's Investor Services Inc, or AA or above by Standard and Poor's Corporation will be 10 per cent of the net assets of the Fund. The maximum investment in any issuer rated below Aa2, but A3 or above by Moody's Investor Services Inc or below AA but A- or above by Standard and Poor's Corporation will be 5 per cent of the Fund's net assets. The Fund will not hold more than 10 per cent of the total issue of any non-governmental security.

First State Emerging Markets Bond Fund

Investment Objective:

The Fund aims to achieve a total investment return from income and capital appreciation.

Investment Policy:

The Fund primarily invests in debt securities issued or guaranteed by governments, financial institutions or companies in Emerging Market Countries. The Fund will invest at least 80 per cent of its net assets in debt securities issued or guaranteed by governments of Emerging Market Countries or their agencies, and by companies established or having significant operations in Emerging Market Countries.

The Fund may also invest up to 20 per cent of its net assets in debt securities of companies which are not established in Emerging Market Countries but which may conduct a portion of their business operations in Emerging Market Countries.

The majority of the Fund will be invested in debt securities denominated in US dollars.

The Fund may invest in investment grade debt securities (rated as Baa3 or above by Moody's Investor Services, Inc. or BBB- or above by Standard & Poor's Corporation or other recognised rating agencies), below investment grade and unrated debt securities. The Fund may hold more than 30 per cent of its net assets in debt securities rated below investment grade.

First State Global Credit Income Fund

Investment Objective:

The Fund aims to achieve a total investment return from income and capital appreciation.

Investment Policy:

The Fund will invest predominantly in a diversified portfolio of global corporate debt securities which are listed, traded or dealt in on Regulated Markets worldwide.

The Fund's strategy is to earn an income and capital returns from its investments, controlling risk through careful security selection and monitoring, combined with broad diversification. The increased credit risk of corporate debt compared to government debt means that these investments have the potential to deliver higher returns over the medium term compared to cash. The Fund may invest in investment grade (rated as Baa3 or above by Moody's Investors Services, Inc, or BBB- or above by Standard & Poor's corporation or other recognised rating agencies) and/or below investment grade debt securities, or, if unrated, of comparable quality as determined by the Investment Manager.

The Fund will invest in financial derivative instruments to manage interest rate sensitivity, credit risk and hedge currency risk subject to the conditions and the limits laid down from time to time by the Central Bank. In addition to using these instruments for efficient portfolio management purposes, the Fund may invest in derivative instruments for investment purposes. These instruments are futures contracts, options, non-deliverable options, forward currency transactions, non-deliverable forwards, swaps, interest rate swaps, zero-coupon swaps, currency swaps, contracts for difference and credit default swaps.

Investment Techniques and Instruments

The Investment Manager may, where the Investment Manager deems it appropriate in order to pursue the investment return objective of a Fund, employ investment techniques and instruments, within the limits set forth in **Appendix 4** ("**Investment Techniques and Instruments**") for efficient portfolio management purposes, such as to reduce risk, reduce cost or to generate additional capital or income for a Fund, and/or to engage in currency hedging transactions. Only First State Global Credit Income Fund will avail of the opportunity to invest in financial derivative instruments for investment purposes. This means that the Fund may use financial derivative instruments for return enhancement purposes. No other existing Fund will be permitted to invest in financial derivative instruments without prior shareholder approval (other than in respect of equity linked or participation notes which may contain an embedded derivative component).

Call options may be purchased to hedge an anticipated increase in the price of the underlying asset and to protect against rising market. Put options can be purchased to hedge an anticipated decrease in the price of the underlying asset and to protect against market decreases. A covered option writing strategy may be utilised to enhance the returns of the portfolio and to reduce risk on long stock through premiums received. The Company may undertake the trading of futures in its Funds as a means of managing market risk of both cash inflows and outflows, as well as to hedge against anticipated increases or decreases in the prices of underlying assets. The Company would purchase futures in order to protect against rising prices and sell futures contracts to protect against declining prices. The Company may use currency forwards (including non-deliverable forwards) as an effective tool for managing currency risk. Forward contracts will be used for hedging and currency management of both local and foreign currencies. Contracts for difference may be used for hedging a position in the underlying asset by taking an opposite position in the contract for difference market. Credit default swaps may be used to allow the transfer of potential default risk of an underlying asset, usually a bond, to a counterparty, and may be used to hedge the credit risk profile of underlying assets.

The Company shall supply to a Shareholder on request supplementary information in relation to the quantitative risk management limits applied by it, the risk management methods used by it and any recent developments in the risks and yields characteristics for the main categories of investment. A list of the Regulated Markets on which such derivative instruments may be quoted or traded is set out in **Appendix 5**. A description of the current conditions and limits laid down by the Central Bank in relation to financial derivative instruments is set out in **Appendix 4**.

The Company's risk management policy which enables it to measure, monitor and manage risks associated with the use of financial derivative instruments is available, upon request, from the registered office of the Company or the Investment Manager.

The Company may also engage in stock lending transactions and enter into repurchase agreements for efficient portfolio management purposes in accordance with the current conditions and limits laid down by the Central Bank which are also set out in **Appendix 4**.

Sub-underwriting Transactions

The Investment Manager may engage in sub-underwriting transactions on behalf of a Fund. The Investment Manager may only engage in sub-underwriting in relation to securities which the relevant Fund may invest in directly in accordance with the investment objective and policies of the Fund and the restrictions set out under "Investment Restrictions" above and in circumstances where the issues offering price or price range is considered at the time by the Investment Manager to be more attractive than the current or future market price. A Fund shall maintain at all times sufficient liquid assets or readily marketable securities to cover any of its obligations under any sub-underwriting arrangements.

In a sub-underwriting transaction an investment bank will underwrite an issue of securities and will in turn sub-underwrite the issue with various investors such as the Fund in return for a fee. Any fees received by the Investment Manager for sub-underwriting on behalf of a Fund will be paid into the assets of the relevant Fund.

APPENDIX 2 – CHARACTERISTICS OF CLASSES OF SHARES BY FUND

General Characteristics:

Share Class	Minimum Initial Investment*	Minimum Subsequent Investment	Minimum Holding	Sales Charge
All Class I and Class IV denominated in US Dollars	US$1,500	US$1,000	US$1,500	Up to 5.0%
All Class I denominated in Sterling*	GBP£1,000	GBP£600	GBP£1,000	Up to 5.0%
All Class I denominated in Hong Kong Dollars	HK$12,000	HK$8,000	HK$12,000	Up to 5.0%
All Class I denominated in Australian Dollars	AUS$1,500	AUS$1,000	AUS$1,500	Up to 5.0%
Class I denominated in Euro**	Euro€1,500	Euro€1,000	Euro€1,500	Up to 5.0%
All Class III denominated in US Dollars	US$500,000	N/A	US$500,000	Up to 7.0%
All Class III denominated in Sterling*	GBP£350,000	N/A	GBP£350,000	Up to 7.0%
All Class III denominated in Australian Dollars	AUS$500,000	N/A	AUS$500,000	Up to 7.0%
All Class III denominated in Euro**	Euro€500,000	N/A	Euro€500,000	Up to 7.0%
All Class V (Distributing) denominated in US Dollars***	US$500,000	N/A	US$500,000	Up to 7.0%
Class VI	US$500,000	N/A	US$500,000	Up to 7.0%
Class III (G) ****	N/A	N/A	US$500,000	Up to 7.0%

* All Class I and Class III Sterling denominated Shares for the First State Global Credit Income Fund will be Hedged.
** All Class I and Class III Euro denominated Shares for the First State Global Credit Income Fund will be Hedged.
*** The Directors reserve the right at any time to close Class V (Distributing) to further subscriptions.
**** Class III (G) in the Stewart Investors Worldwide Leaders Fund is closed to new investors.

