

TA US BALANCED FUND



INFORMATION MEMORANDUM

Manager : TA Investment Management Berhad (Registration Number: 199501011387 (340588-T))

Trustee : CIMB Commerce Trustee Berhad (Registration Number: 199401027349 (313031-A))

This Information Memorandum is dated 25 April 2025.

The date of constitution of the TA US Balanced Fund is 10 April 2025.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS INFORMATION MEMORANDUM. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” COMMENCING ON PAGE 15.

RESPONSIBILITY STATEMENTS AND STATEMENTS OF DISCLAIMER

Responsibility Statements

This Information Memorandum has been reviewed and approved by the directors of TA Investment Management Berhad and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in this Information Memorandum false or misleading.

Statements of Disclaimer

The Securities Commission Malaysia has not authorised or recognised the TA US Balanced Fund (“Fund”) and a copy of this Information Memorandum has not been registered with the Securities Commission Malaysia.

The lodgement of this Information Memorandum should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Information Memorandum.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of TA Investment Management Berhad responsible for the Fund and takes no responsibility for the contents in this Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Information Memorandum, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF INVESTORS ARE UNABLE TO MAKE THEIR OWN EVALUATION, THEY ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS.

Additional Statements

Investors should note that they may seek recourse under the *Capital Markets and Services Act 2007* for breaches of securities laws including any statement in this Information Memorandum that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Information Memorandum or the conduct of any other person in relation to the Fund.

This Information Memorandum does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The Fund will not be offered for sale in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to any US Person(s), except in a transaction which does not violate the securities laws of the United States of America. Accordingly, investors may be required to certify that they are not US Person(s) before making an investment in the Fund.

Information Memorandum in respect of the TA US Balanced Fund

Additional Disclosures on Personal Information

Investors are advised to read and understand the full personal data or information related disclosures which will be given to you together with the application form before purchasing Units of the Fund. The said disclosures consist of, but is not limited to, TA Investment Management Berhad being entitled to transfer, release or disclose from time to time any information relating to the Unit Holders to any of TA Investment Management Berhad's parent company, subsidiaries, associate companies, Affiliates, delegates, service providers and/or agents (including any outsourcing agents and/or data processors) for any purpose on the basis that the recipients shall continue to maintain the confidentiality of information disclosed as required by laws, regulations or directives, regulatory agency, government body or authority, or in relation to any legal action to any court.

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DEFINITION

Act	Capital Markets and Services Act 2007, which reference shall include all amendments, modifications, alterations, consolidations or re-enactment made thereto or for the time being in force and all statutory instruments, regulations or orders made pursuant thereto or for the time being in force.
Affiliate	In relation to the Target Fund, means any entity which is (i) directly or indirectly owned, (ii) managed or (iii) controlled by Capital Group.
AUD	Australian Dollar, the lawful currency of Australia.
AUD Hedged Class	The Class issued by the Fund denominated in AUD that aims to minimise the effect of exchange rate fluctuations between the Base Currency and AUD.
Base Currency	The base currency of the Fund, i.e. USD.
Bursa Malaysia	The stock exchange managed and operated by Bursa Malaysia Securities Berhad and includes any changes to the name or the operator of the Malaysian stock exchange.
Business Day	<p>A day on which Bursa Malaysia is open for trading or banks in Kuala Lumpur are open for business. The Manager may declare certain business days to be a non-business day although Bursa Malaysia or the banks in Kuala Lumpur are open for business.</p> <p><i>Note: We may declare certain Business Days to be a non-Business Day if the jurisdiction of the Target Fund declares a non-business day and/or if the Target Fund's manager declares a non-dealing day.</i></p>
Capital Group	The Capital Group Companies, Inc.
Class(es)	Any class of Units representing similar interest in the assets of the Fund.
Deed	The deed dated 10 April 2025 entered into between the Manager and the Trustee in respect of the Fund as may be modified or varied by a supplemental deed from time to time.
Eligible Market	<p>An exchange, government securities market or an over-the-counter ("OTC") market:</p> <ul style="list-style-type: none">(a) that is regulated by a regulatory authority of that jurisdiction;(b) that is open to the public or to a substantial number of market participants; and(c) on which financial instruments are regularly traded.
Emerging Market	In relation to the Target Fund, refers to a country that, in the opinion of the Investment Adviser, is generally considered to be a developing country by the international financial community.
Fund	TA US Balanced Fund.
Guidelines	The Guidelines on Unlisted Capital Market Products Under the Lodge and Launch Framework and other relevant guidelines issued by the SC as may be amended from time to time.
Information Memorandum	The information memorandum in relation to the Fund as may be amended by the supplementary information memorandum or replacement information memorandum from time to time.

Information Memorandum in respect of the TA US Balanced Fund

Initial Offer Period	The period of not more than twenty-one (21) days from the date of this Information Memorandum. The Manager reserves the right to shorten the Initial Offer Period at its own discretion.
Initial Offer Price	The price payable by an applicant for a Unit during the Initial Offer Period.
Investment Adviser	Capital Research & Management Company ("CRMC").
Investment Grade Bond	In relation to the Target Fund, refers to a bond with a credit rating equal to or better than BBB- by Standard & Poor's or Fitch, or Baa3 by Moody's, or an un-rated bond deemed to be of equivalent standing by the Investment Adviser. In the case of a split-rated security, the highest rating will apply, unless otherwise specified in the relevant Fund Information Sheet in Annex 2 of the Target Fund's Prospectus.
IUTA / Institutional UTS Advisers	A corporation registered with the Federation of Investment Managers Malaysia ("FIMM") and authorised to market and distribute unit trust schemes of another party.
Last Practicable Date	31 March 2025.
Launch Date	The date on which sale of Units of the Fund may first be made and is the date of this Information Memorandum.
Law	In relation to the Target Fund, means the Luxembourg law of 17 December 2010 on collective investment undertakings, as may be amended.
Liquid Assets	Means: <ul style="list-style-type: none">• placement in short-term deposits; or• money market instruments that are dealt in or under the rules of an Eligible Market and whose residual maturity does not exceed twelve (12) months.
Management Company	Capital International Management Company Sàrl ("CIMC").
MCR	Multi-class ratio, being the apportionment of the NAV of each Class over the total NAV of the Fund based on the size of each Class. The MCR is calculated by dividing the NAV of the respective Class by the NAV of the Fund before income and expenses for the day. The apportionment is expressed as a ratio and calculated as a percentage.
Member State	In relation to the Target Fund, means a member State of the European Union.
MYR Class	The Class issued by the Fund denominated in RM.
MYR Hedged Class	The Class issued by the Fund denominated in RM that aims to minimise the effect of exchange rate fluctuations between the Base Currency and RM.
Nationally Recognised Statistical Rating Organisation / NRSRO	In relation to the Target Fund, an NRSRO is an organisation that issues ratings that assess the creditworthiness of an obligor itself or with regard to specific securities or money market instruments, has been in existence as a credit rating agency for at least three years, and meets certain other criteria, as defined in Section 3(a)(62) of the Securities Exchange Act of 1934, as amended.
NAV	Net asset value.
NAV of the Class	The value of the assets of the Fund attributable to a Class less the value of the liabilities of the Fund attributable to such Class at a valuation point.

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NAV of the Fund	The value of all the Fund's assets less the value of all the Fund's liabilities at a valuation point.
NAV per Unit	The NAV of the Class divided by the number of Units in circulation of that Class at the same valuation point.
Official Listing	In relation to the Target Fund, means official listing on a stock exchange, which is regulated, operating regularly, recognised and open to the public within the meaning of Article 41(1) of the Law.
Regulated Market	In relation to the Target Fund, means a market that is regulated, operating regularly, recognised and open to the public. In the case of bonds, Regulated Markets include (i) the Over-the-Counter-Markets of the NASDAQ System, (ii) the Over-the-Counter Market of the members of the International Capital Market Association, (iii) the US NASD-regulated Over-the-Counter Bond Market and (iv) any similarly operating Regulated Market on which Bonds including Eurobonds and similar off-shore bonds are customarily dealt in.
Reinvestment Date	The distribution reinvestment date which shall be within three (3) Business Days after the date of declaration of any distribution.
RM / MYR	Ringgit Malaysia, the lawful currency of Malaysia.
SC / Securities Commission Malaysia	The Securities Commission Malaysia established under the Securities Commission Malaysia Act 1993.
SGD	Singapore Dollar, the lawful currency of Singapore.
SGD Hedged Class	The Class issued by the Fund denominated in SGD that aims to minimise the effect of exchange rate fluctuations between the Base Currency and SGD.
Sophisticated Investor(s)	<p>Any person who:</p> <ul style="list-style-type: none">(a) is determined to be a sophisticated investor under the Guidelines on Categories of Sophisticated Investors, as amended from time to time; or(b) acquires any capital market product specified under the Guidelines where the consideration is not less than two hundred and fifty thousand ringgit or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise; or(c) fall under any other category(ies) of investors as may be permitted by the SC from time to time. <p>Note: For more information and/or updates on the definition of "Sophisticated Investor(s)", please refer to our website at www.tainvest.com.my.</p>
Special Resolution	<p>A resolution passed by a majority of not less than three-fourths ($\frac{3}{4}$) of the Unit Holders voting at a meeting of Unit Holders.</p> <p>For the purpose of terminating or winding up the Fund, a Special Resolution is passed by a majority in number representing at least three-fourths ($\frac{3}{4}$) of the value of the Units held by Unit Holders voting at the meeting.</p>
Sustainability Risks	In relation to the Target Fund, refers to environmental, social, and/or governance ("ESG") events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investments of the Target Fund. Sustainability Risks are linked to environmental-related events resulting from climate change (also known as physical risks) or to the society's response to environmental change (also known as transition risks), which may result in losses that could affect the investments of the Target Fund. Social conditions (e.g., oversight, remuneration, labour relations, investment in human capital, accident prevention, changing customer behaviour, products quality and safety, selling practices) or governance

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	shortcomings (e.g., recurrent significant breach of international agreements, bribery issues, etc.) may also translate into Sustainability Risks. Sustainability Risks are identified, managed and monitored through the Management Company's risk management process and throughout the investment process, using proprietary investment frameworks, engagement and monitoring processes.
Target Fund	Capital International Fund - Capital Group American Balanced Fund (LUX).
Target Fund's Prospectus	The prospectus for the Target Fund dated 21 March 2025 and as may be amended and/or supplemented from time to time.
Trustee	CIMB Commerce Trustee Berhad (Registration Number: 199401027349 (313031-A)).
UCI	In relation to the Target Fund, means Undertaking for Collective Investment within the meaning of Article 41 (1) e) of the Law.
UCITS	In relation to the Target Fund, means Undertaking for Collective Investment in Transferable Securities authorised according to the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investments in transferable securities, as may be amended.
Unit or Units	An undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund.
Unit Holder(s) / investor(s) / you	/ Sophisticated Investor(s) registered for the time being as the holder or holders of Units of the Fund including persons jointly registered.
USD	United States Dollar, the lawful currency of United States of America.
USD Class	The Class issued by the Fund denominated in USD.
Valuation Day	A Business Day on which the price of the Fund is calculated.
We / our / us / the Manager / TAIM	TA Investment Management Berhad (Registration Number: 199501011387 (340588-T)).

CORPORATE DIRECTORY

Manager

Name: TA Investment Management Berhad (Registration Number: 199501011387 (340588-T))

Registered address: 34th Floor, Menara TA One
22 Jalan P. Ramlee
50250 Kuala Lumpur

Telephone number: 03-2072 1277

Head office / Business address: 23rd Floor, Menara TA One
22 Jalan P. Ramlee
50250 Kuala Lumpur

Telephone number: 03-2031 6603
Facsimile number: 03-2031 4479
Email address: investor.taim@ta.com.my
Website: www.tainvest.com.my

Trustee

Name: CIMB Commerce Trustee Berhad (Registration Number: 199401027349 (313031-A))

Registered address: Level 13, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur

Telephone number: 03-2261 8888
Facsimile number: 03-2261 0099

Business address: Level 21, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur

Telephone number: 03-2261 8888
Facsimile number: 03-2261 9894
Email address: ss.corptrust@cimb.com
Website: www.cimb.com

CHAPTER 1: THE FUND

FUND INFORMATION					
Fund Name	TA US Balanced Fund				
Fund Category	Feeder Fund (Mixed Assets)				
Base Currency	USD				
Class(es) of Units	<ul style="list-style-type: none"> • USD Class • MYR Class • AUD Hedged Class • SGD Hedged Class • MYR Hedged Class 				
Launch Date	USD Class	MYR Class	AUD Hedged Class	SGD Hedged Class	MYR Hedged Class
	25 April 2025				
Initial Offer Price	USD Class	MYR Class	AUD Hedged Class	SGD Hedged Class	MYR Hedged Class
	USD1.0000	RM1.0000	AUD1.0000	SGD1.0000	RM1.0000
	<p>Note: The Manager may offer additional Class(es) from time to time at its absolute discretion by way of a supplementary information memorandum or replacement information memorandum without prior consent from the Unit Holders provided that the offering of such additional Class(es) shall not in the opinion of the Manager prejudice the rights of the existing Unit Holders.</p>				
Initial Offer Period	<p>A period of twenty-one (21) days from the Launch Date of the Fund.</p> <p>The Initial Offer Period may be shortened when we deem appropriate to enter the market to capitalise on the prevailing yields and/or market condition.</p>				
Commencement Date	The next Business Day immediately following the end of the Initial Offer Period.				
Investment Objective	<p>The Fund aims to generate income and long-term capital appreciation by investing in a collective investment scheme that invests primarily in a broad of securities domiciled in the United States.</p> <p>Any material change to the Fund's investment objective would require Unit Holders' approval.</p>				
Investment Strategy	<p>The Fund seeks to achieve its investment objective by investing a minimum of 85% of the Fund's NAV in the Target Fund and the remainder of the Fund's NAV will be invested in Liquid Assets.</p> <p>The Fund may employ currency hedging strategies to hedge the foreign currency exposure to manage the currency risk of the Classes which are not denominated in the Base Currency.</p> <p>If and when the Manager considers the investment in the Target Fund is unable to meet the objective of the Fund or the Target Fund is no longer in the best interest of the Unit Holders, the Manager may replace the Target Fund with another collective investment scheme of a similar objective.</p>				

