CMS Funds
(the "Fund")

CMS China Opportunities Flexifund
CMS Hong Kong Multi Income Fund
(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 April 2020 (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 Unitholders,

We write to inform you of following changes concerning the Fund and the Sub-Fund.

A. Changes to the investment objective and policy of the CMS Hong Kong Multi Income Fund (the "Sub-Fund" for the purpose of this section)

The Manager intends to improve the management the Sub-Fund in a balanced approach to achieve profit maximization by (1) adjusting the allocation of equities securities and debt securities, (2) increasing the exposure to the onshore mainland China market to look for investment opportunities in high dividend stocks and debt securities, and (3) allowing the Sub-Fund to invest in more types of asset classes.

As such, from 25 February 2021 (the "**Effective Date**"), the investment objective and policy of the Sub-Fund will change as follows:

- Currently, the Sub-Fund seeks to maximise total returns (income and long-term capital appreciation) by actively allocating its assets and by investing primarily in (A) equity securities of companies operating principally in Hong Kong and/or China, or companies whose businesses are linked directly or indirectly to the economic growth in Hong Kong and/or China, and (B) debt securities and debt-related securities issued or guaranteed by Hong Kong or Chinese issuers. From the Effective Date, the Sub-Fund will seek to maximise total returns (income and long-term capital appreciation) by actively allocating its assets and by investing in a diversified portfolio of (A) equity securities of companies operating principally in Hong Kong and/or China, or companies whose businesses are linked directly or indirectly to the economic growth in Hong Kong and/or China, and (B) debt securities and debt-related securities issued or guaranteed by Hong Kong or Chinese issuers. The Sub-Fund may invest in (A) for up to 100% of its net asset value.

- Currently, the Sub-Fund will not invest in China A-Shares. From the Effective Date, the Sub-Fund may invest up to 30% of its net asset value in China A-Shares through the Shanghai-Hong Kong Stock Connect, the Shenzhen-Hong Kong Stock Connect (collectively, the "**Stock Connect**") and/or the status of a Qualified Investor ("**QI**").

- Currently, the Sub-Fund may invest up to 10% of its net asset value in China B-Shares. From the Effective Date, the Sub-Fund will not invest in any in China B-Shares.

- Currently, the Sub-Fund will not invest in debt securities issued and distributed within China. From the Effective Date, the Sub-Fund may invest up to 30% of its net asset value in debt securities issued and distributed within mainland China through the Bond Connect[1] , the CIBM Initiative[2] and/or the status of a QI.

- Currently, the indicative allocation of the non-cash assets of the Sub-Fund is as follows (as a percentage of the net asset value):

  (1) Equity securities: 50% - 80%;
  (2) Debt securities: 20% - 50%.

  From the Effective Date, the indicative allocation of the non-cash assets of the Sub-Fund will be as follows (as a percentage of the net asset value):

  (1) Equity securities: 60% - 100%;
  (2) Debt securities: 0% - 40%.

- Currently, the Manager does not intend to enter into any securities financing transactions or similar transactions in respect of the Sub-Fund. From the Effective Date, the Manager may enter into reverse repurchase transactions[3] in respect of the Sub-Fund. The maximum and expected proportion of the net asset value of the Sub-Fund that can be subject to reverse repurchase transactions are 25%. Such reverse repurchase transactions will only be conducted on the Shanghai Stock Exchange ("**SSE**") or the Shenzhen Stock Exchange ("**SZSE**") through the Stock Connect and/or the status of a QI. The Sub-Fund will not engage in securities lending or sale and repurchase transactions.

In addition, as clarifications:

- It is part of the Sub-Fund's current investment policy that it will invest at least 70% of its net asset value in equities that are listed on the Stock Exchange of Hong Kong and traded in Hong Kong dollars and/or debt securities denominated in Hong Kong dollars.

- Under exceptional circumstances (e.g. market crash or major crisis such as significantly deteriorating economic, social or political conditions or prolonged closure of relevant market(s) due to unexpected events), the Sub-Fund may be invested temporarily up to 30% of its net asset value in liquid assets such as bank deposits, certificates of deposit, commercial paper and treasury bills for cash flow management.

Please refer to Annexure A enclosed with this notice for further details on changes to the investment objective and policy of the Sub-Fund.

As a result of the changes, the manner in which the Sub-Fund is currently being managed will change as the Sub-Fund will be managed in accordance with the new investment objective and policy, and the risks applicable to the Sub-Fund will change.

