



# INCOME PARTNERS

INCOME PARTNERS INVESTMENT FUND  
(the “Fund”)

INCOME PARTNERS RMB BOND FUND  
(the “Sub-Fund”)

## NOTICE TO UNITHOLDERS

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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.

16 November 2018

Dear Unitholders,

### Changes to the Explanatory Memorandum

We are writing to inform you of the following changes to the Fund and the Sub-Fund with effect from the date hereof (the “Effective Date”):

#### *Extension in Dealing Deadlines*

1. Change in Redemption Deadline from 5:00 p.m. (Hong Kong time) on the Business Day immediately preceding the relevant Redemption Day to **5:00 p.m. (Hong Kong time) on the relevant Redemption Day**; and
2. Change in Subscription Deadline from 5:00 p.m. (Hong Kong time) on the Business Day immediately preceding the relevant Subscription Day to **5:00 p.m. (Hong Kong time) on the relevant Subscription Day**.

#### *Extension in Settlement Deadline*

The Explanatory memorandum provides that payment for Units must be received on or prior to the Subscription Deadline of such Subscription Day. As the definition of “Subscription Day” has changed as set out above, correspondingly, the settlement deadline has also changed to **5:00 p.m. (Hong Kong time) on the relevant Subscription Day**.

#### *Enhanced Disclosure in Fees*

The Explanatory Memorandum has been updated to enhance disclosures relating to the existing administration fee and custodian fee chargeable to the Sub-Fund. The specific additional disclosures are as follows:

1. the custodian fee comprises a safekeeping fee of up to 0.075% per annum of the market value of the Sub-Fund (inclusive of a safekeeping fee of 0.06% per annum of the market value of the Sub-Fund for custody services in respect of China’s bond-connect program), and is subject to a minimum monthly fee of USD2,500; and



2. the Administrator also charges a financial statement preparation fee of USD5,000 per financial statement.

The enhanced disclosures were made to provide clarity and to provide an itemisation of the administration and custodian fees. For the avoidance of doubt, the amendments do not result in the addition of any new fees payable by the Sub-Fund.

#### *Updates to Comply with the Revised Fund Manager Code of Conduct*

The Manager is subject to the Fund Manager Code of Conduct issued by the Securities and Futures Commission of Hong Kong (“FMCC”), which has been amended. The amendments to the FMCC will become effective on 17 November 2018. Accordingly, the Explanatory Memorandum has been updated to reflect certain disclosure obligations mandated by the revised FMCC. The additional disclosures are as follows:

1. that the Manager is subject to the licensing condition that it shall not hold client assets; and
2. amendments to the valuation policy with regards to the Sub-Fund to reflect that (i) any investment which is not quoted, listed or normally dealt in on a Securities Market shall be valued based on their fair value, and (ii) any adjustment to the valuation of investment or use of other valuation methods shall be reviewed by the Manager’s valuation committee which comprises individuals that are hierarchically and functionally independent of the investment management function of the Manager.

#### *Profits Tax*

The Profits Tax section of the Explanatory Memorandum has been updated to reflect the current applicable Hong Kong profits tax rate.

#### *Stamp Duty*

The Stamp Duty section of the Explanatory Memorandum has been updated to highlight that when a transfer is made to effect the change of nominee (e.g. change of custodian) that does not involve a change of the beneficial ownership of the relevant Units, only a fixed stamp duty of HK\$5.00 will be charged, subject to certain conditions being met.

#### *Profile of the Manager*

The Explanatory Memorandum has been updated to reflect (i) the current ownership structure of Income Partners Asset Management (HK) Limited (the “Manager”), (ii) the current members of the investment committee of the Manager, and (iii) the addition of Mr. Nan Peng Shen to the board of directors of the Manager.

#### *Consolidation of Addenda*

The Explanatory Memorandum has been updated to consolidate amendments made by way of the First Addendum to the Explanatory Memorandum dated December 2014, Second Addendum to the Explanatory Memorandum dated December 2015, Third Addendum to the Explanatory Memorandum dated November 2016, Fourth Addendum to the Explanatory



Memorandum dated September 2017 and Fifth Addendum to the Explanatory Memorandum dated November 2017.

### *Supplemental Deed*

An amendment has been made to the trust deed of the Fund entered into between the Manager and Cititrust Limited (the “Trustee”) dated 11 August 2017 (the “Trust Deed”) to incorporate the necessary revisions for compliance with the FMCC. The Trustee and the Manager have certified that the amendment to the Trust Deed by way of a supplemental deed (the “Supplemental Deed”) is necessary to make possible compliance with fiscal or other statutory or official requirements and accordingly, such amendment to the Trust Deed does not require any Unitholders’ prior approval or any extraordinary general meeting to be held. The Trust Deed and the Supplemental Deed can be inspected free of charge during normal business hours on any day (excluding Saturdays, Sundays and public holidays) at the office of the Manager (see address below) and a copy may be obtained from the Manager address at a reasonable fee.

The Product Key Facts Statement (“KFS”) of the Sub-Fund will be amended as well to reflect the changes set out above, where applicable.

A copy of the revised Explanatory Memorandum and revised KFS for the Sub-Fund (the “Amended Offering Documents”) encompassing the changes set out above will be available on the Manager’s website ([www.incomepartners.com](http://www.incomepartners.com)) on or after the Effective Date. The Manager’s website has not been reviewed by the Securities and Futures Commission. Marked-up copies of the Amended Offering Documents will be available upon request on or after the Effective Date.

Capitalised terms used in this letter have the meaning given in the Explanatory Memorandum unless otherwise defined or the context requires otherwise.

This letter is a summary only and does not set out in detail all revisions made in the Amended Offering Documents. Unitholders should carefully review the Amended Offering Documents in their entirety together with this letter and are urged to seek independent professional assistance if they are in any doubt as to the contents thereof.

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](mailto: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 the Notice.

For and on behalf of  
**Income Partners RMB Bond Fund**