Information Memorandum in respect of the TA US Balanced Fund

	<p>As this is a feeder fund, the Manager will stay invested in the Target Fund as long as the Target Fund's investment objective and strategies will enable the Fund to meet its investment objective. Nevertheless, during adverse market conditions, the Manager may take a temporary defensive position which may be inconsistent with the Fund's strategy by reducing its investment in the Target Fund and increase the Fund's liquidity level by investing in Liquid Assets to safeguard the Unit Holders' interest.</p> <p>The Fund may change its investments in one (1) class of the Target Fund into another class of the Target Fund (which must be denominated in the same currency) if the Manager is of the opinion that the change is in the interest of the Unit Holders. If the Manager wishes to effect such change, the Manager will seek concurrence from the Trustee and the Unit Holders will be notified before implementation of such change. Please refer to Chapter 3: The Information on Capital International Fund - Capital Group American Balanced Fund (LUX) ("Target Fund") for details of the Target Fund.</p>
Asset Allocation	<ul style="list-style-type: none"> • A minimum of 85% of the Fund's NAV will be invested in the Target Fund; and • A maximum of 15% of the Fund's NAV will be invested in Liquid Assets.
Specific Risks Associated with the Fund	<ul style="list-style-type: none"> • Concentration Risk • Currency Risk • Counterparty Risk • Country Risk • Temporary Suspension of the Collective Investment Scheme Risk • Fund Management of the Target Fund Risk • Distribution Out of Capital Risk
Performance Benchmark	<p>60% S&P 500 (net dividend reinvested) / 40% Bloomberg US Aggregate Total Return Index.</p> <p>The Fund adheres to the benchmark of the Target Fund for performance comparison. The Target Fund is actively managed. The Target Fund is not managed in reference to a benchmark.</p> <p>Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.</p>
Investor Profile	<p>The Fund is suitable for Sophisticated Investors who:</p> <ul style="list-style-type: none"> • are seeking long-term total returns from diversified investments in equities and bonds, including in particular securities of issuers domiciled in the United States; • are willing to tolerate the risks associated with investing in the Target Fund.
Permitted Investments	<p>Unless otherwise prohibited by the relevant regulatory authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund is permitted under the Deed to invest in the following:</p> <ol style="list-style-type: none"> 1. units and/or shares of a collective investment scheme; 2. money market instruments; 3. deposits placed with financial institutions; 4. financial derivatives instruments, including but not limited to options, futures contracts, forward contracts and swaps; and 5. any other investments as may be agreed between the Manager and the Trustee from time to time.

Information Memorandum in respect of the TA US Balanced Fund

Investment Restrictions and Limits	The Fund is not subject to any investment restrictions or limits.																		
FEES AND CHARGES RELATED TO THE FUND																			
<i>The table below describes the fees and charges directly incurred by you when you purchase or redeem Units of the Fund. All fees and charges quoted below are exclusive of any taxes and/or duties which may be imposed by the government or relevant authority unless otherwise specified.</i>																			
Sales Charge	<p>Up to 5.50% of the NAV per Unit imposed either by IUTAs, unit trust consultants or the Manager.</p> <p><i>All sales charge is to be rounded to two (2) decimal points. We reserve the right to waive and/or reduce the sales charge from time to time at our absolute discretion.</i></p> <p><i>Note: Sophisticated Investors may negotiate for a lower sales charge through the sales and promotional campaigns from time to time; alternatively, Sophisticated Investors may negotiate with their preferred distributors for a lower sales charge. Investment through the distributors shall be subject to their respective terms and conditions.</i></p> <table border="1" data-bbox="491 880 1353 1227"> <thead> <tr> <th colspan="3" style="text-align: left;">Illustration on how the sales charge is calculated</th> </tr> </thead> <tbody> <tr> <td colspan="3"><i>Assuming an investor decided to invest RM10,000.00 in the Fund for MYR Class. The NAV per Unit for MYR Class is RM1.0000 and the sales charge is 5.50% of the NAV per Unit. The sales charge is calculated based on his investment amount and is illustrated as follows:</i></td> </tr> <tr> <td>Investment amount</td> <td>RM</td> <td>10,000.00</td> </tr> <tr> <td>Number of Units allocated (RM10,000.00 / RM1.0000)</td> <td></td> <td>10,000.00</td> </tr> <tr> <td>Add sales charge 5.50% of investment amount (5.50%x RM10,000.00)</td> <td>RM</td> <td>550.00</td> </tr> <tr> <td>Total amount payable by investor</td> <td>RM</td> <td>10,550.00</td> </tr> </tbody> </table> <p><i>Please note that the calculation set out above is for illustration purposes and exclusive of any payable taxes and/or duties.</i></p>	Illustration on how the sales charge is calculated			<i>Assuming an investor decided to invest RM10,000.00 in the Fund for MYR Class. The NAV per Unit for MYR Class is RM1.0000 and the sales charge is 5.50% of the NAV per Unit. The sales charge is calculated based on his investment amount and is illustrated as follows:</i>			Investment amount	RM	10,000.00	Number of Units allocated (RM10,000.00 / RM1.0000)		10,000.00	Add sales charge 5.50% of investment amount (5.50%x RM10,000.00)	RM	550.00	Total amount payable by investor	RM	10,550.00
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Total amount payable by investor	RM	10,550.00																	
Redemption Charge	Nil.																		
Switching Fee	<p>We may impose an administrative fee for a switching transaction from each Class, subject to our discretion.</p> <table border="1" data-bbox="491 1503 1385 1597"> <thead> <tr> <th>USD Class</th> <th>MYR Class</th> <th>AUD Hedged Class</th> <th>SGD Hedged Class</th> <th>MYR Hedged Class</th> </tr> </thead> <tbody> <tr> <td>USD25</td> <td>-</td> <td>AUD25</td> <td>SGD25</td> <td>-</td> </tr> </tbody> </table> <p>or such other lower amount as we may decide from time to time.</p> <p><i>Note: In addition to the switching fee, Unit Holders will have to pay the difference in sales charge, if any, when switching from a Class to any other funds managed by us. No sales charge difference will be charged if the Class or fund (or its class of units) to be switched into has a lower sales charge.</i></p>	USD Class	MYR Class	AUD Hedged Class	SGD Hedged Class	MYR Hedged Class	USD25	-	AUD25	SGD25	-								
USD Class	MYR Class	AUD Hedged Class	SGD Hedged Class	MYR Hedged Class															
USD25	-	AUD25	SGD25	-															
Transfer Fee	No transfer fee will be imposed for each transfer.																		
Other Charges Payable Directly by an Investor When Purchasing or Redeeming the Units	There are no other charges (except charges levied by the banks on remittance of money) payable directly by Unit Holders when purchasing or redeeming Units of the Fund.																		

Information Memorandum in respect of the TA US Balanced Fund

<p><i>The table below describes the fees and charges indirectly incurred by you when you invest in the Fund which may impact the performance of the Fund. All fees and charges quoted below are <u>exclusive</u> of any taxes and/or duties which may be imposed by the government or relevant authority unless otherwise specified.</i></p>	
<p>Annual Management Fee</p>	<p>Up to 1.50% per annum of the NAV of the Fund, calculated and accrued on a daily basis.</p> <p><i>Note: We may, at our own discretion, from time to time, charge an annual management fee that is lower than that stated above. For information on the current annual management fee charged, please refer to our website at https://www.tainvest.com.my/taim-annual-management-fee-trustee-fee/.</i></p> <p><i>Please refer to Section 4.1, Computing of NAV and NAV per Unit on how the annual management fee is calculated.</i></p>
<p>Annual Trustee Fee</p>	<p>Up to 0.03% per annum of the NAV of the Fund, subject to a minimum fee of RM10,000 per annum (which includes local custodian fee but excluding foreign custodian fees and charges).</p> <p><i>For information on the current annual trustee fee charged, please refer to our website at https://www.tainvest.com.my/taim-annual-management-fee-trustee-fee/. Please refer to Section 4.1, Computing of NAV and NAV per Unit on how the annual trustee fee is calculated.</i></p>
<p>Other Expenses Related to the Fund</p>	<p>Only the expenses (or part thereof) which are directly related and necessary to the operation and administration of the Fund or each Class may be charged to the Fund or each Class respectively. These would include (but are not limited to) the following:</p> <ul style="list-style-type: none"> (i) commissions or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes or difference accounts (if any); (ii) remuneration and out of pocket expenses of the person(s) undertaking the oversight functions of the Fund and/or the members of advisers (if any) of the Fund, unless the Manager decides to bear the same; (iii) (where the custodial function is delegated by the Trustee to a foreign sub-custodian), charges and fees paid to sub-custodians taking into custody any foreign assets of the Fund; (iv) taxes and other duties charged on the Fund by the government and/or other authorities; (v) costs, fees and expenses properly incurred by the auditor and tax agent of the Fund; (vi) costs, fees and expenses incurred for the valuation of any investment of the Fund by independent valuers for the benefit of the Fund; (vii) costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee; (viii) costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee; (ix) costs, commissions, fees and expenses of the sale, purchase, insurance, custody and any other dealings of investments including commissions/fees paid to brokers; (x) costs, fees and expenses incurred in engaging any specialists approved by the Trustee for investigating or evaluating any proposed investment of the Fund; (xi) costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;

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	<p>(xii) expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund including the printing of, purchasing of stationery and postage for the annual and interim (if any) reports;</p> <p>(xiii) costs, fees and expenses incurred in the termination of the Fund or Class and the retirement or removal of the Trustee or the Manager and the appointment of a new trustee or management company;</p> <p>(xiv) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund, Class or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund or Class (save to the extent that legal costs incurred for the defence of either of them are ordered by the court not to be reimbursed by the Fund);</p> <p>(xv) costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority;</p> <p>(xvi) all costs and expenses associated with the distributions declared pursuant to the Deed and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or warrant or telegraphic transfer;</p> <p>(xvii) costs, fees and expenses of obtaining experts opinion by the Trustee and the Manager for the benefit of the Fund or Class;</p> <p>(xviii) the expenses and charges of printing and dispatching to Unit Holders the accounts of the Fund, tax certificates, distribution warrants, notices of meeting of Unit Holders, newspaper advertisement and such other similar costs as may be approved by the Trustee;</p> <p>(xix) expenses and charges incurred in connection with the printing and postage for the annual or quarterly report, tax certificates and other services associated with the administration of the Fund;</p> <p>(xx) the expenses and charges relating to the preparation, printing, posting, registration and lodgment of documents and reports which the Manager and/or the Trustee may be obliged to prepare, print, post, register and/or lodge in relation to the Fund by virtue of any relevant law;</p> <p>(xxi) fees in relation to fund accounting;</p> <p>(xxii) costs, fees and expenses incurred in relation to the subscription, renewal and/or licensing of the performance benchmark for the Fund; and</p> <p>(xxiii) any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred under subparagraphs (i) to (xxii) above.</p>
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Notes:

- 1) ***We may for any reason and at any time, waive or reduce: (a) any fees (except the annual trustee fee¹); (b) other charges payable by you in respect of the Fund; and/or (c) transactional values including but not limited to the Units or amount, for any Unit Holder and/or investments made via any distribution channels or platform.***
- 2) ***Unit Holders and/or the Fund, shall be responsible for any taxes and/or duties chargeable in respect of all applicable fees, charges and expenses which may be imposed by the government or other authorities from time to time as provided in the Information Memorandum.***

THERE ARE FEES AND CHARGES INVOLVED AND SOPHISTICATED INVESTORS ARE ADVISED TO CONSIDER THEM BEFORE INVESTING IN THE FUND.

¹ Any waiver and/or reduction of the annual trustee fee will be at the discretion of the Trustee.

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TRANSACTION INFORMATION					
Minimum Initial Investment	USD Class	MYR Class	AUD Hedged Class	SGD Hedged Class	MYR Hedged Class
	USD5,000	RM5,000	AUD5,000	SGD5,000	RM5,000
<i>or such other lower amount as we may decide from time to time.</i>					
Minimum Additional Investment	USD Class	MYR Class	AUD Hedged Class	SGD Hedged Class	MYR Hedged Class
	USD1,000	RM1,000	AUD1,000	SGD1,000	RM1,000
<i>or such other lower amount as we may decide from time to time.</i>					
Minimum Redemption	USD Class	MYR Class	AUD Hedged Class	SGD Hedged Class	MYR Hedged Class
	1,000 Units	1,000 Units	1,000 Units	1,000 Units	1,000 Units
<i>or such other lesser number of Units as we may decide from time to time.</i>					
<i>Note: Unit Holders must hold the minimum holding of Units in their account for each Class if they wish to remain as Unit Holders. The Unit Holder will be deemed to have redeemed all of his Units if his Units fall below the minimum holding amount for each Class and we will pay the redemption proceeds to the Unit Holders.</i>					
Minimum Transfer of Units	USD Class	MYR Class	AUD Hedged Class	SGD Hedged Class	MYR Hedged Class
	1,000 Units	1,000 Units	1,000 Units	1,000 Units	1,000 Units
<i>or such other lesser number of Units as we may decide from time to time.</i>					
Minimum Holding of Units	USD Class	MYR Class	AUD Hedged Class	SGD Hedged Class	MYR Hedged Class
	5,000 Units	5,000 Units	5,000 Units	5,000 Units	5,000 Units
<i>or such other lesser number of Units as we may decide from time to time.</i>					
Frequency of Redemption	<p>There is no restriction on the frequency of redemption.</p> <p>A duly completed redemption requests must be received by us on or before 4.00 p.m. on a Business Day. Any redemption requests received by us after 4.00 p.m. will be deemed to have been received on the next Business Day.</p>				
Redemption Payment Period	<p>Redemption proceeds will be paid to you within ten (10) Business Days from the day the redemption request is received by us based on the selected payment method stated in the transaction form received by our head office or any of our business centres.</p> <p><i>Please refer to Section 4.4, Redemption of Units for further details.</i></p>				
Switching Facility	<p>Switching is available between the Classes of the Fund and between a Class and any other TAIM's funds (or its class of units), which are denominated in the same currency.</p> <p>(a) for switching out of the Class</p> <ul style="list-style-type: none"> • the minimum switching of Units is 1,000 Units; and • the minimum holding of Units is 5,000 Units (after the switch) of the respective Class, unless you are redeeming from the Class entirely. <p>(b) for switching into the Class</p> <ul style="list-style-type: none"> • the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class that you intend to switch into will be applicable to you. 				

