

**CMS Funds  
(the “Fund”)**

**CMS China Opportunities Flexifund  
CMS Hong Kong Multi Income Fund  
(each a “Sub-Fund” and collectively, the “Sub-Funds”)**

**NOTICE TO UNITHOLDERS**

This notice is important and requires your immediate attention. It contains information regarding changes to the Explanatory Memorandum of the Fund dated June 2014, as amended by the First Addendum dated May 2015, the Second Addendum dated October 2015 and the Third Addendum dated May 2016 (collectively, the “Explanatory Memorandum”). If you are in any doubt about the content of this notice, you should seek independent professional financial advice.

All capitalized terms herein contained shall have the same meaning in this notice as in the Explanatory Memorandum, unless otherwise stated. CMS Asset Management (HK) Co., Limited, the manager of the Fund (the “Manager”), accepts full responsibility for the accuracy of the information contained in this notice at the date of publication and confirms, having made all reasonable enquiries that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading.

Dear investor,

With effect from 11<sup>th</sup> October 2016 (the “Effective Date”), the following changes shall be made:

**Temporary Reduction of Management Fee of the CMS China Opportunities Flexifund**

The first three rows under the table “Fees payable by the Sub-Fund” under the sub-section headed “Fees” on page 70 of the Explanatory Memorandum shall be deleted and replaced with the following:-

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Management Fee (% Net Asset Value of the relevant class)	<b>Class A:</b> 1.5% p.a. (temporarily reduced to 1.20% p.a. from 11 <sup>th</sup> October 2016 until further notice)
	<b>Class B:</b> 1.0% p.a. (temporarily reduced to 0.80% p.a. from 11 <sup>th</sup> October 2016 until further notice)
	<b>Class I:</b> 0.8% p.a. (temporarily reduced to 0.6% p.a. from 11 <sup>th</sup> October 2016 until further notice)

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**Temporary Reduction of Management Fee of the CMS Hong Kong Multi Income Fund**

The first two rows under the table “Fees payable by the Sub-Fund” under the sub-section headed “Fees” on page 78 of the Explanatory Memorandum shall be deleted and replaced with the following:-

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Management Fee (% Net Asset Value of the relevant class)	<b>Class A:</b> 1.5% p.a. (temporarily reduced to 1.0% p.a. from 1 <sup>st</sup> February 2016 until further notice)
	<b>Class B:</b> 1.5% p.a. (temporarily reduced to 1.0% p.a.)

	from 1 <sup>st</sup> February 2016 until further notice)
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The Explanatory Memorandum will be amended to reflect the foregoing changes by way of the fourth addendum which will be available in due course. Should you wish to obtain a copy of the latest Explanatory Memorandum, please visit [http://www.cmsamhk.com/en/products\\_funds](http://www.cmsamhk.com/en/products_funds). Please note that the aforesaid website has not been reviewed by the SFC.

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If you have any questions or would like any further information, please contact the Manager, CMS Asset Management (HK) Co., Limited, at 48/F, One Exchange Square, 8 Connaught Place, Central, Hong Kong or call the Manager's hotline at +852 2530 0698.

**CMS Asset Management (HK) Co., Limited**

7<sup>th</sup> October 2016