In particular, the Sub-Fund may be subject to the additional risks as follows:

Key risks

1. **China A-Shares Risk** – The China A-Share markets are undergoing developments. The price at which securities may be purchased or sold by the Sub-Fund and the value of the Sub-Fund may be adversely affected if trading markets for China A-Shares are limited or absent. The China A-Share market may be more volatile and unstable. High market volatility and potential

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

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

[3] Reverse repurchase transactions are transactions whereby a party ("**repo buyer**") purchases securities from a counterparty ("**repo seller**") and agrees to sell such securities back to the repo seller at an agreed price in the future.

settlement difficulties in the China A-Share market may also result in significant fluctuations in the prices of the securities traded on such market and thereby may adversely affect value of the Sub-Fund.

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

2. **Risks associated with the SME board, ChiNext market and/or STAR board**

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

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

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

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

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

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

3. **Additional Risk Relating to Debt Securities**

Liquidity risk - The RMB denominated debt securities market is at a developing stage and the trading volume may be lower than those of the more developed markets. The Sub-Fund may invest in debt securities which are not listed. Even if the debt securities are listed, the market for such securities may be inactive. The Sub-Fund is therefore subject to liquidity risks and may suffer losses in trading such instruments. The bid and offer spreads of the price of such securities may be large, so the Sub-Fund may incur significant trading and realisation costs and may suffer losses accordingly.

4. **Risks Relating to QI –** The Sub-Fund will invest in RMB-denominated debt and equity securities in China primarily through a QI which is subject to applicable regulations imposed by the PRC authorities. Although repatriations by QIs in respect of the Sub-Fund are currently not subject to repatriation restrictions or prior approval, there is no assurance that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Any restrictions on repatriation of the invested capital and net profits may impact on the Sub-Fund's ability to meet redemption requests from the unitholders.

Investment in securities through a QI will be subject to custodial risk of the QI Custodian appointed for purpose of safekeeping assets in the PRC. In addition, the execution and settlement of transactions or the transfer of any funds or securities may be conducted by brokers in the PRC. If the QI Custodian or the PRC brokers default, the Sub-Fund may not be able to recover all of its assets and may incur a substantial or even a total loss.

The application of the QI rules may depend on the interpretation of the Chinese authorities. Any changes to the relevant rules may have an adverse impact on investors' investment in the Sub-Fund.

5. **Risks Relating to the Stock Connect –** The relevant rules and regulations on the Stock Connect are subject to change which may have potential retrospective effect. The Stock Connect is subject to quota limitations. Where a suspension in the trading through the programme is effected, the Sub-Fund's ability to invest in China A-Shares or access the PRC market through the programme will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective could be negatively affected.

6. **Risk Relating to the China Interbank Bond Market –** The Sub-Fund's investment in China interbank bond market through Bond Connect and CIBM Initiative is subject to regulatory risks and liquidity and volatility risks, as low trading volume of certain debt securities in the China Interbank Bond Market may cause market volatility and potential lack of liquidity. The relevant rules and regulations on Bond Connect and CIBM Initiative are subject to change which may have potential retrospective effect. In the event that the relevant PRC authorities suspend account opening of Bond Connect or trading on the China Interbank Bond Market, the Sub-Fund's ability to invest in the China interbank bond market will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective may be negatively affected.

7. **PRC Tax Risk –** There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of the Sub-Fund's investments in the PRC (which may have retrospective effect). Any increased tax liabilities on the Sub-Fund may adversely affect the Sub-Fund's value.

   Based on professional and independent tax advice, (1) currently no provision on withholding income tax is made on the gross realized and unrealized gains derived from investments in China A-Shares and PRC debt securities and (2) the Manager will make provisions for any PRC taxes payable by the Sub-Fund on (i) corporate bond interest from PRC debt securities (except for PRC Government bond) received prior to 7 November 2018, and (ii) dividends derived from China A-Shares, at a rate of 10% (or as otherwise advised by the Sub-Fund's tax adviser), if the relevant withholding income tax is not withheld at source. In addition, the Manager will make provisions for PRC Valued Added Tax payable by the Sub-Fund on bond coupon interest (except PRC government bonds or local government bonds) received by the Sub-Fund for the period from 1 May 2016 to 6 November 2018 at a rate of 6.72%. Such provisions may be excessive or inadequate to meet the actual tax liabilities. In case of any shortfall between the provisions and actual tax liabilities, which will be debited from the Sub-Fund's assets, the asset value of the Sub-Fund will be adversely affected.