Information Memorandum in respect of the TA US Balanced Fund

	<p><i>Note: The Manager has the discretion to lower the minimum Units for switching from time to time.</i></p> <p>Switching will be made at the prevailing NAV per Unit of the Class to be switched from on a Business Day when the switching request is received and accepted by us on or before the cut off time of 4.00 p.m., subject to any terms and conditions imposed by the intended fund to be switched into, if any. If we receive your switching request after 4.00 p.m., we will process your request on the next Business Day.</p> <p>Please note that the NAV per unit of a fund (or its class) to be switched out and the NAV per unit of the fund to be switched into may be of different Business Days. The table below sets out as a guide when the Unit Holder switches out of a fund into another fund managed by us. All switches will be transacted based on the net asset value per unit of the fund on the same day except for the following:</p> <table border="1" data-bbox="435 658 1370 1093"> <thead> <tr> <th rowspan="2">Switch Out</th> <th rowspan="2">Switch In</th> <th colspan="2">Pricing Day (NAV)</th> </tr> <tr> <th>Switch Out</th> <th>Switch In</th> </tr> </thead> <tbody> <tr> <td>Non-money market fund*</td> <td>Non-money market fund**</td> <td>T Day</td> <td>T+1 Day</td> </tr> <tr> <td>Non-money market fund</td> <td>Money market fund</td> <td>T Day</td> <td>At the next valuation point, subject to clearance of payment and money received by the intended fund.</td> </tr> <tr> <td>Money market fund</td> <td>Money market fund</td> <td>T Day</td> <td>At the next valuation point, subject to clearance of payment and money received by the intended fund.</td> </tr> </tbody> </table> <p><i>Note:</i> * For certain funds with foreign investment exposure, the valuation point may be after the close of Bursa Malaysia but before 5.00 p.m. on the following day in which the Manager is open for business. As a result of having a valuation point on the following day (T+1 day), the NAV of those funds with foreign investment exposure will not be published on the next Business Day but instead will be published the next following Business Day i.e.: two (2) Business Days later (T+2 day). ** for funds where the valuation point is on the same day, the NAV of the funds will be published on the following Business Day (T+1 day).</p> <p>Currently, there is no restriction on the frequency to switch. However, we have the discretion to allow or reject any switching into (or out of) the Class, either generally (for all investors) or specifically (for any particular investor or a group of investors). However, switching from an Islamic fund to this Fund is not encouraged especially for Muslim unit holders.</p> <p>The Manager reserves the right to vary the terms and conditions of switching from time to time and the Unit Holders will be notified accordingly.</p>	Switch Out	Switch In	Pricing Day (NAV)		Switch Out	Switch In	Non-money market fund*	Non-money market fund**	T Day	T+1 Day	Non-money market fund	Money market fund	T Day	At the next valuation point, subject to clearance of payment and money received by the intended fund.	Money market fund	Money market fund	T Day	At the next valuation point, subject to clearance of payment and money received by the intended fund.
Switch Out	Switch In			Pricing Day (NAV)															
		Switch Out	Switch In																
Non-money market fund*	Non-money market fund**	T Day	T+1 Day																
Non-money market fund	Money market fund	T Day	At the next valuation point, subject to clearance of payment and money received by the intended fund.																
Money market fund	Money market fund	T Day	At the next valuation point, subject to clearance of payment and money received by the intended fund.																
<p>Transfer Policy</p>	<p>Unit Holders may transfer all or part of their Units to another person by completing a transfer form signed by both the transferor and transferee in the presence of a witness.</p> <p>For a partial transfer of Units, Unit Holders must maintain the minimum holding of Units of the Class or such other lesser number of Units as we may from time to time decide, and be subject to any other terms and conditions which may be applicable to the Class.</p>																		

Information Memorandum in respect of the TA US Balanced Fund

	<p>We may, at our absolute discretion, allow or reject Unit Holders' applications to transfer their Units subject to such terms and conditions as may be stipulated by us from time to time.</p> <p>The person who is in receipt of the Units must be a Sophisticated Investor as well.</p>
Cooling-off Policy	A cooling-off right is not available for the Fund.
Eligibility to Subscribe	<p>The Fund is only offered for sale to Sophisticated Investors.</p> <p>In the event that we become aware that a Unit Holder who is not eligible to apply for Units is in fact holding Units, we shall be deemed to have received a redemption request in respect of such Units on the Business Day following the day we first became aware of the Unit Holder's ineligibility.</p>

Note: We may, at our absolute and sole discretion at any time and without having to assign any reason, allow for a lower amount or number of Units in any purchasing of Units (or additional Units) or withdrawing of Units or switching of Units and/or transferring of Units, either generally (for all investors) or specifically (for any particular investor, a group of investors or investments made via any digital platform) without prior notice to you. We may also, at our absolute and sole discretion at any time and without having to assign any reason, reduce the minimum holding, either generally (for all investors) or specifically (for any particular investor, a group of investors or investments made via any digital platform) without prior notice to you.

ADDITIONAL INFORMATION			
Distribution Policy	Classes	Distribution Rate	Frequency
	USD Class	Fixed payout of 0.42 sen per Unit	Monthly
	MYR Class		
	AUD Hedged Class		
	SGD Hedged Class		
	MYR Hedged Class		
<p>The distribution, if any, may be made from (1) realised income, (2) realised gains, (3) unrealised income, (4) unrealised gains, (5) capital or (6) a combination of any of the above. The Manager has the right to vary the frequency and/or amounts of distributions.</p> <p>We will endeavor to declare a fixed distribution. Further, we have the absolute discretion but not the obligation to declare a higher distribution (i.e. above the sen per Unit of distribution) if the Fund performs well which may not be repeated for the subsequent months.</p> <p>The effects of distributing income out of capital would include but are not limited to the following:</p> <ul style="list-style-type: none"> • the value of the investments in the Fund may be reduced; • the capital of the Fund may be eroded. <p>The distribution is achieved by forgoing the potential for future capital growth. As a result, the value of future returns would be diminished and there would be an impact on the future growth potential of the Fund as the available assets to grow in the future are the net of the expenses charged to the Fund. Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund.</p> <p>For the avoidance of doubt, any distribution will be rounded to two (2) decimal points (sen per Unit) based on the policy on rounding adjusting of the NAV per Unit of the Class.</p>			

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	<i>Note: The Manager has the right to make provisions for reserves in respect of distribution of the Fund and has the discretion to decide on the amount to be distributed to the Unit Holders.</i>	
Financial Year End	31 August.	
Deed(s)	Principal Deed	10 April 2025
Avenue for Advice	You may contact our Customer Service at 1-800-38-7147.	
Trustee	CIMB Commerce Trustee Berhad (Registration Number: 199401027349 (313031-A)).	
Establishment of other classes	Under the Deed, the Manager has the sole and absolute right to issue and/or establish other, different or new Classes in the Fund with different and/or similar features including but not limited to fees, charges, currency and/or distribution policy without the need to seek Unit Holders' prior approval provided the issuance of such other Classes and the imposition of the terms will not in the opinion of the Manager and the Trustee prejudice the rights of the Unit Holders of the existing Classes. Where a new Class is established or issued, Units in the Fund or any existing Class may be re-designated so long as there is no prejudice to the existing Unit Holders of the Fund as a whole or of such Classes. As at the date of this Information Memorandum, there are five (5) Classes in the Fund, i.e. USD Class, MYR Class, AUD Hedged Class, SGD Hedged Class and MYR Hedged Class.	

You should read and understand the contents of this Information Memorandum and if necessary, consult your adviser(s) before making an investment decision.

CHAPTER 2: RISK FACTORS

We encourage Unit Holders to give careful consideration to the risks associated with the Fund when investing in the Fund and, accordingly, to obtain independent financial and taxation advice before investing in the Fund.

2.1 GENERAL RISKS OF INVESTING IN THE FUND

Below are some of the **general risks** which Unit Holders should be aware of when investing in the Fund:

a) Market Risk

Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the Fund's NAV.

b) Manager Risk

This risk refers to the day-to-day management of the Fund by the Manager which will impact the performance of the Fund. For example, investment decisions undertaken by the Manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant laws or Guidelines due to factors such as human error or weaknesses in operational processes and systems may adversely affect the performance of the Fund.

c) Inflation Risk

Inflation risk is the risk that investor's investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce investor's purchasing power even though the value of the investment in monetary terms has increased.

d) Non-compliance Risk

This risk arises from non-compliance with laws, rules, regulations, prescribed practices and internal policies and procedures by the Manager. For example, the Manager may fail to comply with internal policies and procedures due to internal factors such as oversight, human error and/or system error. This risk may also occur indirectly due to the imposition and/or amendment to the relevant regulatory frameworks, laws, rules and other prescribed practices affecting the Fund. The Manager has put in place internal controls to ensure that comprehensive and timely compliance monitoring is undertaken.

e) Loan Financing Risk

This risk occurs when investors take a loan or financing to finance their investment. The inherent risk of investing with borrowed or financed money includes investors being unable to service the loan or financing repayments. In the event Units are used as collateral, investors may be required to top-up the investors' existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower NAV per Unit as compared to the NAV per Unit at the point of purchase towards settling the loan or financing.

f) Operational Risk

Apart from a market disruption event, system interruption can also impact processes when there is an interruption in the flow of information needed for making qualified decisions where decisions are made based on accurate flow of information with operated system in managing the Fund. These disruptions may impact the performance of the Fund, the settlement of trades in the Fund and may also affect the investor's transactions with the Fund. The Manager has put in place internal controls to manage some of these disruptions such as business continuity plans. However, investors should note that not all circumstances can be prepared for nor anticipated. In such circumstances, the Manager, in consultation with the Trustee, will take appropriate measures to safeguard the Unit Holders' interests.

Information Memorandum in respect of the TA US Balanced Fund

g) Suspension Risk

The Manager may, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the redemption of Units where it is impractical for the Manager to calculate the NAV of the Fund due to the Manager being unable to determine the market value or fair value of a material portion of the Fund's investments. Upon suspension, the Fund will not be able to pay Unit Holders' redemption proceeds in a timely manner and Unit Holders will be required to remain invested in the Fund for a longer period. In such a scenario, Unit Holder's investments will continue to be subjected to risk factors inherent to the Fund.

2.2 SPECIFIC RISKS RELATED TO THE FUND

Below are some of the **specific risks** when investing in the Fund; these may include but are not limited to:

a) Concentration Risk

The Fund is exposed to concentration risk as it is investing a minimum of 85% of its NAV in the Target Fund. Hence, this would result in the Fund being exposed to the risk of its NAV declining when the Target Fund's NAV declines. All investment decisions on the Target Fund are left with the Investment Adviser and the Fund's performance is fully dependent on the performance of the Target Fund.

b) Currency Risk

The Fund may offer Units in multiple currency Classes, which will expose the Unit Holder to currency risk in respect to the currency of Units of a Class other than the Base Currency.

(i) Currency risk at the hedged Class level

Investors in the hedged Classes are subject to currency risk due to imperfect hedging by the Manager when the Manager hedges the respective currency of the hedged Classes against the Base Currency. However, investors should note that hedging is subject to a minimum investment size of entering into a forward contract and the unhedged portion of the respective hedged Classes may still be affected by the exchange rate movement which may result in fluctuation of NAV of the respective hedged Classes. In addition, investors in the hedged Classes should note that by employing this hedging, investors would not be able to enjoy the additional currency gains when the Base Currency moves favourably against the currency of the hedged Classes. Additional transaction costs of hedging will also have to be borne by the investors in these hedged Classes.

Investors in the hedged Classes should also note that in the event if the fund size of the hedged Classes is relatively small, the Manager may not hedge the respective currency of the hedged Classes against the Base Currency if it is of the view that the hedging is not in the interests of the Fund and/or Unit Holders.

(ii) Currency risk at the non-hedged Class level

For investors in the non-hedged Classes, the impact of the exchange rate movement between the Base Currency and the currency of the respective non-hedged Classes (other than USD Class) may result in a depreciation of the investor's holdings as expressed in the Base Currency.

c) Counterparty Risk

Investors in the hedged Classes of the Fund are subject to counterparty risk on the derivatives contract that may be entered into with the financial institutions for the purpose of hedging strategy. Hence, any default or downgrade in rating by the counterparty may affect the NAV of the Fund. In mitigating this risk, the Manager will carry out stringent selection process on the counterparty prior to entering into derivatives contract with the counterparty.

Information Memorandum in respect of the TA US Balanced Fund

d) Country Risk

The Fund invests in the Target Fund which is domiciled in Luxembourg. Any adverse changes in the economic fundamentals, social and political stability, currency movements and foreign investments policies in Luxembourg may have an impact on the prices of the Target Fund and consequently may also affect the Fund's NAV.

e) Temporary Suspension of the Collective Investment Scheme Risk

The Management Company has the right to suspend calculation of NAV or transaction of the Target Fund. Please refer to Section 3.11 Suspensions of Determination of NAV and of Issue, Switch and Redemption of Shares of the Target Fund for more details.

If the right of the Fund to redeem its shares of the Target Fund is temporarily suspended, the Fund may also be affected if the Fund does not have sufficient liquidity to meet redemption requests from the Unit Holders.

To avoid suspension of the Fund, the Fund will hold adequate Liquid Assets (up to 15% of the Fund's NAV) and if the Liquid Assets are insufficient to meet redemption requests, the Manager may seek temporary financing if this is in the best interests of Unit Holders. If the Manager has exhausted all possible avenues to avoid a suspension of the Fund, the Manager may as a last resort, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the redemption of Units where it is impractical for the Manager to calculate the NAV of the Fund due to market value or fair value of the investment in the Target Fund cannot be determined.

Please note that during the suspension period, there will be no NAV per Unit available and hence, any application for subscription, redemption or switching of Units received by the Manager during the suspension period will only be accepted and processed on the next Business Day after the cessation of the suspension. Unit Holders will be notified of the suspension and when the suspension is lifted.

f) Fund Management of the Target Fund Risk

The Manager has exercised due skill and care in selecting the Target Fund. However, the Manager does not have control over the management of the Target Fund and there is no guarantee that the investment objective of the Target Fund will be met. This may affect the value of the Unit Holders' investments in the Fund.

The Target Fund may change its investment objective which may become inconsistent with the investment objective of the Fund. In such instances, the Manager will replace the Target Fund with another collective investment scheme which it considers to be more appropriate in meeting the investment objective of the Fund. Any changes on the replacement of the Target Fund would require the Unit Holders' approval.

g) Distribution Out of Capital Risk

Distribution may be paid out of capital when the realised gains or realised income of the Fund is insufficient to pay a distribution. Unit Holders should note that the payment of distribution out of capital represents a return or withdrawal of part of the amount from any capital gains attributable to the original investment. Such distribution may result in an immediate decrease in the NAV per Unit of the Class and in the capital of the Fund which is available for investment in the future. As a result, capital growth may be reduced and a high distribution yield from distribution out of capital does not imply a positive or high return on Unit Holders' total investments.