Other Fund Details:

Name of Funds	Class of Shares	Hedged Currency Class	Initial Offer Price	Distributing Policy	Distribution Frequency	Investment Management fee per annum
First State Asia Innovation Fund	I	No		Accumulation	N/A	1.75%
	III	No		Accumulation	N/A	1%
First State Asia Pacific Select Fund	I	No	US$10	Accumulation	N/A	1.5%
	I (Distributing)	No	US$10	Distributing	Semi-Annually	1.5%
	III	No		Accumulation	N/A	0.85%
First State Asian Equity Plus Fund	I	No		Accumulation	N/A	1.5%
	I (Distributing)	No		Distributing	Semi-Annually	1.5%
	I (Hong Kong Dollar)	No	HK$100	Accumulation	N/A	1.5%
	Class I (Sterling)	No	GBP£10	Accumulation	N/A	1.5%
	Class I (Sterling-Distributing)	No	GBP£10	Distributing	Semi-Annually	1.5%
	III (Sterling)	No	GBP£10	Accumulation	N/A	1%
	III (Sterling Distributing)	No	GBP£10	Distributing	Semi-Annually	1%
	III	No	US$10	Accumulation	N/A	1%
	III (Distributing)	No	US$10	Distributing	Semi-Annually	1%
First State Asian Growth Fund	I	No		Accumulation	N/A	1.5%
	I (Distributing)	No		Distributing	Semi-Annually	1.5%
	II	No		Accumulation	N/A	1.5%
	III	No		Accumulation	N/A	0.3%
	IV	No		Accumulation	N/A	2.00%
	VI	No	US$10	Accumulation	N/A	0.85%
First State Asian Property Securities Fund	I	No		Accumulation	N/A	1.5%
	I (Distributing)	No		Distributing	Semi-Annually	1.5%
	III	No		Accumulation	N/A	0.85%
	III (Distributing)	No	US$10	Distributing	Semi-Annually	0.85%
	VI	No	US$10	Accumulation	N/A	0.75%
	VI (Distributing)	No	US$10	Distributing	Semi-Annually	0.75%
First State China Focus Fund	I	No		Accumulation	N/A	1.75%
	I (Distributing)	No	US$10	Distributing	Semi-Annually	1.75%
	III	No	US$10	Accumulation	N/A	1.0%
	III (Distributing)	No	US$10	Distributing	Semi-Annually	1%
	IV	No		Accumulation	N/A	2.00%
First State China Growth Fund	I	No		Accumulation	N/A	2%
	I (Distributing)	No		Distributing	Semi-Annually	2%
	II	No		Accumulation	N/A	1.5%
First State Global Agribusiness Fund	I	No		Accumulation	N/A	1.5%
	I (Hong Kong Dollar)	No	HK$100	Accumulation	N/A	1.5%
	III	No		Accumulation	N/A	0.85%
	VI	No	US$10	Accumulation	N/A	0.75%

Name of Funds	Class of Shares	Hedged Currency Class	Initial Offer Price	Distributing Policy	Distribution Frequency	Investment Management fee per annum
First State Global Listed Infrastructure Fund	I	No	US$10	Accumulation	N/A	1.5%
	I (Distributing)	No		Distributing	Semi-Annually	1.5%
	I(Hong Kong Dollar)	No	HK$100	Accumulation	N/A	1.5%
	III	No	US$10	Accumulation	N/A	0.85%
	VI	No	US$10	Accumulation	N/A	0.75%
	VI (Distributing)	No	US$10	Distributing	Semi-Annually	0.75%
First State Global Property Securities Fund	I	No		Accumulation	N/A	1.5%
	I (Distributing)	No		Distributing	Semi-Annually	1.5%
	III	No		Accumulation	N/A	0.85%
	III (Distributing)	No	US$10	Distributing	Semi-Annually	0.85%
	VI	No	US$10	Accumulation	N/A	0.75%
	VI (Distributing)	No	US$10	Distributing	Semi-Annually	0.75%
First State Global Resources Fund	I	No		Accumulation	N/A	1.5%
	I (Hong Kong Dollar)	No	HK$100	Accumulation	N/A	1.5%
	III	No		Accumulation	N/A	0.85%
	IV	No		Accumulation	N/A	1.75%
	VI	No	US$10	Accumulation	N/A	0.75%
	VI (Distributing)	No	US$10	Distributing	Semi-Annually	0.75%
First State Greater China Growth Fund	I	No		Accumulation	N/A	1.5%
	I (Distributing)	No		Distributing	Semi-Annually	1.5%
	III	No	US$10	Accumulation	N/A	1%
	III (Distributing)	No	US$10	Distributing	Semi-Annually	1%
	IV	No		Accumulation	N/A	2.00%
First State Hong Kong Growth Fund	I	No		Accumulation	N/A	1.5%
	III	No		Accumulation	N/A	0.3%
	IV	No		Accumulation	N/A	2.00%
First State Indian Subcontinent Fund	I	No		Accumulation	N/A	1.5%
	I (Distributing)	No		Distributing	Semi-Annually	1.5%
	II	No		Accumulation	N/A	1.5%
	III	No		Accumulation	N/A	1%
	III (Distributing)	No	US$10	Distributing	Semi-Annually	1%
First State Singapore and Malaysia Growth Fund	I	No		Accumulation	N/A	1.5%
	III	No	US$10	Accumulation	N/A	1%
First State Asian Bond Fund	I (Distributing)	No		Distributing	Quarterly	1%
	I (Monthly Distributing)	No	US$10	Distributing	Monthly	1%
	I (Hong Kong Dollar Monthly Distributing)	No	HK$100	Distributing	Monthly	1%
	I (Hong Kong Dollar)	No	HK$100	Accumulation	N/A	1%
	I (Sterling Accumulation)	No	GBP£10	Accumulation	N/A	1%
	I (Sterling Distributing)	No	GBP£10	Distributing	Quarterly	1%
	III	No		Accumulation	N/A	0.3%

Name of Funds	Class of Shares	Hedged Currency Class	Initial Offer Price	Distributing Policy	Distribution Frequency	Investment Management fee per annum
First State Asian Quality Bond Fund	I	No		Accumulation	N/A	1%
	I (Sterling)	No	GBP£10	Accumulation	N/A	1%
	I (Sterling Distributing)	No	GBP£10	Distributing	Semi-Annually	1%
	I (Monthly Distributing)	No	US$10	Distributing	Monthly	1%
	I (Hong Kong Dollar)	No	HK$100	Accumulation	N/A	1%
	I (Hong Kong Dollar Monthly Distributing)	No	HK$100	Distributing	Monthly	1%
	III	No		Accumulation	N/A	0.3%
First State Global Bond Fund	I	No		Accumulation	N/A	1%
	I (Hong Kong Dollar)	No	HK$100	Accumulation	N/A	1%
	III	No		Accumulation	N/A	0.3%
First State High Quality Bond Fund	I (Distributing)	No		Distributing	Semi-Annually	1%
	I (Sterling)	No	GBP£10	Accumulation	N/A	1%
	I (Sterling Distributing)	No	GBP£10	Distributing	Semi-Annually	1%
	I (Hong Kong Dollar)	No	HK$100	Accumulation	N/A	1%
	III	No		Accumulation	N/A	0.3%
First State Hong Kong Dollar Bond Fund	I (Distributing)	No		Distributing	Semi-Annually	1%
	I (Hong Kong Dollar)	No	HK$100	Accumulation	N/A	1%
	I (Hong Kong Dollar Distributing)	No	HK$100	Distributing	Semi-Annually	1%
	III	No		Accumulation	N/A	0.3%
First State Long Term Bond Fund	I	No		Accumulation	N/A	1%
	III	No		Accumulation	N/A	0.3%
First State Australian Growth Fund	I	No		Accumulation	N/A	1.5%
	I (Distributing)	No		Distributing	Semi-Annually	1.5%
	I (Australian Dollar)	No	AUS$10	Accumulation	N/A	1.5%
	III	No	US$10	Accumulation	N/A	0.85%
	III (Distributing)	No	US$10	Distributing	Semi-Annually	0.85%
First State Emerging Markets Bond Fund	I	No		Accumulation	N/A	1.25%
	I (Distributing)	No		Distributing	Semi-Annually	1.25%
	I (Monthly Distributing)	No	US$10	Distributing	Monthly	1.25%
	I (Hong Kong Dollar)	No	HK$100	Accumulation	N/A	1.25%
	I (Hong Kong Dollar Monthly Distributing)	No	HK$100	Distributing	Monthly	1.25%
	III	No	US$10	Accumulation	N/A	0.60%
	III (Distributing)	No	US$10	Distributing	Semi-Annually	0.60%