Other risks

8. **Counterparty and Settlement Risk –** Investment in debt securities will expose the Sub-Fund to counterparty default risks. Exchange traded debt securities may be subject to counterparty risk, although such risk is mitigated by a centralised clearing system. On the other hand, the degree of counterparty risk may be higher in the interbank bond market (a quote-driven over-the-counter (OTC) market), where deals are negotiated between two counterparties through a trading system. The counterparty which has entered into a transaction with the Sub-Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value.

   There are various transaction settlement methods in the interbank bond market, such as the delivery of security by the counterparty after receipt of payment by the Sub-Fund; payment by the Sub-Fund after delivery of security by the counterparty; or simultaneous delivery of security and payment by each party. Although the Manager may endeavour to negotiate terms which are favourable to the Sub-Fund (e.g. requiring simultaneous delivery of security and payment), there is no assurance that settlement risks can be eliminated. Where its counterparty does not perform its obligations under a transaction, the Sub-Fund will sustain losses.

9. **Risks Relating to Reverse Repurchase Transactions Listed on the SSE or the SZSE** – In reverse repurchase transactions listed on the SSE or the SZSE, the China Securities Depository and Clearing Corporation Limited (CSDCC)[4] (as the clearing agent for the SSE or the SZSE (as the case may be)) acts as the only central counterparty to all repo buyers and repo sellers. Therefore, the CSDCC acts as the only counterparty to the Sub-Fund in such reverse repurchase transactions. In the event that the repo seller defaults in its obligation to repay the CSDCC on the agreed future date, the CSDCC is still obliged to repay the cash plus agreed interests to the Sub-Fund on the agreed future date. The CSDCC will then have the right to sell the collateral given by the repo seller and seize and liquidate other securities owned by the repo seller (if necessary) to cover its loss since it has paid out the cash plus agreed interests to the Sub-Fund. If the sale proceeds from the collateral and other securities owned by the repo seller are not sufficient to cover the entire loss, the CSDCC will absorb the remaining loss and the Sub-Fund will not suffer any loss in this regard.

   However, in the unlikely event that the CSDCC becomes insolvent and defaults in its obligation to repay the cash plus agreed interests to the Sub-Fund on the agreed future date, the Sub-Fund may have to take legal action or court proceeding to seek recovery of the outstanding funds from CSDCC through available legal channels and through CSDCC's liquidation process (where applicable) and the Sub-Fund may suffer loss since there may be delay in recovering cash placed out and the cash recovered may be less than the cash placed out initially. In the worst case scenario, the Sub-Fund may not be able to recover anything, in which case the Sub-Fund will suffer total loss of the cash placed out in the reverse repurchase transactions.

Moreover, as a result of the change in the indicative allocation of the non-cash assets of the Sub-Fund, the Sub-Fund may be subject to a higher level of equity market risk and a lower level of risks relating to debt securities.

In addition, as a clarification, the Sub-Fund may be subject to the following risk by virtue of its investment in debt securities:

Valuation risk - Valuation of a Sub-Fund's investments may involve uncertainties and judgmental determinations, and independent pricing information may not at all times be available. If such valuations should prove to be incorrect, the net asset value of the Sub-Fund may be adversely affected. The value of debt securities may be affected by changing market conditions or other significant market events affecting valuation. For example, in the event of downgrading of an issuer, the value of the relevant debt securities may decline rapidly.

Save as otherwise provided above, the above changes will not result in a material change to the features and risks applicable to the Sub-Fund, will not result in other changes in the operation and/or manner in which the Sub-Fund is being managed, and will not result in other effects on existing investors.

There will be no change in the fees payable out of the assets of the Sub-Fund as a result of the changes. None of the changes set out above will materially prejudice the existing Unitholders' rights or interests (including changes that may limit Unitholders' ability in exercising their rights).

The costs and expenses associated with the above changes, estimated to be approximately HK$230,000, will be borne by the Sub-Fund.

[4] CSDCC was established in accordance with the Securities Law of the People's Republic of China and the Company Law of the People's Republic of China. The SSE and the SZSE are shareholders of CSDCC, each holding 50% equities.

If you do not agree with the proposed changes, you may redeem your Units in the Sub-Fund or switch your Units in the Sub-Fund to other SFC-authorised sub-fund(s) under the Fund[5] free of charge until the Dealing Deadline on the Dealing Day before the Effective Date, in accordance with the provisions of the Explanatory Memorandum.