2.3 SPECIFIC RISKS RELATED TO THE TARGET FUND

The list of risks indicated below is not exhaustive, and any investments are subject to any risks related to international investment generally.

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a) General Investment Risk

The Company, as an umbrella fund, comprises different funds, each with a different investment objective and risk profile. Investments in all funds (including the Target Fund) are subject to market and other risks such as counterparty and liquidity risks. Past results are no indication of future results and investors may get back less than they originally invested. There can be no guarantee that the investment objectives will be realised. This and other risks should be considered carefully by prospective investors. The Company seeks, as far as is feasible, to reduce these risks by careful management of its assets. However, there can be no assurance that these efforts will be successful.

b) Equities Risk

The Target Fund will invest in equities. The prices of equity securities may decline in response to certain events, including but not limited to those directly affecting the companies whose securities are owned by the Target Fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency fluctuations.

c) Bonds Risk

The Target Fund will invest in bonds, which includes green bonds and perpetual bonds. The market values of bonds generally vary inversely with the level of interest rates – when interest rates rise, their values will tend to decline and vice versa. The magnitude of these changes generally will be greater the longer the remaining maturity of the security.

The Target Fund investing in bonds will be exposed to credit risk. Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. In the event that the issuer experiences financial or economic difficulties, this may affect the value of, and/or any amounts paid on, the relevant securities. Borrowers that are in bankruptcy or restructuring may never pay off their indebtedness, or they may pay only a small fraction of the amount owed. Direct indebtedness of countries, particularly Emerging Markets, also involves a risk that the governmental entities responsible for the repayment of the debt may be unable, or unwilling, to pay interest and repay principal when due. Securities ratings by credit rating agencies are a generally recognised barometer of credit risk; however, an issuer's rating 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; and there may be varying degrees of difference in credit risk of securities within each rating category. While Investment Grade Bonds usually have a higher capacity to pay interest and repay principal than lower-rated securities, there are no assurances that losses will not occur with respect to these investments.

d) High Yield Bonds Risk

The Target Fund will invest in high yield bonds. These bonds typically are subject to greater market fluctuations and to greater risk of loss of income and principal due to default by the issuer than are higher-rated bonds. Lower-rated bonds' values tend to reflect short-term corporate, economic and market developments and investor perceptions of the issuer's credit quality to a greater extent than lower-yielding higher-rated bonds. In addition, it may be more difficult to dispose of, or to determine the value of, high yield bonds. Bonds rated BB+ or Ba1 or lower are described by the ratings agencies as "predominantly speculative with respect to capacity to pay interest and repay principal in accordance with the terms of the obligation. While such debt will likely have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposures to adverse conditions."

e) Emerging Markets Risk

The Target Fund will invest in Emerging Markets securities. Investing in Emerging Markets may involve risks in addition to and greater than those generally associated with investing in the securities markets of developed countries. For instance, Emerging Markets tend to have less developed political, economic and legal systems than those in developed countries. Accordingly, the governments of these countries may be less stable and more likely to intervene in the market economy, for example, by imposing capital controls, nationalizing a company or industry, placing restrictions on foreign ownership and on withdrawing sale proceeds of securities from the country, and/or imposing punitive taxes that could adversely affect the prices of securities. Information regarding issuers in developing countries may be

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limited, incomplete or inaccurate, and such issuers may not be subject to regulatory, accounting, auditing, and financial reporting and recordkeeping standards comparable to those to which issuers in developed countries are subject. The Target Fund's rights with respect to its investments in Emerging Markets, if any, will generally be governed by local law, which may make it difficult or impossible for the Target Fund to pursue legal remedies or to obtain and enforce judgements in local courts. In addition, the economies of these countries may be dependent on relatively few industries, may have limited access to capital and may be more susceptible to changes in local and global trade conditions and downturns in the world economy. Securities markets in these countries can also be relatively small and have substantially lower trading volumes. As a result, securities issued in these countries may be more volatile and less liquid, and may be more difficult to value, than securities issued in countries with more developed economies and/or markets. Additionally, there may be increased settlement risks for transactions in local securities. Less certainty with respect to security valuations may lead to additional challenges and risks in calculating the Target Fund's net asset value. Additionally, Emerging Markets are more likely to experience problems with the clearing and settling of trades and the holding of securities by banks, agents and depositories that are less established than those in developed countries.

Furthermore, in jurisdictions where direct foreign investment is limited or prohibited (such as the People's Republic of China ("PRC"), Emerging Markets), the Target Fund may invest in operating companies based in such jurisdictions through vehicles called Variable Interest Entities (hereinafter "VIE"). A VIE structure is an offshore intermediary entity that, based on contractual agreements, seeks to replicate the rights and obligations of direct equity ownership in such operating business. Because the contractual arrangements do not in fact bestow the Target Fund with actual equity ownership in the operating company, VIE structures may limit the Target Fund's rights as an investor and create significant additional risks. For example, local government authorities may determine that such structures do not comply with applicable laws and regulations, including those relating to restrictions on foreign ownership. In such event, the intermediary entity and/or the operating business may be subject to penalties, revocation of business and operating licenses or forfeiture of foreign ownership interests, and the Target Fund's economic interests in the underlying operating business and its rights as an investor may not be recognized, resulting in a loss to the Target Fund and its shareholders. In addition, exerting control through contractual arrangements may be less effective than direct equity ownership, and a company may incur substantial costs to enforce the terms of such arrangements, including those relating to the allocation of assets among the entities. VIE structures may also be disregarded for tax purposes by local tax authorities, resulting in increased tax liabilities, and the Target Fund's control over – and distributions due from – such structures may be jeopardized if the individuals who hold the equity interest in VIE structures breach the terms of the agreements. While VIE structures may be widely used to accommodate limits on foreign ownership in certain jurisdictions, there is no assurance that they will be recognized and/or upheld by local regulatory authorities or that disputes regarding the same will be resolved consistently. There is a risk that this could have severe adverse impacts on the value of the investments in VIE structures.

Certain risk factors related to Emerging Markets

Currency fluctuations

Certain Emerging Markets' currencies have experienced and in the future may experience significant declines against major convertible currencies. Further, the Target Fund may lose money due to losses and other expenses incurred in converting various currencies to purchase and sell securities, as well as from currency restrictions, exchange control regulation and currency devaluations.

Government regulation

Certain Emerging Markets lack uniform accounting, auditing and financial reporting and disclosure standards, may have often less governmental supervision of financial markets than in developed countries, and may not in many cases honor legal rights or protections enjoyed by investors in developed countries. Certain governments may be more unstable and present greater risks of nationalization or restrictions on foreign ownership of local companies. Repatriation of investment income, capital and the proceeds of sales by foreign investors may require governmental registration and/or approval in some Emerging Markets. While the Target Fund will only invest in markets where these restrictions are considered acceptable by the Investment Adviser, a country could impose new or additional repatriation restrictions after the Target Fund's investment. If this happened, the Target Fund's response might include, among other things, applying to the appropriate authorities for a waiver of the restrictions or engaging in transactions in other markets designed to offset the risks of decline in that country. Such restrictions will be considered in relation to the Target Fund's liquidity needs and other factors. Further,

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some attractive equity securities may not be available to the Target Fund if foreign investors already hold the maximum amount legally permissible.

While government involvement in the private sector varies in degree among Emerging Markets, such involvement may in some cases include government ownership of companies in certain sectors, wage and price controls or imposition of trade barriers and other protectionist measures. With respect to any Emerging Markets, there is no guarantee that some future economic or political crisis will not lead to price controls, forced mergers of companies, expropriation, or creation of government monopolies to the possible detriment of the Target Fund's investments.

Fluctuations in inflation rates

Rapid fluctuations in inflation rates may have negative impacts on the economies and securities markets of certain Emerging Markets countries.

Less developed securities markets

Emerging Markets may have in general less well-developed and regulated securities markets and exchanges. These markets have lower trading volumes than the securities markets of more developed countries and may be unable to respond effectively to increases in trading volume. Consequently, these markets may be substantially less liquid than those of more developed countries, and the securities of issuers located in these markets may have limited marketability. These factors may make prompt liquidation of substantial portfolio holdings difficult or impossible at times.

Settlement risks

Settlement systems in Emerging Markets are generally less well organized than those of developed markets. Supervisory authorities may also be unable to apply standards comparable to those in developed markets. Thus, there may be risks that settlement may be delayed and that cash or securities belonging to the Target Fund may be in jeopardy because of failures of or defects in the systems. In particular, market practice may require that payment be made before receipt of the security being purchased or that delivery of a security be made before payment is received. In such cases, default by a broker or bank (the "counterparty") through whom the transaction is effected might cause the Target Fund to suffer a loss. The Target Fund will seek, where possible, to use counterparties whose financial status is such that this risk is reduced. However, there can be no certainty that the Target Fund will be successful in eliminating this risk, particularly as counterparties operating in Emerging Markets frequently lack the standing or financial resources of those in developed countries. There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise with respect to securities held by or to be transferred to the Target Fund.

Limited market information

The Company may encounter problems assessing investment opportunities in certain Emerging Markets in light of limitations on available information and different accounting, auditing and financial reporting standards. In such circumstances, the Investment Adviser will seek alternative sources of information, and to the extent the Investment Adviser is not satisfied with the sufficiency of the information obtained with respect to a particular market or security, the Target Fund will not invest in such market or security.

Taxation

Taxation of dividends, interest and capital gains received by the Target Fund varies among Emerging Markets and, in some cases, is comparatively high. In addition, Emerging Markets typically have often less well-defined tax laws and procedures and such laws may permit retroactive taxation so that the Target Fund could become subject in the future to local tax liability that it had not reasonably anticipated in conducting its investment activities or valuing its assets.

Litigation

The Company and its shareholders may encounter substantial difficulties in obtaining and enforcing judgments against individuals residing and companies domiciled in certain Emerging Markets.

Fraudulent securities

Shares purchased by the Target Fund may subsequently be found to be fraudulent or counterfeit, resulting in a loss to the Target Fund.

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f) Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect Risk

The Target Fund may invest via the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (collectively "Stock Connects"), as specified in the Fund Information Sheet in Annex 2 of the Target Fund's Prospectus. The Shanghai-Hong Kong Stock Connect is a securities trading and clearing linked program developed by Stock Exchange of Hong Kong Limited (the "SEHK"), Shanghai Stock Exchange ("SSE") and China Securities Depository and Clearing Corporation Limited ("ChinaClear") and the Shenzhen-Hong Kong Stock Connect is a securities trading and clearing linked program developed by SEHK, Shenzhen Stock Exchange ("SZSE") and ChinaClear, both aiming to achieve mutual stock market access between the PRC and Hong Kong. Hong Kong Securities Clearing Company Limited (HKSCC), a wholly-owned subsidiary of SEHK, and ChinaClear will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by their respective market participants and/or investors.

The Shanghai-Hong Kong Stock Connect comprises a Northbound Shanghai Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shanghai Trading Link, Hong Kong and overseas investors, through their Hong Kong brokers and a securities trading service company established by the SEHK, may be able to trade eligible securities, such as China A Shares listed on the SSE by routing orders to SSE. Under the Southbound Hong Kong Trading Link under Shanghai-Hong Kong Stock Connect, investors in the PRC will be able to trade certain securities listed on the SEHK. Under a joint announcement issued by the SFC and China Securities Regulatory Commission ("CSRC") on 10 November 2014 the Shanghai-Hong Kong Stock Connect commenced trading on 17 November 2014.

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Shenzhen Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shenzhen Trading Link, Hong Kong and overseas investors, through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible securities listed on the SZSE by routing orders to SZSE. Under the Southbound Hong Kong Trading Link under Shenzhen-Hong Kong Stock Connect investors in the PRC will be able to trade certain securities listed on the SEHK. The Shenzhen -Hong Kong Stock Connect was launched in December 2016.

The trading is subject to rules and regulations issued from time to time. Trading under the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect are both subject to a daily quota ("Daily Quota"). Northbound Shanghai Trading Link and Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect as well as Northbound Shenzhen Trading Link and Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect will be subject to a separate set of Daily Quota. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect each day.

Investments in securities traded and cleared on the Stock Connects are subject to various risks, as described in detail below:

Quota Limitations

The Stock Connects are subject to Daily Quota. The quotas do not belong to the Target Fund and are utilised on a first-come-first-serve basis. Therefore, once the Daily Quota is exceeded, 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 Target Fund's ability to invest in the eligible securities through the Stock Connects on a timely basis, and the Target Fund may not be able to effectively pursue its investment strategy.

The SEHK monitors the quota and published the remaining balance of the northbound trading Daily Quota at scheduled times on the SEHK's website. The Daily Quota may change in future. The management company of the Target Fund will not notify investors in case of a change of quota.

Legal / Beneficial Ownership

The SSE and SZSE securities are held by the depository/ sub-custodian of the Target Fund in accounts in the Hong Kong Central Clearing and Settlement System ("CCASS") maintained by the HKSCC as central securities depository in Hong Kong. HKSCC in turn holds the SSE and SZSE securities, as the nominee holder, through an omnibus securities account in its name registered with ChinaClear for each of the Stock Connects. The precise nature and rights of the Target Fund as the beneficial owner of the

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SSE and SZSE securities through HKSCC as nominee is not well defined under PRC law. There is 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 Stock Connect Funds under PRC law is uncertain. Because of this uncertainty, in the unlikely event that HKSCC becomes subject to winding up proceedings in Hong Kong it is not clear if the SSE and SZSE securities will be regarded as held for the beneficial ownership of the Target Fund or as part of the general assets of HKSCC available for general distribution to its creditors.

Clearing and Settlement Risk

HKSCC and ChinaClear have established the clearing links and each has become a participant of the 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 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 SSE and SZSE securities under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC should in good faith, seek recovery of the outstanding securities and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the Target Fund may suffer delay in the recovery process or may not fully recover its losses from ChinaClear.

Suspension Risk

Each of the SEHK, SSE and SZSE reserves the right to suspend trading 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 is triggered. Where a suspension is effected, the Target Fund's ability to access the PRC market will be adversely affected.

Differences in Trading Day

The Stock Connects only operate on, and therefore investors (including the Target Fund) can only trade on, days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open and banking services are available in both markets on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC market but the Stock Connect Funds cannot carry out any trading via the Stock Connects. The Target Fund may be subject to a risk of price fluctuations in the relevant securities during the time when any of the Stock Connects is not trading as a result.