Name of Funds	Class of Shares	Hedged Currency Class	Initial Offer Price	Distributing Policy	Distribution Frequency	Investment Management fee per annum
First State Global Credit Income Fund	I	No	US$10	Accumulation	N/A	1%
	I (Distributing)	No	US$10	Distributing	Quarterly	1%
	I (Monthly Distributing)	No	US$10	Distributing	Monthly	1%
	I (Euro hedged)	Yes	Euro€ 10	Accumulation	N/A	1%
	I (Euro hedged Distributing)	Yes	Euro€ 10	Distributing	Quarterly	1%
	I (Sterling hedged)	Yes	GBP£10	Accumulation	N/A	1%
	I (Sterling hedged Distributing)	Yes	GBP£10	Distributing	Quarterly	1%
	III	No	US$10	Accumulation	N/A	0.5%
	III (Distributing)	No	US$10	Distributing	Quarterly	0.5%
	III (Monthly Distributing)	No	US$10	Distributing	Monthly	0.5%
	III (Euro hedged)	Yes	Euro€10	Accumulation	N/A	0.5%
	III (Euro hedged Distributing)	Yes	Euro€10	Distributing	Quarterly	0.5%
	III (Sterling hedged)	Yes	GBP£10	Accumulation	N/A	0.5%
	III (Sterling hedged Distributing)	Yes	GBP£10	Distributing	Quarterly	0.5%
	V (Distributing).	No	US$10	Distributing	Quarterly	0%
First State Asia Pacific All Cap Fund	III	No	US$10	Accumulation	N/A	1.25%
First State Japan Equity Fund*	III	No	US$10	Accumulation	N/A	1.0%
	I	No	US$10	Accumulation	N/A	1.75%
Stewart Investors Global Emerging Markets Leaders Fund	I	No		Accumulation	N/A	1.5%
	III	No		Accumulation	N/A	0.85%
	IV	No		Accumulation	N/A	1.75%
Stewart Investors Global Emerging Markets Select Fund	I	No	US$10	Accumulation	N/A	1.5%
	I (Distributing)	No	US$10	Distributing	Semi-Annually	1.5%
	III	No		Accumulation	N/A	0.85%
	III (Distributing)	No	US$10	Distributing	Semi-Annually	0.85%
Stewart Investors Worldwide Equity Fund	I	No		Accumulation	N/A	1.75%
	I (Distributing)	No		Distributing	Semi-Annually	1.75%
	III	No	US$10	Accumulation	N/A	1.0%
	III (Distributing)	No	US$10	Distributing	Semi-Annually	1%
Stewart Investors Worldwide Leaders Fund	I	No		Accumulation	N/A	1.5%
	I (Euro)	No	Euro€10	Accumulation	N/A	1.5%
	I (Sterling)	No	GBP£10	Accumulation	N/A	1.5%
	III	No	US$10	Accumulation	N/A	0.75%
	III (G)	No		Accumulation	N/A	0.3%

* Shares in the First State Japan Equity Fund and Shares in any Class of Shares which has not yet been issued will be offered at the initial offer price per Share (exclusive of the sales charge) during the Initial Offer Period which is from 15 January 2015 until 14 January 2016.

APPENDIX 3 – INVESTMENT RESTRICTIONS APPLICABLE TO THE FUNDS UNDER THE REGULATION

1 Permitted Investments

Investments of a UCITS are confined to:

1.1 Transferable securities and money market instruments, as prescribed in the UCITS Notices, which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.

1.2 Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.

1.3 Money market instruments, as defined in the UCITS Notices, other than those dealt on a regulated market.

1.4 Units of UCITS.

1.5 Units of non-UCITS as set out in the Central Bank's Guidance Note 2/03.

1.6 Deposits with credit institutions as prescribed in the UCITS Notices.

1.7 Financial derivative instruments as prescribed in the UCITS Notices.

2 Investment Restrictions

2.1 A UCITS may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.

2.2 A UCITS may invest no more than 10% of net assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by the UCITS in certain US securities known as Rule 144A securities provided that:

– the securities are issued with an undertaking to register with the US Securities and Exchanges Commission within one year of issue; and

– the securities are not illiquid securities i.e. they may be realised by the UCITS within seven days at the price, or approximately at the price, at which they are valued by the UCITS.

2.3 A UCITS may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.

2.4 With the prior approval of the Central Bank the limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a UCITS invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the UCITS.

2.5 The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.

2.6 The transferable securities and money market instruments referred to in 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.

2.7 A UCITS may not invest more than 20% of net assets in deposits made with the same credit institution.

Deposits with any one credit institution, other than

- a credit institution authorised in the EEA (European Union Member States, Norway, Iceland, Liechtenstein);
- a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States); or
- a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand

held as ancillary liquidity, must not exceed 10% of net assets.

This limit may be raised to 20% in the case of deposits made with the trustee/custodian.

2.8 The risk exposure of a UCITS to a counterparty to an OTC derivative may not exceed 5% of net assets.

This limit is raised to 10% in the case of a credit institution authorised in the EEA; a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand

2.9 Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:

– investments in transferable securities or money market instruments;

– deposits, and/or

– counterparty risk exposures arising from OTC derivatives transactions.

2.10 The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.

2.11 Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.

2.12 A UCITS may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members.

The individual issuers must be listed in the prospectus and may be drawn from the following list:

OECD Governments (provided the relevant issues are investment grade), European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority.

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

3 Investment in Collective Investment Schemes ("CIS")

3.1 A UCITS may not invest more than 20% of net assets in any one CIS.

3.2 Investment in non-UCITS may not, in aggregate, exceed 30% of net assets.

3.3 The CIS are prohibited from investing more than 10 per cent of net assets in other open-ended CIS.

3.4 When a UCITS invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the UCITS investment in the units of such other CIS.

3.5 Where a commission (including a rebated commission) is received by the UCITS manager/investment manager/investment adviser by virtue of an investment in the units of another CIS, this commission must be paid into the property of the UCITS.

4 Index Tracking UCITS

4.1 A UCITS may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the UCITS is to replicate an index which satisfies the criteria set out in the UCITS Notices and is recognised by the Central Bank.

4.2 The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

5 General Provisions

5.1 An investment company, or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

5.2 A UCITS may acquire no more than:

(i) 10% of the non-voting shares of any single issuing body;

(ii) 10% of the debt securities of any single issuing body;

(iii) 25% of the units of any single CIS;

(iv) 10% of the money market instruments of any single issuing body.

NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.

