



INCOME PARTNERS

INCOME PARTNERS STRATEGY FUND (the “Fund”)

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND (the “Sub-Fund”)

NOTICE TO UNITHOLDERS

This document is important and requires your immediate attention. If you are in doubt about the contents of this notice, you should seek independent professional financial advice.

8 April 2020

Dear Unitholders,

We, Income Partners Asset Management (HK) Limited, the manager of the Sub-Fund (the “**Manager**”), are writing to inform you of the following amendments to the Sub-Fund’s offering documents:

1. Amendments to Clarify Applicable Regulatory Requirements

As notified to Unitholders on 23 December 2019, the Sub-Fund’s explanatory memorandum (“**Explanatory Memorandum**”) was amended in December 2019 to comply with certain updated requirements under the Overarching Principles Section and Section II - Code on Unit Trusts and Mutual Funds of the Securities and Futures Commission’s Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structured Investment Products (the “**Code**”) issued by the Securities and Futures Commission regarding relevant regulatory and disclosure requirements.

The Explanatory Memorandum has been further revised to clarify the following matters in order to reflect existing requirements under the Code:

- (i) specific investment restrictions under the Code that are applicable to the Sub-Fund, as stated under paragraph (d) of the section titled “*Investment Restrictions*” of the Explanatory Memorandum and in the last paragraph of the section titled “*Investment Restrictions*” of the Explanatory Memorandum; and
- (ii) how unclaimed redemption proceeds or other cash held by the trustee of the Sub-Fund would be treated in the event of the Sub-Fund’s termination.



2. Amendments Relating to the Mainland-Hong Kong Mutual Recognition of Funds Arrangement

The Explanatory Memorandum and product key facts statement (“KFS”) has also been updated to reflect the following matters:

- (i) subject to regulatory approval by the China Securities Regulatory Commission under the Mainland-Hong Kong Mutual Recognition of Funds arrangement, Class 2X RMB (USD Exposure) Units, Class 2XA USD Units, Class 2XB RMB Units and Class 2XG USD-Hedged Units (both Distribution and Accumulation Units) may be offered only to investors in Mainland China (as defined in the Explanatory Memorandum). A risk factor has also been included in the Explanatory Memorandum under the heading “*Settlement cycle under the Mainland-Hong Kong Mutual Recognition of Funds arrangement*” in relation to such offerings; and
- (ii) to clarify that the Sub-Fund’s existing investment policy to “not in aggregate invest in more than 20% of its Net Asset Value in the Mainland China market” refers to the onshore Mainland China market.

The revised Explanatory Memorandum and revised KFS are available on the Manager’s website (www.incomepartners.com).

If you have any queries on the content of this notice, please contact Lorraine Tang by telephone on +852 2169-2100, by email at marketing@incomepartners.com or by post to Income Partners Asset Management (HK) Limited, Suite 3311-3313, Two International Finance Centre, 8 Finance Street, Central, Hong Kong SAR.

Income Partners Asset Management (HK) Limited, as manager of the Sub-Fund, accepts full responsibility for the accuracy of the information contained in this notice.

For and on behalf of

Income Partners Managed Volatility High Yield Bond Fund