Operational Risk

The Stock Connects are 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 relevant exchange and/or 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. The Target Fund's ability to access the PRC market (and hence to pursue its investment strategy) may be adversely affected.

Regulatory Risk

The Stock Connects are a novel concept. The current regulations are untested and there is no certainty as to how they will be applied. In addition, the current regulations are subject to change which may have potential retrospective effects and there can be no assurance that the Stock Connects 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 the Stock Connect. The Target Fund may be adversely affected as a result of such changes.

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Recalling of Eligible Securities

When a security is recalled from the scope of eligible securities for trading via the Stock Connects, the security can only be sold but is restricted from being bought. This may affect the investment portfolio or strategies of the Target Fund, for example, if the Investment Adviser wishes to purchase a security which is recalled from the scope of eligible securities.

Disclosure Requirements

Under Stock Connect, trading in SSE and SZSE Securities is subject to market rules and disclosure requirements in the PRC stock market. Any changes in laws, regulations and policies of the China A-Shares market or rules in relation to Stock Connect may affect share prices. The Target Fund is subject to restrictions on trading (including restriction on retention of proceeds) in China A-Shares as a result of its interest in the China A-Shares. The Investment Adviser is solely responsible for compliance with all notifications, reports and relevant requirements in connection with its interests in China A-Shares. Under current PRC rules, once an investor holds more than 5% of the shares of a company listed on the SSE or SZSE, the investor is required to disclose its interest within three working days and during which it cannot trade the shares of that company. The investor is also required to disclose any change in its shareholding and comply with related trading restrictions in accordance with PRC rules.

Investor Compensation

Investment in SSE and SZSE securities via the Stock Connects is conducted through brokers, and is subject to the risks of default by such brokers' in their obligations. Prior to 1 January 2020, the Hong Kong's Investor Compensation Fund, which has been established to pay compensation to eligible 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, did not cover investments through northbound trading links under the Stock Connect. With effect from 1 January 2020, the Hong Kong Investor Compensation Fund was expanded to cover trading on northbound trading links and covers losses suffered by eligible investors resulting from defaults by relevant brokers in their obligations. Examples of default are insolvency, in bankruptcy or winding up, breach of trust, defalcation, fraud or misfeasance.

According to the Measures for the Administration of Securities Investor Protection Fund, the functions of China Securities Investor Protection Fund ("CSIPF") include "indemnifying creditors as required by China's relevant policies in case a securities company is subjected to compulsory regulatory measures including dissolution, closure, bankruptcy and administrative takeover by the CSRC and custodian operation" or "other functions approved by the State Council". However, since Northbound Trading is carried out through securities brokers in Hong Kong and not PRC brokers, the CSIPF also does not extend to protect defaults experienced on Northbound Trading.

Conversion Risk

Investors, including the Target Fund, can trade and settle SSE Securities and SZSE Securities in RMB only.

The Target Fund, whose base currency is not RMB, may also be exposed to currency risk due to the need for the conversion into RMB for investments in SSE and SZSE Securities via the Stock Connects. During any such conversion, the Target Fund may also incur currency conversion costs. The currency exchange rate may be subject to fluctuation and where RMB has depreciated, the Target Fund may incur a loss when it converts the sale proceeds of SSE and SZSE Securities into its base currency.

Trading Costs

In addition to paying trading fees and stamp duties in connection with Stock Connects' trading of SSE securities and/or SZSE securities, the Target Fund carrying out trading via Stock Connects may be subject to certain other fees which are yet to be determined by the relevant authorities and should also take note of any new portfolio fees, dividend tax and taxes concerned with income arising from transfers of securities which would be determined by the relevant authorities.

Taxation

Under the PRC Enterprise Income Tax Law ("EITL"), dividends paid by PRC companies are subject to 10% tax. Capital gains from the disposal of PRC securities would normally be subject to 10% tax as well. However, currently capital gains from the disposal of China A-Shares (including those on the China-Hong Kong Stock Connect Programmes) are subject to a temporary exemption effective from 17 November 2014.

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With the uncertainty over whether and how certain income and capital gains on PRC securities are to be taxed, coupled with the possibility of the laws, regulations and practice in the PRC changing with retrospective effect, any accrual for taxation made by the Management Company may not meet final PRC tax liabilities. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome of such changes when they subscribed and/or redeemed their Units in/from the Target Fund.

Further information about the Stock Connect is available online at the website: https://www.hkex.com.hk/mutual-market/stock-connect?sc_lang=en.

g) China Interbank Bond Market Risk

The Target Fund may invest on the China Interbank Bond Market.

Market volatility and potential lack of liquidity due to low trading volume of certain debt securities in the China Interbank Bond Market may result in prices of certain debt securities traded on such market fluctuating significantly. The Target Fund investing in such market is therefore subject to liquidity and volatility risks. The bid and offer spreads of the prices of such securities may be large, and the Target Fund may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments.

To the extent that the Target Fund transacts in the China Interbank Bond Market, the Target Fund may also be exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the Target Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value.

Since the relevant filings and account opening for investment in the China Interbank Bond Market have to be carried out via an onshore settlement agent, the Target Fund is subject to the risks of default or errors on the part of the onshore settlement agent.

The China Interbank Bond Market is also subject to regulatory risks. The relevant rules and regulations on investment in the China Interbank Bond Market are subject to change which may have potential retrospective effect. In the event that the relevant Chinese authorities suspend account opening or trading on the China Interbank Bond Market, the Target Fund's ability to invest in the China Interbank Bond Market will be limited and, after exhausting other trading alternatives, the Target Fund may suffer substantial losses as a result.

Reforms or changes in macro-economic policies, such as the monetary and tax policies might affect interest rates. Consequently, the price and the yield of the bonds held in a portfolio would/could also be affected.

h) Bond Connect Risk

The Target Fund may invest via the Bond Connect.

Bond Connect is the historic opening up of China's Interbank Bond Market ("CIBM") to global investors through the China-Hong Kong mutual access program. The program allows foreign and Mainland China investors the ability to trade in each other's bond market through a connection between the Mainland and Hong Kong based financial infrastructure institutions.

Bond Connect aims to enhance the efficiency and flexibility of investing in the China Interbank Bond Market. This is accomplished by easing the access requirements to enter the market, the use of the Hong Kong trading infrastructure to connect to China Foreign Exchange Trading System ("CFETS") and Bond Settlement Agent, all which are required to invest in the CIBM directly.

Market volatility and potential lack of liquidity due to low trading volume of certain debt securities in the CIBM may result in prices of certain debt securities traded on such market fluctuating significantly. The Target Fund investing in such market is therefore subject to liquidity and volatility risks. The bid and offer spreads of the prices of such securities may be large, and the Target Fund may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments.

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Asset Segregation

Under Bond Connect, assets are distinctly segregated into three levels across the onshore and offshore central depositories (“CSD”). It is mandatory for investors using Bond Connect to hold their bonds in a segregated account at the offshore depository in the name of the end investor.

Bond purchased through Bond Connect will be held onshore with the China Central Depository Clearing Co. Ltd (“CCDC”) in the name of the Hong Kong Monetary Authority (HKMA). Investors will be the beneficial owners of the bonds via a segregated account structure in the Central Moneymarket Unit (“CMU”) in Hong Kong.

Clearing and Settlement Risk

CMU and CCDC have established the clearing links and each has become a participant of the 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 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, CCDC operates a comprehensive network of clearing, settlement and bond holding infrastructure. CCDC has established a risk management framework and measures that are approved and supervised by the People’s Bank of China (“PBoC”). The chances of CCDC default are considered to be remote. In the remote event of a CCDC default, CMUs liabilities in Bond Connect bonds under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against CCDC. CMU should in good faith, seek recovery of the outstanding bonds and monies from CCDC through available legal channels or through CCDC’s liquidation. In that event, the Target Fund may suffer delay in the recovery process or may not fully recover its losses from CCDC.

Trading Link

Participants to Bond Connect register with Tradeweb, the Bond Connect offshore electronic trading platform which links directly into CFETS. This platform will allow trading with designated onshore Bond Connect market makers using the Request for Quotation (“RFQ”) protocol.

The designated bond connect market makers provide tradable prices through CFETS. The quote will include the full amount with the clean price, yield to maturity and effective period for the response. The market makers can decline to respond to the RFQ and can decline, amend or withdraw the quote as long as it hasn’t been accepted by the potential buyer. Upon acceptance of the quote by the potential buyer, all other quotes automatically become invalid. CFETS will then generate a trade confirmation on which the market maker, buyers, CFETS and depository will use to process the settlement.

Transaction Flow for Settlement Process and Link

Settlement is effected via the settlement link between the CMU in Hong Kong and the Mainland China central depository, the CCDC.

For delivery versus payment transactions:

- Settlement instruction must be matched and affirmed in the CCDC system by 10:00 HKT. Securities are earmarked for the transaction and blocked by the CCDC system.
- The Mainland China trading counterparty (the buyer) pays the settlement cash proceeds to CMU by 13:00 HKT.
- After 17:00 HKT upon confirmation from CMU that funds have been received, CCDC will deliver the securities to the Mainland China bond dealers. This triggers CMU to transfer the settlement cash proceeds to the sub-custodian for further credit to, the Global Custodian’s account.

Regulatory Risk

The Bond Connect is a novel concept. The current regulations are untested and there is no certainty as to how they will be applied. In addition, the current regulations are subject to change which may have potential retrospective effects and there can be no assurance that the Bond Connect will not be abolished. New regulations may be issued from time to time by the regulators in the PRC and Hong Kong in connection with operations, legal enforcement and cross-border trades under the Bond Connect. The Target Fund may be adversely affected as a result of such changes.

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Reforms or changes in macro-economic policies, such as the monetary and tax policies might affect interest rates. Consequently, the price and the yield of the bonds held in a portfolio would/could also be affected.

Conversion Risk

The Target Fund, whose base currency is not RMB, may also be exposed to currency risk due to the need for the conversion into RMB for investments in CIBM bonds via the Bond Connect. During any such conversion, the Target Fund may also incur currency conversion costs. The currency exchange rate may be subject to fluctuation and where RMB has depreciated, the Target Fund may incur a loss when it converts the sale proceeds of CIBM bonds into its base currency.

Taxation

Under current tax laws, coupon interest on government bonds is exempt. Capital gains from the disposal of PRC bonds would normally be subject to 10% tax however, currently the State Administration of Taxation ("SAT") has not confirmed the collection process for CGT and therefore it is not currently collected.

With the uncertainty over whether and how certain income and capital gains on PRC securities are to be taxed, coupled with the possibility of the laws, regulations and practice in the PRC changing with retrospective effect, any accrual for taxation made by the management company of the Target Fund may not meet final PRC tax liabilities. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome of such changes when they subscribed and/or redeemed their Units in/from the Target Fund.

Further information about the Bond Connect is available online at the website: <https://www.chinabondconnect.com/en/index.html>.

i) OTC Markets Risk

The Target Fund will invest in securities that are actively traded in an OTC market. Trading on such markets may involve higher risks than trading on official stock exchanges due to, in particular, lower market liquidity as well as lower investor protection in applicable regulations and available information. In determining whether to approve markets for investment, the Investment Adviser will take into account, among other things, market liquidity, investor information and government regulations, including tax and foreign exchange repatriation rules.

j) Derivative Instruments Risk

Derivatives instruments may expose the Target Fund to certain additional risks relative to traditional securities such as credit risks of the counterparty, imperfect correlation between derivatives prices of related assets, rates or indices, potential loss of more money than the actual cost of the investment, potential for leverage, increased volatility and reduced liquidity and risk of mispricing or improper valuation. Derivative instruments are subject to additional risks, including operational risk and legal risk.

Swaps

The Target Fund may enter into swaps, which are two-party contracts where the parties agree to exchange the returns earned or realized from one or more underlying assets or rates of return.

Swaps can be traded on a swap execution facility ("SEF") and cleared through a central clearinghouse (cleared), traded OTC and cleared, or traded bilaterally and not cleared. For example, standardized interest rate swaps and credit default swap indices are traded on SEFs and cleared. Other forms of swaps, such as total return swaps, are typically entered into on a bilateral basis. Because clearing interposes a central clearinghouse as the ultimate counterparty to each participant's swap, and margin is required to be exchanged under the rules of the clearinghouse, central clearing is intended to decrease (but not eliminate) counterparty risk relative to uncleared bilateral swaps. To the extent the Target Fund enters into bilaterally negotiated swap transactions, the Target Fund will enter into swaps only with counterparties that meet certain credit standards and subject to agreed collateralization procedures; however, if the counterparty's creditworthiness deteriorates rapidly and the counterparty defaults on its obligations under the swap agreement or declares bankruptcy, the Target Fund may lose any amount it expected to receive from the counterparty. In addition, bilateral swaps are subject to certain regulatory margin requirements that mandate the posting and collection of minimum margin

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amounts, which may result in the Target Fund and its counterparties posting higher margin amounts for bilateral swaps than would otherwise be the case.

Counterparties to derivative transactions, including TRS transactions, will be counterparties approved by Capital Group, including the Investment Adviser. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these criteria are typically taken into account in the selection process. The counterparties do not have discretionary power over the composition or management of the portfolio of the Target Fund.

Specific types of swaps in which the Target Fund may invest are, in particular but not limited to:

Total Return Swaps

The Target Fund may use total return swaps ("TRS") as defined under Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012. A TRS is a contract in which one party agrees to make periodic payments to the other party based on the change in market value of the assets underlying the contract, in exchange for periodic payments based on a fixed or variable interest rate or the total return from other underlying assets. The assets underlying the contract may be a single security, a basket of securities or a securities index. TRS can be funded or unfunded. An unfunded swap means a swap where no upfront payment is made by the total return receiver at inception. A funded swap means a swap where the total return receiver pays an upfront amount in return for the total return of the reference asset and can therefore be costlier due to the upfront payment requirement. The TRS used by the Target Fund will typically be unfunded.

TRS will be used to gain exposure to a market or security without owning or taking physical custody of such security or investing directly in such market. The Investment Adviser will use TRS alongside other derivative instruments in order to ensure efficient implementation of investment ideas, while respecting the investment universe of the Target Fund.

Hence, TRS will be traded in accordance with the investment objective and specific investment guidelines and restrictions as set out in the Fund Information Sheet in Annex 2 of the Target Fund's Prospectus. The assets underlying the TRS, including any securities indices, will also comply with such specific investment guidelines and restrictions.