5.3 5.1 and 5.2 shall not be applicable to:

(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;

(ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;

(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;

(iv) shares held by a UCITS in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the UCITS can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.

(v) Shares held by an investment company or investment companies in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.

5.4 UCITS need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.

5.5 The Central Bank may allow recently authorised UCITS to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.

5.6 If the limits laid down herein are exceeded for reasons beyond the control of a UCITS, or as a result of the exercise of subscription rights, the UCITS must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its unitholders.

5.7 Neither an investment company, nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of:

– transferable securities;

– money market instruments;

– units of CIS; or

– financial derivative instruments.

5.8 A UCITS may hold ancillary liquid assets.

6 Financial Derivative Instruments ("FDIs")

6.1 Where a Fund uses the commitment approach the UCITS global exposure (as prescribed in the UCITS Notices) relating to FDI must not exceed its total net asset value.

6.2 Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the UCITS Notices. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the UCITS Notices.)

6.3 UCITS may invest in FDIs dealt in over-the-counter (OTC) provided that

– The counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

6.4 Investment in FDIs are subject to the conditions and limits laid down by the Central Bank

APPENDIX 4 – INVESTMENT TECHNIQUES AND INSTRUMENTS

Permitted Financial Derivative Instruments ("FDI")

1. A Fund may invest in FDI provided that:

   (i) the relevant reference items or indices consist of one or more of the following: instruments referred to in paragraph (i) to (vi) of UCITS Notice 9 including financial instruments having one or several characteristics of those assets, financial indices, interest rates, foreign exchange rates or currencies; and

   (ii) the FDI do not expose the Fund to risks which it could not otherwise assume (e.g. gain exposure to an instrument/issuer/currency to which the Fund cannot have a direct exposure);

   (iii) the FDI do not cause the Fund to diverge from its investment objectives;

   (iv) the reference in 1(i) above to financial indices shall be understood as a reference to indices which fulfil the following criteria and the provisions of both UCITS Notice 21 and Guidance Note 2/07:

      (a) they are sufficiently diversified, in that the following criteria are fulfilled:

         (i) the index is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index;

         (ii) where the index is composed of assets referred to in Regulation 68(1) of the Regulations, its composition is at least diversified in accordance with Regulation 71 of the Regulations;

         (iii) where the index is composed of assets other than those referred to in Regulation 68(1), it is diversified in a way which is equivalent to that provided for in Regulation 71;

      (b) they represent an adequate benchmark for the market to which they refer, that the following criteria are fulfilled:

         (i) the index measures the performance of a representative group of underlyings in a relevant and appropriate way;

         (ii) the index is revised or rebalanced periodically to ensure that it continues to reflect the markets to which it refers following criteria which are publicly available;

         (iii) the underlyings are sufficiently liquid, which allows users to replicate the index, if necessary;

      (c) they are published in an appropriate manner, in that the following criteria are fulfilled;

         (i) their publication process relies on sound procedures to collect prices and to calculate and to subsequently publish the index value, including pricing procedures for components where a market price is not available;

         (ii) material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis.

      Where the composition of assets which are used as underlyings by FDI does not fulfil he criteria set out in (a), (b) or (c) above, those FDI shall, where they comply with the criteria set out in Regulation 68(1)(g), be regarded as financial derivatives on a combination of the assets referred to in Regulation 68(1)(g)(i), excluding financial indices; and.

   (v) where a Fund enters into a total return swap or invests in other financial derivative instruments with similar characteristics, the assets held by the Fund must comply with Regulations 70, 71, 72, 73 and 74 of the Regulations.

2. Credit Derivatives

Credit Derivatives are permitted where:

(i) they allow the transfer of the credit risk of an asset as referred to in paragraph 1(i) above, independently from the other risks associated with that asset;

(ii) they do not result in the delivery or in the transfer, including in the form of cash, of assets other than those referred to in Regulations 68(1) and (2) of the Regulations;

(iii) they comply with the criteria for over-the-counter derivatives ("**OTC derivatives**") set out in paragraph 4 below; and

(iv) their risks are adequately captured by the risk management process of the Fund, and by its internal control mechanisms in the case of risks of asymmetry of information between the Fund and the counterparty to the credit derivative resulting from potential access of the counterparty to non-public information on firms the assets of which are used as underlyings by credit derivatives. The Fund must undertake the risk assessment with the highest care when the counterparty to the FDI is a related party of the Fund or the credit risk issuer.

3. FDI must be dealt in on a market which is regulated, operates regularly, is recognised and is open to the public in a Member State or a non-Member State. Restrictions in respect of individual stock exchanges and markets may be imposed by the Central Bank on a case by case basis.

4. Notwithstanding paragraph 3, a Fund may invest in FDI dealt in OTC derivatives provided that:

(i) the counterparty is a credit institution listed in sub-paragraphs 1.4(i), (ii) or (iii) of UCITS Notice 9 or an investment firm, authorised in accordance with the Markets in Financial Instruments Directive, in an EEA member state or is an entity subject to regulation as a Consolidated Supervised Entity ("**CSE**") by the US Securities and Exchange Commission;

(ii) in the case of a counterparty which is not a credit institution, the counterparty has a minimum credit rating of A-2 or equivalent, or is deemed by the Fund to have an implied rating of A-2 or equivalent. Alternatively, an unrated counterparty will be acceptable where the Fund is indemnified or guaranteed against losses suffered as a result of a failure by the counterparty, by an entity which has and maintains a rating of A-2 or equivalent;

(iii) in the case of subsequent novation of the OTC derivative contract, the counterparty is one of:

(a) the entities set out in paragraph 4(i); or

(b) a central counterparty ("**CCP**") authorised, or recognised by the European Securities and Markets Authority ("**ESMA**"), under Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories ("**EMIR**") or, pending recognition by ESMA under Article 25 of EMIR, an entity classified as a derivatives clearing organisation by the Commodity Futures Trading Commission or a clearing agency by the SEC (both CCP);

(iv) risk exposure to the counterparty does not exceed the limits set out in Regulation 70(1)(c) of the Regulations. In this regard, the Fund shall calculate the counterparty exposure using the positive mark-to-market value of the OTC derivative contract with that counterparty. The Fund may net its FDI positions with the same counterparty, provided that the Fund is able to legally enforce netting arrangements with the counterparty. Netting is only permissible with respect to OTC derivative instruments with the same counterparty and not in relation to any other exposures the Fund may have with the same counterparty;

(v) the Fund is satisfied that: (a) the counterparty will value the OTC derivative with reasonable accuracy and on a reliable basis; and (b) the OTC derivative can be sold, liquidated or closed out by an offsetting transaction at fair value, at any time at the Fund's initiative;

(vi) the Fund must subject its OTC derivatives to reliable and verifiable valuation on a daily basis and ensure that it has appropriate systems, controls and processes in place to achieve this. The valuation arrangements and procedures must be adequate and proportionate to the nature and complexity of the OTC derivative concerned and shall be adequately documented; and

(vii) reliable and verifiable valuation shall be understood as a reference to a valuation, by the Fund, corresponding to fair value which does not rely only on market quotations by the counterparty and which fulfils the following criteria:

(a) the basis for the valuation is either a reliable up-to-date market value of the instrument, or, if such a value is not available, a pricing model using an adequate recognised methodology;

(b) verification of the valuation is carried out by one of the following:

(i) an appropriate third party which is independent from the counterparty of the OTC-derivative, at an adequate frequency and in such a way that the Fund is able to check it;

(ii) a unit within the Fund which is independent from the department in charge of managing the assets and which is adequately equipped for such purpose.