B. Update to the disclosures relating to the QI regime

On 25 September 2020, the CSRC, the PBOC and the SAFE jointly issued the following new QI rules modifying the RQFII/QFII regime, which came into effect on 1 November 2020:

(1) Measures for the Administration of Domestic Securities and Futures Investment by Qualified Foreign Institutional Investors and RMB Qualified Foreign Institutional Investors (CSRC Decree No.176, 合格境外机构投资者和人民币合格境外机构投资者境内证券期货投资管理办法); and

(2) Provisions on Issues Concerning the Implementation of the Measures for the Administration of Domestic Securities and Futures Investment by Qualified Foreign Institutional Investors and RMB Qualified Foreign Institutional Investors (CSRC Announcement [2020] No.63, 关于实施《合格境外机构投资者和人民币合格境外机构投资者境内证券期货投资管理办法》有关问题的规定) (hereinafter collectively referred to as the "**New Regulations**").

The disclosures relating to the QI regime in the Explanatory Memorandum and Product Key Facts Statements of the Sub-Funds will be updated to reflect the requirements in the New Regulations in due course. Please refer to the revised Explanatory Memorandum and Product Key Facts Statements of the Sub-Funds for further details.

C. Availability of Documents

The Explanatory Memorandum and Product Key Facts Statements of the Sub-Funds will be updated to reflect the proposed changes in due course. Should you wish to obtain a copy of the latest Explanatory Memorandum and Product Key Facts Statements of the Sub-Funds, please visit https://am.cmschina.com.hk/en/products_funds2.php. Please note that this website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC.

D. Enquiries

Should you have any questions about the changes described above, please contact us at 48/F One Exchange Square, Central, Hong Kong or by telephone at +852 2530 0698.

Yours faithfully,

CMS Asset Management (HK) Co., Limited

25 January 2021

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

ANNEXURE A

Prior to the Effective Date	From the Effective Date
CMS Hong Kong Multi Income Fund seeks to maximise total returns (income and long-term capital appreciation) by actively allocating its assets and by investing primarily in (A) equity securities of companies operating principally in Hong Kong and/or China, or companies whose businesses are linked directly or indirectly to the economic growth in Hong Kong and/or China, and (B) debt securities and debt-related securities issued or guaranteed by Hong Kong or Chinese issuers. The equity securities which the Sub-Fund may invest include equities and equity-related securities such as but are not limited to warrants, equity options, convertible bonds, depository receipts and exchange traded funds. It is intended that the primary equity securities which the Sub-Fund invests will be quoted, traded or listed on the Hong Kong Stock Exchange. However, the Sub-Fund may also invest in equity securities which are quoted, traded or listed on other stock exchanges (including but are not limited to the Shenzhen Stock Exchange, Shanghai Stock Exchange, New York Stock Exchange, NASDAQ and Stock Exchange of Singapore etc) and unlisted equity securities. The Sub-Fund will not invest in China A-Shares and may invest up to 10% of its net asset value in China B-Shares. The fixed or floating rate debt securities which the Sub-Fund may invest include but are not limited to those issued or guaranteed by governments, public entities or agencies, quasi-government organisations, banks, financial institutions and other corporate entities headquartered or listed in Hong Kong and/or China. There is no restriction on the minimum credit ratings of the debt instruments which the Sub-Fund may hold. The Sub-Fund will not invest more than 10% of its net asset value in "Dim Sum" bonds. The Sub-Fund will not invest in debt securities issued and distributed within China. The Sub-Fund will not invest more than 10% of its net asset value in securities issued or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade. The Sub-Fund will not invest more than 10% of its net asset value in convertible bonds.	CMS Hong Kong Multi Income Fund seeks to maximise total returns (income and long-term capital appreciation) by actively allocating its assets and by investing in a diversified portfolio of (A) equity securities of companies operating principally in Hong Kong and/or China, or companies whose businesses are linked directly or indirectly to the economic growth in Hong Kong and/or China, and (B) debt securities and debt-related securities issued or guaranteed by Hong Kong or Chinese issuers. The Sub-Fund may invest in (A) for up to 100% of its net asset value. The Sub-Fund will invest at least 70% of its net asset value in equities that are listed on the Stock Exchange of Hong Kong and traded in Hong Kong dollars and/or debt securities denominated in Hong Kong dollars. The equity securities which the Sub-Fund may invest include equities and equity-related securities such as but are not limited to warrants, equity options, convertible bonds, depository receipts and exchange traded funds. It is intended that the primary equity securities which the Sub-Fund invests will be quoted, traded or listed on the Hong Kong Stock Exchange. However, the Sub-Fund may also invest in equity securities which are quoted, traded or listed on other stock exchanges (including but are not limited to the Shenzhen Stock Exchange, Shanghai Stock Exchange, New York Stock Exchange, NASDAQ and Stock Exchange of Singapore etc) and unlisted equity securities. The Sub-Fund may invest up to ~~10~~30% of its net asset value in China A-Shares through the Shanghai-Hong Kong Stock Connect, the Shenzhen-Hong Kong Stock Connect (collectively, the "**Stock Connect**") and/or the status of a QI. The Sub-Fund will not invest in China B-Shares. The fixed or floating rate debt securities which the Sub-Fund may invest include but are not limited to those issued or guaranteed by governments, public entities or agencies, quasi-government organisations, banks, financial institutions and other corporate entities headquartered or listed in Hong Kong and/or China. There is no restriction on the minimum credit ratings of the debt instruments which the Sub-Fund may hold. The Sub-Fund will not invest more than 10% of its net asset value in "Dim Sum" bonds. The Sub-Fund ~~will not~~may invest up to 30% of its