TRS will be used on a continuous basis, however the extent of exposure to TRS may vary depending on e.g. market conditions and best interest of shareholders of the Target Fund. Unless otherwise specified in the Fund Information Sheet in Annex 2 of the Target Fund's Prospectus, no more than 10% of the net assets of the Target Fund will be used for TRS. The Target Fund's level of exposure to TRS is generally expected to be less than 5% of the assets of the Target Fund. All revenues arising from TRS will be returned to the Target Fund.

Like other swaps, the use of TRS involves certain risks, including if the underlying assets do not perform as anticipated. There is no guarantee that entering into a TRS will deliver returns in excess of the interest costs involved and, accordingly, the Target Fund's performance may be lower than would have been achieved by investing directly in the underlying assets. The underlying assets and investment strategies to which exposure will be gained through TRS are those allowed as per the Fund Information Sheet in Annex 2 of the Target Fund's Prospectus. In addition, TRS are subject, among others, to counterparty, operational, liquidity, custody, legal and market conditions risks, which are described further in this section. Please read also refer to Annex 1 of the Target Fund's Prospectus for more details on the management of collateral, the eligible collateral, the reinvestment of collateral and the collateral policy.

Credit Default Swaps and Indices

The Target Fund may invest in credit default swaps ("CDS") or in credit default swap indices, including the credit default swap index ("CDX") and iTraxx indices (collectively "CDXs"), in order to assume exposure to a single or diversified portfolio of credits or to hedge against existing credit risks. CDXs are based on a portfolio of credit default swaps with similar characteristics, such as credit default swaps on high-yield bonds.

CDS allows the transfer of default risk. This allows investors to effectively buy insurance on a bond they hold (hedging the investment) in the expectation that the credit will decline in quality. Conversely, where the investment view is that the payments due to decline in credit quality will be less than the coupon payments, protection will be sold by means of entering into a credit default swap. One party — the

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protection buyer — is obligated to pay the other party — the protection seller — a stream of periodic payments over the term of the contract. If a credit event, such as a default or restructuring, occurs with respect to any of the underlying reference obligation(s), the protection seller must pay the protection buyer the loss on those credits. Conversely, if no credit events were to occur with respect to any of the underlying reference obligation(s), the protection buyer would not recover any of the periodic payment. The Target Fund may enter into a CDS transaction as either protection buyer or protection seller.

If the Target Fund is a protection buyer, it would pay the counterparty a periodic stream of payments over the term of the contract and would not recover any of those payments if no credit events were to occur with respect to any of the underlying reference obligation(s). However, if a credit event did occur, the Target Fund, as a protection buyer, would have the right to deliver the referenced debt obligation(s) or a specified amount of cash, depending on the terms of the applicable agreement, and to receive the par value of such debt obligation(s) from the counterparty protection seller. As a protection seller, the Target Fund would receive fixed payments throughout the term of the contract if no credit events were to occur with respect to any of the underlying reference obligation(s). If a credit event were to occur, however, the value of any deliverable obligation received by the Target Fund, coupled with the periodic payments may be less than the full notional value that the Target Fund, as a protection seller, pays to the counterparty protection buyer, effectively resulting in a loss of value to the Target Fund. The use of CDS, like all other swap agreements, is subject to certain risks, including the risk that the Target Fund's counterparty will default on its obligation(s). If such a default were to occur, any contractual remedies that the Target Fund might have may be subject to applicable bankruptcy laws, which could delay or limit the Fund's recovery. Thus, if the Target Fund's counterparty to a CDS transaction defaults on its obligation to make payments thereunder, the Target Fund may lose such payments altogether or collect only a portion thereof, which collection could involve substantial costs or delays. Additionally, when the Target Fund invests in CDXs as a protection seller, the Target Fund will be indirectly exposed to the creditworthiness of issuers of the underlying reference obligations in the index. If the Investment Adviser to the Target Fund does not correctly evaluate the creditworthiness of issuers of the underlying instruments on which the CDXs are based, the investment could result in losses to the Target Fund.

Interest Rate Swaps

The Target Fund may enter into interest rate swaps, to seek to manage the interest rate sensitivity of the Target Fund by increasing or decreasing the duration of the Target Fund or a portion of the Target Fund's portfolio. An interest rate swap is an agreement between two parties to exchange or swap payments based on changes in an interest rate or rates. Typically, one interest rate is fixed and the other is variable based on a designated floating short-term interest rate, prime rate or other benchmark. It is also possible for both sides of the agreement to be linked to designated floating rates. These agreements are known as basis swaps. Interest rate swaps generally do not involve the delivery of securities or other principal amounts. Rather, cash payments are exchanged by the parties based on the application of the designated interest rates to a notional amount, which is the predetermined dollar principal of the trade upon which payment obligations are computed. Accordingly, the Target Fund's current obligation or right under the swap agreement is generally equal to the net amount to be paid or received under the swap agreement based on the relative value of the position held by each party.

Forwards

The Target Fund may invest in currency forward contracts to seek to manage the Target Fund's currency exposures. A forward is a contract whereby two parties agree to exchange the underlying asset at a predetermined point in time in the future at a fixed price. The buyer agrees today to buy a certain asset in the future and the seller agrees to deliver that asset at that point in time. Forward contracts, unlike futures contracts, are not traded on exchanges and are not standardised; rather banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward trading is substantially unregulated; there is no limitation on daily price movements. Disruptions can occur in any market traded by the Target Fund due to unusually high trading volume, political intervention or other factors. In respect of such trading, the Target Fund is subject to the risk of counterparty failure or the inability or refusal by a counterparty to perform with respect to such contracts.

Options

The Target Fund may invest in options, such as options on futures and foreign exchange options ("FX options"). An option is a contract that gives the holder of the option, in return for a premium payment, the right to buy from (in the case of a call) or sell to (in the case of a put) the writer of the option the reference instrument underlying the option (or the cash value of the instrument underlying the option) at a specified exercise price. The writer of an option on a security has the obligation, upon exercise of the option, to cash settle or deliver the underlying currency or instrument upon payment of the exercise

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price (in the case of a call) or to cash settle or take delivery of the underlying currency or instrument and pay the exercise price (in the case of a put).

Options prices can diverge from the prices of their underlying instruments for a number of reasons. Options prices are affected by such factors as current and anticipated short-term interest rates, changes in the volatility of the underlying instrument, and the time remaining until expiration of the contract, which may not affect security prices in the same way. Imperfect correlation may also result from differing levels of demand in the options markets and the markets for the underlying instruments, from structural differences in how options and underlying instruments are traded, or from imposition of daily price fluctuation limits or trading halts.

Futures and options on futures

The Target Fund may invest in futures to seek to manage the Target Fund's sensitivity to interest rates. Futures contracts and options of futures contracts are standardized exchange-traded agreements to buy or sell a specific quantity of an underlying asset, rate or index at an agreed-upon price at a stipulated future date. An option on a futures contract gives the holder of the option the right to buy or sell a position in a futures contract from or to the writer of the option, at a specified price on or before the specified expiration date. In addition to the risks generally associated with investing in derivative instruments, futures contracts and options of futures contracts are subject to the creditworthiness of the clearing organisations, exchanges and futures commission merchants with which the Target Fund transacts. Additionally, although futures require only a small initial investment in the form of a deposit of initial margin, the amount of a potential loss on a futures contract or on an option on futures contract could greatly exceed the initial amount invested. While futures contracts and options on futures contracts are generally liquid instruments, under certain market conditions futures may be deemed to be illiquid. For example, the Target Fund may be temporarily prohibited from closing out its position in a futures contract if intraday price change limits or limits on trading volume imposed by the applicable futures exchange are triggered. If the Target Fund is unable to close out a position on a futures contract or options on futures contracts, the Target Fund would remain subject to the risk of adverse price movements until the fund is able to close out the futures position. The ability of the Target Fund to successfully utilize futures contracts or options on futures contracts may depend in part upon the ability of the Investment Adviser to accurately forecast interest rates and other economic factors and to assess and predict the impact of such economic factors on the futures in which the Target Fund invests. If the Investment Adviser incorrectly forecasts economic developments or incorrectly predicts the impact of such developments on the futures in which it invests, the Target Fund could be exposed to the risk of loss. See also the heading "Options" above for a general description of investment techniques and risks relating to options.

k) Mortgage- and Asset-Backed Securities Risk

The Target Fund may invest in mortgage- and asset-backed securities. Mortgage-related securities, such as mortgage-backed securities ("MBS"), and other asset-backed securities ("ABS"), include debt obligations that represent interests in pools of mortgages or other income-bearing assets, such as consumer loans or receivables. While such securities are subject to the risks associated with investments in debt instruments generally (for example, credit extension and interest rate risks), they are also subject to other and different risks. Mortgage-backed and other asset-backed securities are subject to changes in the payment patterns of borrowers of the underlying debt which can result in prepayment and extension risks. Prepayment risk exists when interest rates fall and borrowers are more likely to refinance or prepay their debt before its stated maturity. This may result in the Target Fund having to reinvest the proceeds in lower yielding securities, effectively reducing the Target Fund's income. Conversely, extension risk exists when interest rates rise and borrowers repay their debt more slowly than expected, the time in which the mortgage-backed and other asset-backed securities are paid off could be extended, reducing the Target Fund's cash available for reinvestment in higher yielding securities.

In addition, MBS issued by private entities are structured similarly to those issued by government agencies. However, these securities and the underlying mortgages are not guaranteed by any government agencies and the underlying mortgages are not subject to the same underwriting requirements. These securities generally are structured with one or more types of credit enhancements such as insurance or letters of credit issued by private companies. Borrowers on the underlying mortgages are usually permitted to prepay their underlying mortgages. Prepayments can alter the effective maturity of the MBS. Delinquencies, losses or defaults by borrowers can adversely affect the prices and volatility of these securities. Such delinquencies and losses can be exacerbated by real estate risks like declining or flattening housing and property values. This, along with other outside

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pressures, such as bankruptcies and financial difficulties experienced by mortgage loan originators, decreased investor demand for mortgage loans and mortgage-related securities and increased investor demand for yield, can adversely affect the value and liquidity of MBS. These securities may be less liquid and/or more difficult to value than other securities.

With regard to ABS, these securities are backed by other assets such as credit card, automobile or consumer loan receivables, retail installment loans or participations in pools of leases. Credit support for these securities may be based on the underlying assets and/or provided through credit enhancements by a third party. The values of these securities are sensitive to changes in the credit quality of the underlying collateral, the credit strength of the credit enhancement, changes in interest rates and at times the financial condition of the issuer. These securities may be less liquid and/or more difficult to value than other securities.

Specific types of ABS in which the Target Fund may invest are, in particular but not limited to,

Collateralised Debt Obligations ("CDO")

A CDO is a securitisation that pools together cash flow-generating assets including bonds, mortgages, loans and other assets. CDOs are packaged in different classes representing different types of debt and credit risk. Each class has a different maturity and risk associated with it. Senior noteholders have structural protections in the form of subordination in addition to other features such as overcollateralisation, interest coverage tests and turbo amortisation triggers.

Collateralised Loan Obligations ("CLO")

A CLO is a securitisation backed by senior secured leveraged loans and in limited instances, high-yield bonds and second-lien loan collateral. CLOs are different from many other securitisations in that they are actively managed funds in which a portfolio manager actively trades the underlying assets, within prescribed constraints. CLO notes benefit from various structural protections including credit enhancement and minimum overcollateralisation and interest coverage tests.

Specific types of MBS in which the Target Fund may invest are, in particular but not limited to,

Commercial Mortgage Backed Securities ("CMBS")

CMBS are a type of mortgage-backed security secured by mortgages on commercial properties. The underlying loans that get securitised into CMBS include loans for properties such as office buildings, shopping malls, hotels, apartment complexes and industrial warehouses. CMBS notes benefit from both structural credit and prepayment protections including credit enhancement and defeasance/lockout provisions. Loan modifications or defaults of underlying mortgage loans may result in unscheduled prepayment risk to the most senior bonds in structure or potential interest shortfalls. Recoveries of defaulted loans will determine realized collateral losses that impact the most junior securities in the structure first.

Collateralised Mortgage Obligations ("CMO")

CMOs are backed by a pool of mortgages or mortgage loans, which are divided into two or more separate bond issues. CMOs issued by U.S. government agencies are backed by agency mortgages, while privately issued CMOs may be backed by either government agency mortgages or private mortgages. Payments of principal and interest are passed through to each bond issue at varying schedules resulting in bonds with different coupons, effective maturities and sensitivities to interest rates. Some CMOs may be structured in a way that when interest rates change, the impact of changing prepayment rates on the effective maturities of certain issues of these securities is magnified.

Residential Mortgage Backed Securities ("RMBS")

RMBS are a type of security whose cash flows come from residential debt such as mortgages, home-equity loans and subprime mortgages. In many cases the underlying loans may be guaranteed by one of the government or government-sponsored agencies (such as Fannie Mae, Freddie Mac or Ginnie Mae). Holders of RMBS receive interest and principal payments that come from the holders of the residential debt.

To Be Announced Securities ("TBA") Contracts

TBA contracts are forward contracts on agency mortgage pass-through securities issued by agencies such as Fannie Mae, Freddie Mac and Ginnie Mae. The particular securities (i.e., specified mortgage pools) to be delivered or received are not identified at the trade date, but are "to be announced" on the notification date which is two days before the settlement date. However, securities to be delivered must

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meet specified criteria, including face value, coupon rate and maturity, and be within industry-accepted "good delivery" standards. TBAs settle once each month based on a calendar published by the Securities Industry and Financial Markets Association.

l) Securities Lending Transaction Risk

The Target Fund may enter into securities lending transactions as specified in Annex 1 of the Target Fund's Prospectus and in the Fund Information Sheet in Annex 2 of the Target Fund's Prospectus. Entering into securities lending transactions exposes the Target Fund to, among others, operational, custody, counterparty and liquidity risks, as further described below. The loaned securities may not be returned by the counterparty in a timely manner or at all, which would interfere with the Target Fund's ability to vote proxies or settle transactions. Plus, there is also the risk of a loss of rights in the collateral if the counterparty or the securities lending agent defaults. Please also refer to Annex 1 of the Target Fund's Prospectus for more details on the management of collateral, the eligible collateral, the reinvestment on collateral and the collateral policy.