5. Risk exposure to an OTC derivative counterparty may be reduced where the counterparty will provide the Fund with collateral. The Fund may disregard the counterparty risk on condition that the value of the collateral, valued at market price and taking into account appropriate discounts, exceeds the value of the amount exposed to risk at any given time.

6. Collateral received must at all times meet with the requirements set out in paragraphs 6 to 13 of UCITS Notice 12 (which are set out in paragraphs 19 to 26 below).

   Any reinvestment of cash collateral must comply with paragraphs 10, 11 and 12 of UCITS Notice 12 (which are set out in paragraphs 23 to 26 below).

7. Collateral passed to an OTC derivative counterparty by or on behalf of a Fund must be taken into account in calculating exposure of the Fund to counterparty risk as referred to in Regulation 70(1)(c) of the Regulations. Collateral passed may be taken into account on a net basis only if the Fund is able to legally enforce netting arrangements with this counterparty.

Calculation of issuer concentration risk and counterparty exposure risk

1. A Fund using the commitment approach must ensure that its global exposure does not exceed its total Net Asset Value. The Fund may not therefore be leveraged in excess of 100 per cent of its Net Asset Value. A Fund using the VaR approach must employ back testing and stress testing and comply with other regulatory requirements regarding the use of VaR. The VaR method is detailed in the relevant Fund's risk management procedures for FDI, which are described below under "Risk Management Process and Reporting".

   Each Fund must calculate issuer concentration limits as referred to in Regulation 70 of the Regulations on the basis of the underlying exposure created through the use of FDI pursuant to the commitment approach.

2. The risk exposures to a counterparty arising from OTC FDI transactions and efficient portfolio management techniques must be combined when calculating the OTC counterparty limit as referred to in Regulation 70(1)(c) of the Regulations.

3. A Fund must calculate exposure arising from initial margin posted to and variation margin receivable from a broker relating to exchange-traded or OTC derivatives, which is not protected by client money rules or other similar arrangements to protect the Fund against the insolvency of the broker, within the OTC derivative counterparty limit referred to in Regulation 70(1)(c) of the Regulations.

4. The calculation of issuer concentration limits as referred to in Regulation 70 of the Regulations must take account of any net exposure to a counterparty generated through a stocklending or repurchase agreement. Net exposure refers to the amount receivable by a Fund less any collateral provided by the Fund. Exposures created through the reinvestment of collateral must also be taken into account in the issuer concentration calculations.

5. When calculating exposures for the purposes of Regulation 70 of the Regulations, a Fund must establish whether its exposure is to an OTC counterparty, a broker or a clearing house.

6. Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities, money market instruments or collective investment schemes, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Regulations 70 and 73 of the Regulations. When calculating issuer-concentration risk, the FDI (including embedded FDI) must be looked through in determining the resultant position exposure. This position exposure must be taken into account in the issuer concentration calculations. Issuer concentration must be calculated using the commitment approach when appropriate or the maximum potential loss as a result of default by the issuer if more conservative. It must also be calculated by all Funds, regardless of whether they use VaR for global exposure purposes.

This provision does not apply in the case of index-based FDI provided the underlying index is one which meets with the criteria set out in Regulation 71(1) of the Regulations.

7. A transferable security or money market instrument embedding a FDI shall be understood as a reference to financial instruments which fulfil the criteria for transferable securities or money market instruments set out in UCITS Notice 9 and which contain a component which fulfils the following criteria:

   (a) by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or money market instrument which functions as host contract can be modified according to a specified interest rate, financial instrument price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, and therefore vary in a way similar to a stand-alone derivative;

   (b) its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract;

   (c) it has a significant impact on the risk profile and pricing of the transferable security or money market instrument.

8. A transferable security or a money market instrument shall not be regarded as embedding a FDI where it contains a component which is contractually transferable independently of the transferable security or the money market instrument. Such a component shall be deemed to be a separate financial instrument.

Cover requirements

9. A Fund must, at any given time, be capable of meeting all its payment and delivery obligations incurred by transactions involving FDI.

10. Monitoring of FDI transactions to ensure they are adequately covered must form part of the risk management process of the Fund.

11. A transaction in FDI which gives rise, or may give rise, to a future commitment on behalf of a Fund must be covered as follows:

    (i) in the case of FDI which automatically, or at the discretion of the Fund, are cash settled, a Fund must hold, at all times, liquid assets which are sufficient to cover the exposure; and

    (ii) in the case of FDI which require physical delivery of the underlying asset, the asset must be held at all times by a Fund. Alternatively a Fund may cover the exposure with sufficient liquid assets where:

        (a) the underlying assets consists of highly liquid fixed income securities; and/or

        (b) the Fund considers that the exposure can be adequately covered without the need to hold the underlying assets, the specific FDI are addressed in the risk management process, which is described under “Risk Management Process and Reporting” below, and details are provided in the Prospectus;

Risk management Process and Reporting

12. A Fund must provide the Central Bank with details of its proposed risk management process vis-a-vis its FDI activity. The initial filing is required to include information in relation to:

    (i) permitted types of FDI, including embedded derivatives in transferable securities and money market instruments;

    (ii) details of the underlying risks;

    (iii) relevant quantitative limits and how these will be monitored and enforced; and

    (iv) methods for estimating risks.

    Material amendments to the initial filing must be notified to the Central Bank in advance. The Central Bank may object to the amendments notified to it and amendments and/or associated activities objected to by the Central Bank may not be made.

13. A Fund must submit a report to the Central Bank on its FDI positions on an annual basis. The report, which must contain information which reflects a true and fair view of the types of FDI used by the Fund, the underlying risks, the quantitative limits and the methods used to estimate those risks, must be submitted with the annual report of the Company. A Fund must, at the request of the Central Bank, provide this report at any time.

Techniques and Instruments, including Repurchase/Reverse Repurchase Agreements and Securities Lending, for the purposes of efficient portfolio management

14. A Fund may employ techniques and instruments relating to transferable securities and money market instruments subject to the Regulations and to conditions imposed by the Central Bank. The use of these techniques and instruments should be in line with the best interests of the Fund.

15. Techniques and instruments which relate to transferable securities or money market instruments and which are used for the purpose of efficient portfolio management shall be understood as a reference to techniques and instruments which fulfil the following criteria:

    (i) they are economically appropriate in that they are realised in a cost-effective way;

    (ii) they are entered into for one or more of the following specific aims:

        (a) reduction of risk;

        (b) reduction of cost;

        (c) generation of additional capital or income for the Fund with a level of risk which is consistent with the risk profile of the Fund and the risk diversification rules set out in Notice UCITS 9;

    (iii) their risks are adequately captured by the risk management process of the Fund, and

    (iv) they cannot result in a change to the Fund's declared investment objective or add substantial supplementary risks in comparison to the general risk policy as described in its sales documents.

16. Financial derivative instruments used for efficient portfolio management, in accordance with paragraph 21, must also comply with the provisions of Notice UCITS 10 and Guidance Note 3/03.

Repurchase/Reverse Repurchase Agreements and Securities Lending

17. Repurchase/reverse repurchase agreements and securities lending ("**efficient portfolio management techniques**") may only be effected in accordance with normal market practice.

18. All assets received by a Fund in the context of efficient portfolio management techniques should be considered as collateral and should comply with the criteria set down in paragraph 26 below.

19. Collateral must, at all times, meet with the following criteria:

    (i) **Liquidity**: Collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74 of the Regulations.

    (ii) **Valuation**: Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.

    (iii) **Issuer credit quality**: Collateral received should be of high quality.

    (iv) **Correlation**: Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty.

    (v) **Diversification (asset concentration)**: Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20 per cent. of the Fund's Net Asset Value. When Funds are exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20 per cent. limit of exposure to a single issuer.