The asset allocation of the Sub-Fund will change according to the Manager's views of fundamental economic and market conditions and investment trends across the globe, taking into consideration factors such as liquidity, costs, timing of execution, relative attractiveness of individual securities and issuers available in the market. The indicative allocation of the non-cash assets of the Sub-Fund is as follows (as a percentage of the net asset value): (1) Equity securities: 50% - 80%; (2) Debt securities: 20% - 50% The Sub-Fund's aggregate exposure to collective investment schemes (other than exchange traded funds) will not exceed 10% of its net asset value. The Sub-Fund will not invest more than 10% of its net asset value in collateralized and/or securitized products, such as asset backed securities and mortgage backed securities. The Sub-Fund will not invest in financial derivative instruments for non-hedging purposes. The Manager currently does not intend to enter into any securities financing transactions or similar transactions in respect of the Sub-Fund. The Manager will seek the prior approval of the SFC and provide at least one month's prior notice to unitholders before the Manager engages in any such transactions.	net asset value in debt securities issued and distributed within mainland China through the Bond Connect[1], the CIBM Initiative[2] and/or the status of a QI. [1] As defined in the joint announcement of the People's Bank of China and the Hong Kong Monetary Authority dated 16 May 2017, "Bond Connect" is an arrangement that establishes mutual bond market access between Hong Kong and mainland China. Eligible foreign investors can invest in the China interbank bond market through Northbound Trading of the Bond Connect. [2] In February 2016, the People's Bank of China announced the opening-up of the China interbank bond market to a wider group of eligible foreign institutional investors free of quota restriction (the "CIBM Initiative"). The Sub-Fund will not invest more than 10% of its net asset value in securities issued or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade. The Sub-Fund will not invest more than 10% of its net asset value in convertible bonds. The asset allocation of the Sub-Fund will change according to the Manager's views of fundamental economic and market conditions and investment trends across the globe, taking into consideration factors such as liquidity, costs, timing of execution, relative attractiveness of individual securities and issuers available in the market. The indicative allocation of the non-cash assets of the Sub-Fund is as follows (as a percentage of the net asset value): (1) Equity securities: ~~50~~60% - ~~80~~100%; (2) Debt securities: ~~20~~0% - ~~50~~40% The Sub-Fund's aggregate exposure to collective investment schemes (other than exchange traded funds) will not exceed 10% of its net asset value. The Sub-Fund will not invest more than 10% of its net asset value in collateralized and/or securitized products, such as asset backed securities and mortgage backed securities. The Sub-Fund will not invest in financial derivative instruments for non-hedging purposes.

	The Manager reverse repurchase transactions in respect of the Sub-Fund. The maximum and expected proportion of the net asset value of the Sub-Fund that can be subject to reverse repurchase transactions are 25%. Such reverse repurchase transactions will only be conducted on the Shanghai Stock Exchange or the Shenzhen Stock Exchange through the Stock Connect and/or the status of a QI. The Sub-Fund will not engage in securities lending or sale and repurchase transactions. The Manager will seek the prior approval of the SFC and provide at least one month's prior notice to unitholders before the Manager engages in any such transactions. Under exceptional circumstances (e.g. market crash or major crisis such as significantly deteriorating economic, social or political conditions or prolonged closure of relevant market(s) due to unexpected events), the Sub-Fund may be invested temporarily up to 30% in liquid assets such as bank deposits, certificates of deposit, commercial paper and treasury bills for cash flow management.