Additionally, the Target Fund may lose money from the reinvestment of collateral received in the context of a securities lending transaction in investments that decline in value, default or do not perform as expected. The Target Fund will enter into securities lending transactions only with counterparties deemed by the Investment Adviser to be in good standing and when, in the Investment Adviser judgement, the income earned would justify the risks. In case of cash collateral reinvestment, all risks associated with a normal investment will apply.

m) Operational Risk

The Company or the Target Fund may be exposed to operational risks, being the risk that internal processes, including those of the service providers mentioned in the Target Fund's Prospectus, may fail, resulting in delays or losses. Operational risks include but are not limited to processes related to the safekeeping of assets, their valuation and execution of transactions.

n) Counterparty Risk

The Target Fund conducts transactions with counterparties, which puts the Target Fund at risk should a counterparty fail to meet its contractual obligations in a transaction due to insolvency, bankruptcy or other causes. This may entail the Target Fund to delayed delivery and have an adverse impact on the performance of the Target Fund. In the case of default of the counterparty, the amount, nature and timing of recovery may be uncertain.

o) Liquidity Risk

The Target Fund holdings may be deemed to be less liquid because they cannot be readily sold without significantly impacting the value of the holdings, or may become difficult or impossible to sell, particularly during times of market turmoil. Liquidity may be impacted by the lack of an active market for a holding, legal or contractual restrictions on resale, or the reduced number and capacity of market participants to make a market in such holding. Market prices for less liquid holdings may be volatile or difficult to determine, and reduced liquidity may have an adverse impact on the market price of such holdings. During times of market turmoil, there have been, and may be, no buyers or sellers for securities in entire asset classes. Additionally, the sale of less liquid holdings may involve substantial delays (including delays in settlement) and additional costs and the Target Fund may have more difficulty to sell such holdings when necessary to meet its liquidity needs, or try to limit losses, or may be forced to sell at a loss.

p) Sustainability Risks

Sustainability Risks identified by Capital Group are taken into account in the investment decision making process as described under the section "Sustainability-related Disclosures Under SFDR" of the Target Fund's Prospectus. Sustainability Risks will have different levels of severity and magnitude depending on regional or sectoral specificities. Below we detail the areas which, in aggregate, represent the most substantial areas of sustainability risk for the Target Fund. The Target Fund may be adversely affected as a result of the below mentioned risks. More information on Sustainability Risks as described in the ESG Policy may be obtained from

[https://www.capitalgroup.com/content/dam/cgc/tenants/eacg/esg/files/esg-policy-statement\(en\).pdf](https://www.capitalgroup.com/content/dam/cgc/tenants/eacg/esg/files/esg-policy-statement(en).pdf).

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Climate Change

Most climate related risks come from transition risk as policymakers accelerate action to limit global warming to two degrees. As a result, some assets may become stranded in the face of regulation such as carbon taxes or pricing which changes the economics of their business. As the risks and opportunities from climate change materialise, lifecycle emissions from products are also of increased importance, which will create second order impacts in other sectors. The energy transition will trigger innovation and new consumer preferences which will impact still more sectors. Depending on their operational footprint, increased exposure to physical climate risks such as extreme weather events create a more volatile operating backdrop for companies and put countries growth under pressure.

Data Security and Data Reliance

As the use of vast amounts of data becomes the norm and privacy and security issues become more frequent, ensuring the protection and responsible use of data has become critically important. Vulnerability to data theft or leakage could have a significant impact on consumer trust and result in a loss of market share.

In addition, the Investment Adviser may be reliant on third-party data vendors or a combination of third-party data and Capital Group's proprietary research and analysis. Third party data vendors may not provide complete coverage of issuers that we might invest in, vendors may evaluate issuers inconsistently when assessing a particular issuer characteristic, and the scope of vendor coverage and the criteria that vendors use for inclusion or exclusion change over time. Issuers themselves may also publish or provide incorrect or inconsistent sustainability-related data that we and others may rely on. The Investment Adviser's systems and disclosure might lag behind or not keep up to date with vendor practices or updated issuer data. The associated repercussions, combined with heightened regulatory scrutiny of these risks, could lead to regulatory fines and reputational risks.

Governance

Governance shortcomings in board composition, independence, ethical standards or shareholder rights protection could lead to unanticipated losses. A lack of accountability, transparency or robust controls may result in non-compliance fines. Executive compensation can also create misaligned incentives and lead to operational and regulatory risk. Strong governance is also important at a sovereign level.

Human Capital

Companies with inadequate policies or unfit culture may face immediate short term operational and reputational risks. A company may lose its license to operate or may incur financial fines due to workplace controversies, poor safety records or labour law violations.

The Investment Adviser consider collective bargaining, culture and employee sentiment, diversity, workforce composition, employee turnover and compensation. A lack of investment and education in a workforce at a company or sovereign level poses a potential risk. The Investment Adviser also places heightened focus on human rights violations at a company and sovereign level.

Supply Chains

Inadequate oversight, extensive outsourcing and poor supply chain standards may expose companies to risks. Sourcing natural resources and other products from regions with a history of corruption, low regulatory standards, modern slavery or political instability could lead to reputational and regulatory risks. Evolving customer preferences may also demand more sustainable sourcing which could lead to higher procurement costs.

Lobbying & Business Ethics

Unethical and illegal business practices can pose significant regulatory and financial risks. Inadequate anti-corruption, tax, lobbying and bribery policies and controls could result in adverse consequences for both corporate and sovereign issuers. These risks may be more prominent based on geography.

Exposure to Historic Controversies

Historic controversies, if not adequately addressed by the companies, can be a source of risk. As a result, the Investment Adviser monitor the Target Fund holdings against several 3rd party data sources to identify exposure to these, with a particular focus on capturing risks from human rights controversies, issues relating to severe environmental degradation or poor labour practices.

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Other and Emerging Sustainability Risks

In addition to the above risks, from the perspective of products and consumer, consumer safety and product quality are monitored alongside product affordability in relevant sectors. In certain sectors and sovereigns, contribution or inaction regarding social health and nutrition can also trigger regulatory considerations. Operational and reputational risks for industries with high water consumptions, especially when operating in water scarce regions are also monitored. Similarly, the direct and indirect impact of manufactured products, including pollutants and toxic waste, on local communities, ecosystems and biodiversity can lead to reputational and regulation risks for any misconduct. As such ESG considerations continue to be integrated in financial services, companies with heightened Sustainability Risk may face financing challenges.

We also recognise that additional Sustainability Risks exist at a sovereign level given physical risks such as water shortages, exposure to extreme weather events, the quality of agriculture and biodiversity, and the quality of infrastructure.

As well as the Sustainability Risks that we identify in our bottom-up framework, the Investment Adviser uses a range of third-party data sources to systematically screen portfolios for Sustainability Risks and identify emerging risks.

The Investment Adviser engages with companies to ensure that Sustainability Risks are being appropriately addressed.

2.4 RISK MITIGATION

We do not employ risk management strategy on the portfolio of the Target Fund. The risk management strategies and techniques employed will be at the Target Fund level, where the Investment Adviser combines financial techniques and instruments to manage the overall risk of the Target Fund's portfolio including diversification in terms of its exposure to various industries and sectors.

As this is a feeder fund, the Manager will stay invested in the Target Fund as long as the Target Fund's investment objective and strategies will enable the Fund to meet its investment objective. Nevertheless, during adverse market conditions, the Manager may take a temporary defensive position which may be inconsistent with the Fund's strategy by reducing its investment in the Target Fund and increase the Fund's liquidity level by investing in Liquid Assets to safeguard the Unit Holders' interest.

To avoid suspension of the Fund, the Fund will hold adequate Liquid Assets (up to 15% of the Fund's NAV) and if the Liquid Assets are insufficient to meet redemption requests, the Manager may seek temporary financing if this is in the best interests of Unit Holders. If the Manager has exhausted all possible avenues to avoid a suspension of the Fund, the Manager may as a last resort, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the redemption of Units where it is impractical for the Manager to calculate the NAV of the Fund due to the Manager being unable to determine the market value or fair value of its investment in the Target Fund. Please note that during the suspension period, there will be no NAV per Unit available and hence, any application for subscription, redemption or switching of Units received by the Manager during the suspension period will only be accepted and processed on the next Business Day after the cessation of the suspension. Unit Holders will be notified of the suspension and when the suspension is lifted.

THE ABOVE SHOULD NOT BE CONSIDERED TO BE AN EXHAUSTIVE LIST OF THE RISKS WHICH POTENTIAL INVESTORS SHOULD CONSIDER BEFORE INVESTING INTO THE FUND. POTENTIAL INVESTORS SHOULD BE AWARE AN INVESTMENT IN THE FUND MAY BE EXPOSED TO OTHER RISKS FROM TIME TO TIME.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF AN INVESTMENT. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THIS INFORMATION MEMORANDUM AND, IF NECESSARY, CONSULT YOUR ADVISER(S) BEFORE MAKING AN INVESTMENT DECISION.

CHAPTER 3: THE INFORMATION ON CAPITAL INTERNATIONAL FUND - CAPITAL GROUP AMERICAN BALANCED FUND (LUX) (“TARGET FUND”)

This section of the Information Memorandum provides you with information regarding the Target Fund as extracted from the Target Fund’s Prospectus save for certain additional information included by the Investment Adviser. All capitalized terms and expressions used in this section in reference to the Target Fund shall, unless the context otherwise requires, have the same meanings ascribed to them in the Target Fund’s Prospectus.

The Manager intends to invest in Capital International Fund - Capital Group American Balanced Fund (LUX).

Investors may obtain a copy of the Target Fund’s Prospectus from the Manager upon request.

3.1 STRUCTURE OF THE COMPANY

The Capital International Fund (“Company”) is incorporated in Luxembourg as a SICAV under Part I of the Law. The Company has adopted a multiple-compartment (or "umbrella") structure to provide investors with a choice of investment portfolios within the same investment vehicle. A separate portfolio is maintained for each fund of the Company and is invested in accordance with the investment objective applicable to the relevant fund of the Company, and the assets of one fund may only be used to cover the liabilities of such fund.

3.2 REGULATORY AUTHORITY WHICH REGULATES THE TARGET FUND

Commission de Surveillance du Secteur Financier (“CSSF”)

3.3 COUNTRY OF DOMICILE OF THE TARGET FUND

Luxembourg

3.4 FUND LEGISLATION APPLICABLE TO THE TARGET FUND

Luxembourg law of 17 December 2010 on collective investment undertakings, as may be amended.

3.5 THE MANAGEMENT COMPANY OF THE TARGET FUND

The board of directors of the Company has appointed Capital International Management Company Sàrl (“CIMC”) pursuant to a management company agreement dated 1 February 2013 (“Management Company Agreement”) to carry out the functions of management of the Company as prescribed in Annex II of the Law.

The Management Company shall be responsible for the investment management, the administration and the implementation of the Company’s distribution and marketing functions as prescribed in Annex II of the Law.

The Management Company has been permitted by the Company to delegate, under the Management Company’s supervision and control, certain administrative, distribution and management/services functions to Affiliates or service providers. The delegations shall not prevent the effectiveness of supervision by the Management Company.

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The Management Company was incorporated under the Laws of Luxembourg on 28 September 1992 and has a share capital of EUR 7.5 million. The Management Company is authorised as a management company under Part 4 chapter 15 of the Law.

3.6 THE INVESTMENT ADVISER OF THE TARGET FUND

Subject to the overall control of the Management Company and the ultimate responsibility of the board of directors of the Company, Capital Research & Management Company will serve as the investment adviser of the Target Fund. The Investment Adviser may delegate all or part of its duties and obligations to sub-adviser(s), as specified in the Fund Information Sheet in Annex 2 of the Target Fund's Prospectus. The Investment Adviser was incorporated on 30 July 1940 and is also a wholly owned subsidiary of Capital Group. The Management Company may at its discretion decide, from time to time, to retain the portfolio management for a certain portion of a fund's assets of the Company for which it has internal capabilities.

The Investment Adviser may delegate, under their own responsibility, all or part of their duties and obligations (excluding investment advice) to any Affiliates. In particular, the Management Company may, from time to time, authorise any Affiliates to execute the Investment Adviser's investment decisions relating to the assets of the Target Fund.

3.7 INVESTMENT OBJECTIVE OF THE TARGET FUND

The Target Fund seeks the balanced accomplishment of three objectives: conservation of capital, current income and long-term growth of capital and income. The Target Fund uses a balanced approach to invest in a broad range of securities primarily domiciled in the United States, including common stocks and Investment Grade Bonds.

3.8 INVESTMENT POLICY OF THE TARGET FUND

Eligible Investment Countries

The USA and any other country.

Specific Investment Guidelines and Restrictions of the Target Fund

1. In general, the Target Fund will seek to invest at least 50% of its total net assets in equities.
2. In general, the Target Fund will seek to invest at least 25% of its total net assets in debt securities (including money market instruments) generally rated Baa3 or better or BBB- or better by NRSROs designated by the Investment Adviser, or in unrated securities determined by the Investment Adviser to be of equivalent quality. The Target Fund currently intends to look to the ratings from Moody's Investors Service, Standard & Poor's Ratings Services and Fitch Ratings. If rating agencies differ, securities will be considered to have received the highest of these ratings, consistent with the Target Fund's investment policies.
3. The Target Fund may invest in ABS/MBS which will not exceed 20% of the net assets of the Target Fund.
4. The Target Fund may use financial derivative instruments for investment purposes, hedging and/or efficient portfolio management. Instruments permitted are interest rate swaps, CDXs, CDS, forward contracts, FX options, futures and options on futures as described in more detail in the main part of the Target Fund's Prospectus under the "Risk Warnings" section and in Annex 1 of the Target Fund's Prospectus.
5. Up to 5% of the total net assets of the Target Fund may be subject to total return swaps. Please read the "Risk Warnings" section of the Target Fund's Prospectus for more details of the relevant risk factors involved.
6. The Target Fund may invest up to 20% of its assets in securities of issuers domiciled outside the United States which may include up to 5% in Emerging Markets. In determining the domicile of an issuer, the Investment Adviser will generally look to the domicile determination of a leading provider of global indexes, such as Morgan Stanley Capital International. However, the Investment Adviser in its discretion also may take into account such factors as where the issuer's securities are listed

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and where the issuer is legally organized, maintains principal corporate offices, conducts its principal operations, generates revenues and/or has credit risk exposure.