    (vi) **Immediately available**: Collateral received should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

20. Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process.

21. Collateral received on a title transfer basis should be held by the trustee. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

22. Non-cash collateral cannot be sold, pledged or re-invested.

23. Cash collateral may not be invested other than in the following:

    (i) deposits with relevant institutions;

    (ii) high-quality government bonds;

    (iii) reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on an accrued basis;

    (iv) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049).

24. In accordance with paragraph 2(iv) of UCITS Notice 12, invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral. Invested cash collateral may not be placed on deposit with the counterparty or a related entity.

25. A Fund receiving collateral for at least 30 per cent. of its assets should have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Fund to assess the liquidity risk attached to the collateral. The liquidity stress testing policy should at least prescribe the following:

    a) design of stress test scenario analysis including calibration, certification and sensitivity analysis;

    b) empirical approach to impact assessment, including back-testing of liquidity risk estimates;

    c) reporting frequency and limit/loss tolerance threshold/s; and

    d) mitigation actions to reduce loss including haircut policy and gap risk protection.

26. A Fund should have in place a clear haircut policy adapted for each class of assets received as collateral. When devising the haircut policy, a Fund should take into account the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of the stress tests performed in accordance with paragraph 32. This policy should be documented and should justify each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets.

27. A Fund should ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

28. A Fund that enters into a reverse repurchase agreement should ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the net asset value of the Fund.

29. A Fund that enters into a repurchase agreement should ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered.

30. Repurchase/reverse repurchase agreements or securities lending do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 respectively.

31. A Fund should disclose in the prospectus the policy regarding direct and indirect operational costs/fees arising from efficient portfolio management techniques that may be deducted from the revenue delivered to the Fund. These costs and fees should not include hidden revenue. The Fund should disclose the identity of the entity(ies) to which the direct and indirect costs and fees are paid and indicate if these are related parties to the management company or the trustee.

32. All the revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs, should be returned to the Fund.

APPENDIX 5 – REGULATED MARKETS

With the exception of permitted investments in unlisted securities or in units of open-ended collective investment schemes, investment will be restricted to those stock exchanges and markets listed in the Prospectus. The Regulated Markets shall comprise any of the following:–

(a) any stock exchange located in any of the following countries:– a member state of the EU, Australia, Canada, Japan, Hong Kong, New Zealand, Norway, Switzerland, United States of America; or

(b) the Korea Exchange, the Stock Exchange of Singapore Dealing and Automated Quotation System (SESDAQ) and the Singapore Exchange (SGX); or

(c) any stock exchange included in the following list:

Argentina	the stock exchanges in Buenos Aires, Cordoba, Mendoza, Rosario and La Plata;
Bahrain	the stock exchange in Manama;
Bangladesh	the stock exchange in Dhaka;
Botswana	the stock exchange in Serowe;
Brazil	the stock exchanges in Sao Paulo, Brasilia, Bahia-Sergipe-Alagoas, Extremo Sul Porto Alegre, Parana Curitiba, Regional Fortaleza, Santos, Pernambuco e Bahia Recife and Rio de Janeiro;
Chile	the stock exchange in Santiago;
China	the stock exchanges in Shanghai and Shenzhen;
Colombia	the stock exchanges in Bogota, Medellin and Cali;
Croatia	the stock exchange in Zagreb;
Egypt	the stock exchanges in Cairo and Alexandria;
Ghana	the stock exchange in Accra;
India	the stock exchanges in Mumbai, Madras, Delhi, Ahmedabad, Bangalore, Cochin, Gauhati, Magadh, Pune, Hyderabad, Ludhiana, Uttar Pradesh and Calcutta;
Indonesia	the stock exchanges in Jakarta and Surabaya;
Israel	the stock exchange in Tel Aviv;
Jordan	the stock exchange in Amman;
Kenya	the stock exchange in Nairobi;
Lebanon	the stock exchange in Lebanon;
Mauritius	Securities Exchange of Mauritius Ltd.;
Malaysia	the stock exchange in Kuala Lumpur;
Mexico	the stock exchange in Mexico City;
Morocco	the stock exchange in Casablanca;
Nigeria	the stock exchanges in Lagos, Kaduna and Port Harcourt;
Oman	the Muscat Securities Market in Oman;
Pakistan	the stock exchange in Karachi;
Peru	the stock exchange in Lima;
Philippines	the stock exchanges in Manila and Makati;
Qatar	the stock exchange in Doha;
Russia	the Moscow Exchange MICEX-RTS;
South Africa	the stock exchange in Johannesburg;
Sri Lanka	the stock exchange in Colombo;
Taiwan	the stock exchange in Taipei, Gre Tai Securities Market;
Thailand	the stock exchange in Bangkok;
Tunisia	the stock exchange in Tunis;
Turkey	the stock exchange in Istanbul;
United Arab Emirates	the stock exchange in the United Arab Emirates;

Vietnam the stock exchange in Hanoi;

Zambia the Zambian stock exchange;

Zimbabwe the stock exchange in Harare; (together, the "**Emerging Markets**")

(d) any of the following:

(i) the market organised by the International Capital Market Association;

(ii) a market comprising dealers which are regulated by the Federal Reserve Bank of New York and the United States Securities and Exchange Commission;

(iii) a market comprising dealers which are regulated by the United States National Association of Securities Dealers and the United States Securities and Exchange Commission;

(iv) NASDAQ; and

(v) the Over-the-Counter market in Japan regulated by the Securities Dealers Association of Japan.

(e) In relation to any financial derivative instruments these will be traded on the following exchanges:–

(i) the market organised by the International Capital Market Association; the over-the-counter market in the U.S. conducted by primary and secondary dealers regulated by the Securities and Exchange Commission and by the National Association of Securities Dealers, Inc. and by banking institutions regulated by the U.S. Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation; the market conducted by banks and other institutions regulated by the Financial Services Authority and subject to the Inter-Professional Conduct provisions of the FSA's Market Conduct Sourcebook and market in non-investment products which is subject to the guidance contained in the Non-Investment Products Code drawn up by the participants in the London market, including the Financial Services Authority and the Bank of England; the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan; AIM-the Alternative Investment Market in the UK, regulated by the London Stock Exchange; the French Market for Titres de Creance Negotiable (over-the-counter market in negotiable debt instruments); the over-the-counter market in Canadian Government Bonds regulated by the Investment Dealers Association of Canada; and

(ii) American Stock Exchange,
Australian Securities Exchange,
Bolsa Mexicana de Valores,
Chicago Board of Trade,
Chicago Board Options Exchange,
Chicago Mercantile Exchange,
Copenhagen Stock Exchange (including FUTOP),
Eurex Deutschland,
Euronext Amsterdam,
OMX Exchange Helsinki,
Hong Kong Stock Exchange,
Kansas City Board of Trade,
Financial Futures and Options Exchange,
Euronext Paris,
MEFF Rent Fiji,
MEFF Renta Variable,
Montreal Stock Exchange,
New York Futures Exchange,
New York Mercantile Exchange,
New York Stock Exchange,
New Zealand Futures and Options Exchange,
OMLX The London Securities and Derivatives Exchange Ltd.,
OM Stockholm AB,
Osaka Securities Exchange,
Pacific Stock Exchange,
Philadelphia Board of Trade,
Philadelphia Stock Exchange,
Singapore Stock Exchange,
South Africa Futures Exchange (SAFEX),
Sydney Futures Exchange,
The National Association of Securities Dealers Automated Quotations System (NASDAQ);
Tokyo Stock Exchange;
TSX Group Exchange.

The markets and exchanges described above are set out herein in accordance with the requirements of the Central Bank which does not issue a list of approved exchanges and markets.

APPENDIX 6 – DEFINITIONS

"Accumulation Shares"	means Shares of a Class of a Fund designated as an Accumulation Class in Appendix 2;
"Asia", "Asian", "Asian Region" or "Asia Pacific"	means Australia, Bangladesh, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Pakistan, Philippines, Singapore, South Korea, Sri Lanka, Taiwan, Thailand and Vietnam;
"Administration Agreement"	means the agreement dated 30 June, 1999 between the Company and the Administrator as amended by a supplemental agreement dated 31 May 2007;
"Administrator"	means HSBC Securities Services (Ireland) Limited;
"ADR"	means American Depositary Receipts;
"Agribusiness"	means companies involved in the production, processing, transporting, trading and marketing of soft commodities, as well as those that supply products and services (including seeds, fertilisers, crop nutrients, agricultural equipment and water) to the agricultural/forestry industry; Soft commodities include, amongst other things, coarse grains, soya beans, sugar, coffee, cocoa, palm oil, livestock, forestry, pulp and water;
"Articles of Association"	means the Articles of Association of the Company;
"Anti-Dilution Adjustment"	means a percentage charge determined by the Investment Manager that is charged:– • on a Dealing Day where there are net subscriptions into a Fund and which will be included in the Net Asset Value per Share which is the subscription price. This charge reflects the costs incurred by a Fund in purchasing additional portfolio securities upon the subscription for Shares in a Fund; or • on a Dealing Day where there are net redemptions from a Fund and which will be included in the Net Asset Value per Share which is the redemption price. This charge reflects the costs incurred by a Fund in disposing of portfolio securities to meet the redemption requests. • The charge shall not exceed in any event 2 per cent of the subscription or redemption monies, as the case may be, and in both cases the charge shall be paid into or retained by the Fund, as the case may be, in order to discharge the typical costs of dealing in the underlying investments of the Fund, such as dealing spreads, dealing charges, fees and taxes; • In certain jurisdictions an Anti-Dilution Adjustment is referred to as a swing pricing adjustment;
"AUS$" or "Australian Dollar"	means the lawful currency of Australia;
"Barclays Capital U.S. Government/Credit Bond Index"	means Barclays Capital U.S. Government/Credit Bond Index, which is composed of bonds with at least one year maturity that are investment grade (rated Baa3 or higher by Moody's or BBB- or higher by S&P, if unrated by Moody's);
"Base Currency"	means the base currency of the Company and each Fund which is US Dollars;

"Bond Funds"	means First State Asian Bond Fund, First State Asian Quality Bond Fund, First State Global Bond Fund, First State High Quality Bond Fund, First State Hong Kong Dollar Bond Fund, First State Long Term Bond Fund, First State Emerging Markets Bond Fund and First State Global Credit Income Fund and such other funds established by the Company from time to time for the purpose of investing primarily in fixed income securities;
"Business Day"	means a day (excluding Saturday and Sunday) on which banks in Dublin are open for business or such other day or days as the Directors may, with the approval of the Custodian, determine;
"Central Bank"	means the Central Bank of Ireland, or any successor regulatory authority thereto;
"Chinese Stock Exchanges"	means the Shanghai Stock Exchange and the Shenzhen Stock Exchange;
"China A Shares"	means shares issued by companies listed on the Shanghai Stock Exchange or the Shenzhen Stock Exchange, traded in onshore Renminbi and available for investment by domestic (Chinese) investors and holders of qualified foreign institutional investors (QFII) status;
"China B Shares"	means shares issued by companies incorporated in the PRC and listed on either of the Chinese stock exchanges, traded in foreign currencies and available for investment by domestic (Chinese) investors and foreign investors;
"Citigroup US Government Bond Index"	means the Citigroup US Government Bond Index which is comprised of marketable US treasury notes and bonds with a final maturity date longer than 5 years;
"Citigroup World Government Bond Index "("WGBI")"	means Citigroup's market capitalization weighted index consisting of the government bond markets of the following countries: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Japan, Netherlands, Spain, Sweden, Switzerland United Kingdom, United States;
"Class"	means any class of Shares in the Company;
"Class Expenses"	means the expenses of registering a Class in any jurisdiction or with any stock exchange, regulated market or settlements system and such other expenses arising from such registration and such further expenses howsoever arising as may be disclosed in the Prospectus;
"Company"	means First State Global Umbrella Fund plc, an umbrella investment company with variable capital and with segregated liability between sub-funds, incorporated in Ireland pursuant to the Companies Act 2014 and authorised by the Central Bank pursuant to the Regulations;
"CSRC"	means the China Securities Regulatory Commission of the PRC, the government agency responsible for matters relating to securities regulation;
"Currency Hedged Share Classes"	means a Class in respect of which the Company effects a hedge either from the Base Currency of the Fund into the currency of denomination of the Currency Hedged Share Class concerned and/or from the currency of denomination of certain (but not necessarily all) assets of the relevant Fund into the currency of the Currency Hedged Share Class concerned;
"Custodian"	means HSBC Institutional Trust Services (Ireland) Limited;
"Custodian Agreement"	means the agreement dated 30 June 1999 between the Company and the Custodian as amended by a supplemental agreement dated 31 May 2007;

"Dealing Day"	means any Business Day or Business Days as the Directors may from time to time determine, provided that there shall be one such Dealing Day per fortnight and provided further that unless otherwise determined and notified to the Central Bank and notified to Shareholders in advance, as and from the date of this Prospectus, every Business Day following the Initial Offer Period for each Fund shall be a Dealing Day;
"Directive"	means the Council Directive of 13 July 2009 (2009/65/EC) on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS);
"Directors"	means the directors of the Company for the time being and any duly constituted committee thereof;
"Distributor"	means First State Investments (UK) Limited and First State Investments (Singapore);
"Distribution Agreement"	means an agreement between the Company, the Investment Manager and a Distributor;
"Distributing Shares"	means Shares of a Class of a Fund designated as a Distributing Class in Appendix 2;
"EEA"	Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lichtenstein, Lithuania, Luxemburg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Sweden, Spain, United Kingdom;
"Emerging Markets"	means any country which is not classified as a developed market by MSCI or FTSE, or which are categorised by the World Bank as middle or low-income, or which are not members of the Organisation for Economic Co-operation and Development;
"Emerging Market Countries"	means the countries in which the Emerging Markets are established;
"Equity Funds"	means the First State Asian Equity Plus Fund, the First State Asian Growth Fund, the First State Asia Innovation Fund, the First State Asia Pacific All Cap Fund, the First State Asia Pacific Select Fund, the First State Asian Property Securities Fund, the First State Australian Growth Fund, the First State China Focus Fund, the First State China Growth Fund, the First State Global Agribusiness Fund, the First State Global Listed Infrastructure Fund, the First State Global Property Securities Fund, the First State Global Resources Fund, the First State Greater China Growth Fund, the First State Hong Kong Growth Fund, the First State Indian Subcontinent Fund, the First State Japan Equity Fund, the First State Singapore and Malaysia Growth Fund, the Stewart Investors Global Emerging Markets Leaders Fund, the Stewart Investors Global Emerging Markets Select Fund, the Stewart Investors Worldwide Equity Fund, the Stewart Investors Worldwide Leaders Fund and such other Funds established by the Company from time to time for the purpose of primarily investing in equities securities;
"ERISA Plan"	means (i) any employee benefit plan within the meaning of section 3(3) of the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") and subject to Title I of ERISA; or (ii) any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue Code of 1986;
"EU"	means the European Union;
"Euro", "EUR", or "€"	means euro, the unit of the European single currency;

"Fund"	means any fund or funds from time to time established by the Company that is or are described in this Prospectus;
"GBP£" or "Sterling"	means the lawful currency of the United Kingdom;
"GDRs"	means Global Depositary Receipts;
"HK$" or "Hong Kong Dollar"	means the lawful currency of Hong Kong;
"Infrastructure"	means infrastructure and infrastructure-related securities, such as companies involved in the development of Infrastructure. The Infrastructure sector includes, but is not limited to, utilities (e.g. water and electricity), highways and railways, airports services, marine ports and services, and oil and gas storage and transportation;
"Initial Offer Period"	means in respect of any Class of Shares in any Fund that has not previously been issued such date on which initial subscriptions for Shares will be accepted as may be determined by the Company and notified in advance to the Central Bank and to investors;
"Investment Manager"	means First State Investments (Hong Kong) Limited;
"Investment Management Agreement"	means the investment management agreement dated 2 June 1999 as amended by a supplemental agreement dated 31 May 2007 between the Company and the Investment Manager;
"Irish Resident"	means, any person resident or ordinarily resident in Ireland;
"JP Morgan Emerging Markets Bond Index Global Diversified"	means JP Morgan Emerging Markets Bond Index Global Diversified which tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans and Eurobonds;
"Mainland China" or "China" or "PRC"	means the People's Republic of China, excluding Hong Kong, Macau and Taiwan;
"Net Asset Value"	means the Net Asset Value of a Fund, calculated as described herein;
"Net Asset Value per Share or NAV per Share"	means the Net Asset Value divided by the number of Shares of a Class in issue;
"non-U.S. Persons"	means any persons that are not U.S. Persons;
"QFII"	means a qualified foreign institutional investor;
"Regulations"	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended, and any rules from time to time adopted by the Central Bank pursuant thereto which rules are referred to as the Central Bank notices;
"Regulated Market"	means any stock exchange or regulated market in the European Union or a stock exchange or regulated market which is provided for in the Articles of Association details of which are set out in Appendix 5;
"REITs"	means Real Estate Investment Trusts;
"Relevant Institution"	means an EU credit institution, a bank authorised in a member state of the European Economic Area ("**EEA**") (Norway, Iceland, Liechtenstein) or a bank authorised by a signatory other than an EU member state or a member state of the EEA, to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States of America);

"Renminbi" or "RMB"	means the lawful currency of China;
"Reporting Fund"	means a Fund or Share Class which has been granted reporting fund status by HM Revenue & Customs;
"SAFE"	means the PRC State Administration of Foreign Exchange, the government agency responsible for matters relating to foreign exchange administration;
"Share" or "Shares"	means a share or shares in the capital of the Company;
"Shareholder"	means a holder of Shares in the Company;
"Sub-Investment Manager"	means the person or persons from time to time appointed by the Investment Manager to manage the assets of a Fund;
"Sub-Investment Management Agreement"	means an agreement made between the Investment Manager and a Sub-Investment Manager as amended from time to time;
"Subscriber Shares"	means the initial share capital of 30,000 shares of no par value which was originally subscribed for IR£30,000;
"UCITS"	means an undertaking for collective investment in transferable securities established pursuant to the Regulations;
"U.K."	means The United Kingdom of Great Britain and Northern Ireland;
"U.S."	means the United States of America (including the States and the District of Columbia), its territories, possessions and all other areas subject to its jurisdiction;
"U.S. Dollars" or "US$"	means the lawful currency of the U.S.; and
"U.S. Person"	means, the same as in Regulation S of the Securities Act of 1933 as amended from time to time unless otherwise determined by the Directors, and includes (i) a citizen or resident of the U.S.; (ii) a corporation, partnership, or other entity organised in or under the laws of the U.S. or any state; (iii) an estate or trust the executor, administrator or trustee of which is a U.S. person as defined above, the income or beneficiaries of which are subject to U.S. federal income tax; and (iv) certain accounts held by a dealer or other fiduciary where the person exercising discretion over the account is a U.S. Person. U.S. Person shall not include corporations, partnerships or other entities which are organised or incorporated under the laws of any non U.S. jurisdiction that are controlled, directly or indirectly, by a U.S. Person as described above, unless such corporation, partnership or other entity was formed by such U.S. Person principally for the purpose of investing in securities not registered under the Securities Act.

APPENDIX 7 – FUND RISK TABLE

Fund Risk Table	Risks																							
Fund Name	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X
First State Asian Innovation Fund	•	•		•					•						•	•								
First State Asia Pacific All Cap Fund	•	•		•					•						•	•								
First State Asia Pacific Select Fund	•	•		•											•	•								
First State Asian Equity Plus	•	•		•					•						•	•	•							•
First State Asian Growth Fund	•	•		•					•						•	•								
First State Asian Property Securities Fund	•	•		•	•	•		•	•							•	•				•			
First State Australian Growth Fund	•	•					•									•								
First State China Focus Fund	•	•		•			•		•						•	•								
First State China Growth Fund	•	•		•			•		•						•	•								•
First State Global Agribusiness Fund	•					•		•	•		•					•								
First State Global Listed Infrastructure Fund	•					•		•	•	•						•	•					•		
First State Global Property Securities Fund	•	•			•	•		•	•							•	•				•			
First State Global Resources Fund	•	•				•		•	•							•				•				
First State Greater China Growth Fund	•	•		•					•						•	•								•
First State Hong Kong Growth Fund	•			•			•		•							•								
First State Indian Subcontinent Fund	•	•	•						•							•								
First State Singapore and Malaysia Growth Fund	•	•					•		•							•								
First State Asian Bond Fund	•	•										•	•	•				•					•	
First State Asian Quality Bond Fund	•	•										•	•					•					•	
First State Emerging Markets Bond Fund	•	•										•	•	•			•	•					•	
First State Global Bond Fund	•											•	•	•				•					•	
First State Global Credit Income Fund	•	•										•	•	•			•	•	•					
First State High Quality Bond Fund	•											•	•	•				•					•	
First State Hong Kong Dollar Bond Fund	•						•					•	•					•					•	
First State Long Term Bond Fund	•						•					•	•					•					•	
First State Japan Equity Fund	•						•		•							•								
Stewart Investors Global Emerging Markets Leaders Fund	•	•		•											•	•								
Stewart Investors Global Emerging Markets Select Fund	•	•		•											•	•								
Stewart Investors Worldwide Equity Fund	•	•		•					•							•								
Stewart Investors Worldwide Leaders Fund	•	•		•												•								

Key

A	General Risks		Fund Specific Risks		Fund Specific Risks
A1	Investment Risk	B	Emerging Market Risk	N	High Yield Risk
A2	Market Risk	C	Indian Subcontinent Risk	O	Investment in Equity Linked Notes
A3	Liquidity Risk	D	China Market Risk	P	Investment in collective investment schemes
A4	Currency Risk	E	Real Estate Funds Risk	Q	Charges against Capital
A5	Specialist Investment Risk	F	Industry or Sector Risk	R	Below Investment Grade and Unrated Debt Securities Risk
A6	Inflation Risk	G	Single Country Risk	S	Currency Hedged Share Class Risk
A7	Credit Risk	H	Single Sector Risk	T	Global Resources Risk
A8	Taxation Risk	I	Smaller Companies Risk	U	Property Securities Risk
A9	Risk of change of Laws, Regulations, Political and Economic Conditions	J	Listed Infrastructure Risk	V	Concentrated Risk
A10	Risk of Suspension	K	Investment in Agriculture and Related Opportunities	W	Sovereign Debt Risk
A11	Derivatives Risk	L	Reliability of Credit Ratings	X	Risks of investing in China A Shares via QFII
A12	Umbrella Structure of the Company and Cross-Liability Risk	M	Interest Rate Risk		