7. The Target Fund may invest, either directly via the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect and/or indirectly such as by way of access warrants and/or other access products, up to 5% of the net assets of the Target Fund into China A-Shares.
8. The Target Fund may invest on the China Interbank Bond Market up to 5% of the net assets of the Target Fund, either directly or via Bond Connect.
9. In order to achieve its investment objective, the Target Fund may enter into securities lending transactions by lending securities of its portfolio to brokers, dealers and other institutions that provide cash in USD, EUR or JPY currency or United States ("US") Treasury securities as collateral in an amount at least equal to the value of the securities loaned. No more than 15% of the net assets of the Target Fund will be used for lending securities. The level of exposure to securities lending is generally expected to be less than 5% of the net assets of the Target Fund. Please read the "Risk Warnings" section of the Target Fund's Prospectus for more details of the relevant risk factors involved as well as Annex 1 of the Target Fund's Prospectus.
10. In order to achieve its investment goals, for treasury purposes and/or in case of unfavourable market conditions, the Target Fund may also invest in deposits with credit institutions, money market instruments and units of money market funds within the meaning of the investment restrictions set out in Annex 1 of the Target Fund's Prospectus.

Calculation method of the risk exposure

The methodology used in order to calculate the global exposure resulting from the use of financial derivative instruments is the commitment approach in accordance with the CSSF Circular 11/512.

3.9 GENERAL INVESTMENT GUIDELINES AND RESTRICTIONS OF THE TARGET FUND

Subject to the Company's articles of incorporation, to the Target Fund's Prospectus and to the Fund Information Sheet in Annex 2 of the Target Fund's Prospectus, the following provisions will apply:

I. Eligible Assets

1. The portfolio of the Target Fund will exclusively be invested in:
 - (a) transferable securities and money market instruments that are issued by issuers domiciled and/or having their principal place of business, and/or whose securities are dealt in, in an Eligible Investment Country (*refer Annex 2 of the Target Fund's Prospectus*) ("Eligible Investment Country") and that
 - (i) are admitted to an Official Listing,
 - (ii) are dealt in on another Regulated Market, or
 - (iii) having been issued recently, include in their terms of issue the undertaking that they will meet either of the above requirements within a year of the issue;
 - (b) other money market instruments that are liquid and can be accurately valued on each valuation date of the Target Fund, if their issue or issuer is regulated for investors and savings protection, provided that they are
 - (i) issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State, by one of the members making up the federation in a Federal state, or by a public international body to which one or more Member States belong; or
 - (ii) issued by an undertaking, any securities of which are admitted to an Official Listing or dealt in on another Regulated Market; or
 - (iii) issued or guaranteed by an establishment subject to prudential supervision in accordance with European Community law or to rules at least as stringent;
 - (c) other transferable securities and money market instruments, provided that their total value does not exceed 10% of the net assets of the Target Fund.
 - (d) units of other UCITS or UCIs, provided that no more than 10% of the UCITS' or UCI's assets (or of the assets of the relevant sub-fund) can, according to its constitutional documents, be invested in aggregate in units of other UCITS or other UCIs;

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- (e) deposits with credit institutions that are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve months, provided that the credit institution (i) has its registered seat in a Member State or (ii) is subject to prudential rules equivalent to those laid down in European Community law; and
- (f) financial derivative instruments, including equivalent cash-settled instruments, admitted to an Official Listing or dealt in on a Regulated Market, and/or OTC derivatives provided that:
 - (i) the underlying consists of instruments described in paragraphs (a) to (e), financial indices, interest rates, foreign exchange rates or currencies to which the Target Fund may gain exposure to in accordance with its investment policy,
 - (ii) the counterparties to OTC derivative transactions are institutions subject to prudential supervision and belong to the categories approved by the CSSF, and
 - (iii) the OTC Derivatives are subject to reliable and verifiable valuation on a daily basis, and sold, liquidated or closed by an offsetting transaction at the Company's initiative at any time.

For the avoidance of doubt, it is confirmed that investments in private placement securities, and the acquisition of equity securities or other instruments received as a result of corporate actions, are permitted within the limits laid down above.

2. Under the conditions laid down by law, regulations and administrative practice, the Company may use financial derivative instruments authorised by Luxembourg law or CSSF circulars for the purpose of efficient portfolio management, and/or, as described below
 - (a) in order to achieve the most appropriate currency distribution, with the objective of reducing the risk of the depreciation in the value of specific currencies, techniques and instruments relating to currency hedging, including cross hedging and proxy hedging, in particular forward currency sales.

The Target Fund may hold short positions via derivative instruments for currency positioning purposes.

Positions expressing the Target Fund's currency hedging involve long exposures in one currency and short exposures in another currency, either explicitly or implicitly.

Currency exposure including cross-currency positions, which are not related to the Target Fund's bond and cash equivalent positions, may be assumed.

The Company will enter into such transactions with first-class financial institutions.

The Company generally does not intend to systematically hedge currency exposures in the Target Fund back to any currency.

- (b) in order to adjust the credit exposure and/or interest rate exposure, to buy and sell put options, warrants and future contracts;
- (c) in order to adjust the interest rate exposure, linked to interest rates such as interest rate swaps; and
- (d) in order to adjust the credit exposure, subject to it being provided for in the Fund's Information Sheet in Annex 2 of the Target Fund's Prospectus, financial derivative instruments related to credit risks, such as credit default swaps whereby one counterparty (the protection buyer) pays the other a fixed periodic fee for the specified life of the agreement, in return for a contingent payment by the protection seller upon occurrence of a credit event of a predetermined reference issuer. A credit event is commonly defined as a downgrading of the rating assigned by a rating agency, bankruptcy, insolvency, receivership, material adverse restructuring of debt or failure to meet payment obligations when due. The Company will enter into such transactions with first-class financial institutions.

In addition to the above, the Company may use financial derivative instruments authorised by Luxembourg law or CSSF circulars, for investment purposes.

3. Furthermore, and as specified in the Fund Information Sheet in Annex 2 of the Target Fund's Prospectus, the Target Fund may use securities financing transactions and total return swaps as

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defined under Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 by (i) entering into securities lending transactions and (ii) to invest in total return swaps, to provide an additional source of potential investment return to shareholders of the Target Fund, which will help achieve the Target Fund's investment objective.

Investors should note that the investment policies of the Target Fund currently do not provide for the possibility to enter into other types of securities financing transactions (specifically repurchase transaction, commodities lending and securities or commodities borrowing, buy-sell back transaction or sell-buy back transaction and margin lending transaction). Should the Company decide to provide for such possibility, the Target Fund Prospectus will be updated prior to the entry into force of such decision.

Securities lending will be used on a continuous basis. The total volume of securities on loan at any given time will be determined by market conditions and the best interests of the shareholders of the Target Fund. Where the Target Fund enters into securities financing transactions, equity and fixed-income securities will be subject to securities lending transactions. Such transactions are subject to, among others, operational risk as well as liquidity, counterparty, custody and legal risks. Please read the "Risk Warnings" section in the Target Fund's Prospectus, heading "Securities Lending Transactions", for more details of the relevant risk factors involved.

Portfolio securities of the Target Fund will be lent to counterparties such as brokers, dealers or other institutions approved by Capital Group. Counterparties to securities lending transactions are subject to prudential supervision rules that the CSSF deems equivalent to those required under EU Law. Typically, counterparties will be located in Organisation for Economic Co-operation and Development ("OECD") member states. If the counterparty is an entity linked to the Management Company, care will be taken to avoid any resulting conflicts of interest in order to ensure that the agreements are entered into at arm's length. Counterparties are subject to a rigorous credit assessment and in-depth review at the outset of the relationship and on an ongoing basis. The Management Company is able at any time to recall any security that has been lent out or to terminate any securities lending agreement into which it has entered.

Should some assets of the Target Fund be used in securities lending transactions, the underlying assets and investment strategies to which exposure will be gained are those allowed as per the Fund Information Sheet in Annex 2 of the Target Fund's Prospectus. Entering into securities lending transactions will not result in a change of the declared investment objective of the Target Fund. No more than 15% of the net assets of the Target Fund will be used for lending securities. The level of exposure to securities lending is generally expected to be less than 5% of the net assets of the Target Fund. Please also refer to Annex 1 of the Target Fund's Prospectus for more details on the management of collateral, the eligible collateral, the reinvestment of collateral and the collateral policy.

In addition to be the depositary and custodian of the Company, JP Morgan serves as securities lending agent and hence administers the securities lending program pursuant to the terms of a securities lending agent agreement entered into between the Management Company and JP Morgan on 30 May 2022. Under the terms of the agreement, JP Morgan is responsible for making available to approved counterparties securities from the portfolio of the Target Fund. JP Morgan is also responsible for the administration and management of the securities lending program of the Company, including the preparation and execution of an agreement with each counterparty governing the terms and conditions of any securities lending transaction, ensuring that they are properly coordinated and documented, ensuring that loaned securities are valued daily and that the corresponding required collateral is delivered by the borrowers, arranging for the investment of collateral received from borrowers, and arranging for the return of loaned securities to the Target Fund in accordance with the relevant instructions or at termination of the securities lending transaction.

All revenues from securities lending transactions shall be payable to the Target Fund following the deduction of compensation to the securities lending agent for its services. The expenses which may be deducted from the revenue delivered to the Target Fund should generally not exceed 5% of the gross revenue arising from securities lending transactions. The difference, i.e. 95%, will be paid to the Target Fund.

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II. Investment Limits Applicable to Eligible Assets

4. No transferable securities or money market instruments will be purchased if, as a result of such purchase,
- (a) more than 10% of the net assets of the Target Fund would be invested in transferable securities or money market instruments issued by the same issuer, and more than 40% of its net assets would be invested in issuers in each of which more than 5% of such assets are invested.
 - (i) The 10% limit laid down in sub-paragraph (a) above is increased to 35% in respect of securities which are issued or guaranteed by a Member State, its local authorities or by any other State or by public international bodies of which one or more Member States are members, such securities not being included in the calculation of the limit of 40% referred to in sub-paragraph 4.(a) above.
 - (ii) **Notwithstanding sub-paragraphs 4.(a) and 4.(a)(i) above, the Company is authorised to invest up to 100% of the net assets of the Target Fund, in accordance with the principle of risk spreading, in transferable securities and money market instruments issued or guaranteed by a Member State, by its local authorities, or by any other State or by public international bodies of which one or more Member States are members, provided that the Target Fund must hold securities from at least six different issues and securities from one issue do not account for more than 30% of the total net assets of the Target Fund.**
 - (iii) The 10% limit laid down in sub-paragraph 4.(a) above is increased to 25% in respect of certain debt securities which are issued by credit institutions having their registered office in a Member State and which are subject, by law, to special public supervision designed to protect the holders of debt securities (in particular against the risk of counterparty default). In particular, sums deriving from the issue of such debt securities must be invested pursuant to the law in assets which, during the whole period of validity of such debt securities, are capable of covering claims attaching to the debt securities and which, in the event of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest. Such debt securities need not be included in the calculation of the limit of 40% referred to in sub-paragraph (a) above, but no more than 80% of the Target Fund's net assets may be invested in such debt securities of issuers in each of which more than 5% of the Target Fund's assets are invested.
 - (b) more than 10% of the net assets of the Target Fund would be invested in securities exclusively listed and/or traded on a Russian Regulated Market (except the Moscow Exchange MICEX-RTS - formerly known as Russian Trading Stock Exchange and the Moscow Interbank Currency Exchange). Such securities will be included for the purpose of calculating the 10% limit referred to in Section I, 1, (c) above²;
 - (c) more than 10% of the net assets of the Target Fund would be invested, in aggregate, in UCITS and/or other UCIs, unless a different specific investment restriction is mentioned in the Fund Information Sheet in Annex 2 of the Target Fund's Prospectus. The terms and conditions of investments in undertakings for which the Investment Adviser or Affiliates act directly or indirectly as investment adviser must be in the best interest of the Company and its shareholders of the Target Fund, in particular with respect to the avoidance of double-charging of investment advisory fees (as described under "Expenses" in the Target Fund's Prospectus).
 - (d) If the Target Fund is allowed, in the Fund Information Sheet in Annex 2 of the Target Fund's Prospectus, to invest more than 10% of its assets in units of UCITS or other UCIs the following restrictions will apply:
 - No more than 20% of the Target Fund's assets may be invested in the units of a single UCITS or other UCI. For the purpose of the application of this investment limit, each compartment of a UCITS or other UCI with multiple compartments is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments vis-à-vis third parties is ensured.
 - Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the assets of the Target Fund.

² While sanctions against Russia applied by the Company will remain in force, this provision in its entirety will not apply as no investment in Russian Regulated Markets will be permitted.

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- (e) Subject to the above limits, the Target Fund may subscribe, acquire and/or hold securities to be issued or issued by one or more funds of the Company without the Company being subject to the requirements of the Law of 10 August 1915 on commercial companies, as amended, with respect to the subscription, acquisition and/or the holding by a company of its own shares, under the condition however that:
- the target fund of the Company does not, in turn, invest in the fund of the Company invested in this target fund of the Company; and
 - no more than 10% of the assets that the target funds of the Company whose acquisition is contemplated may be in units of UCITS and / or other UCIs; and
 - voting rights, if any, attaching to the shares of the target fund of the Company are suspended for as long as they are held by the fund of the Company concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
 - in any event, for as long as these securities are held by the Target Fund, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law.
- (f) notwithstanding the limits referred to under (c) and (d) above, the Company can decide, under the conditions provided for in Chapter 9 of the 2010 Law, as may be amended, that a fund of the Company ("Feeder") may invest 85% or more of its assets in units or shares of another UCITS ("Master") authorised according to Directive 2009/65/EC (or a portfolio of such UCITS). Under the conditions and within the limits laid down by Chapter 9 of the 2010 Law, a fund of the Company may qualify as a Master UCITS.
- (g) The underlying investments held by the UCITS or other UCIs in which the Target Fund invests do not have to be considered for the purpose of the investment restrictions set forth under 4) a) above.
- (h) More than 20% of the net assets of the Target Fund would be invested in deposits made with the same body.
- (i) The Target Fund's uncollateralised risk exposure to a counterparty in an OTC derivative transaction would exceed 10% of its net assets when the counterparty is a credit institution referred to in sub-paragraph 1.(e) above, or 5% of its net assets in other cases.
- (j) The Company or the Target Fund would hold more than 10% of any class of securities of any issuer (other than a UCI or UCITS), or the Company would hold shares carrying voting rights that would enable it to take legal or management control or to exercise significant influence over the management of the issuing body.
- (k) The Company or the Target Fund would hold more than 25% of the units of a single UCI or UCITS.

The above ceilings do not apply in respect of transferable securities or money market instruments issued or guaranteed by a Member State, its local authorities, any other Eligible Investment Country or a public international body of which one or more Member States are members.

- (l) subject to the following paragraph, the combination of the following instruments would exceed 20% of the net assets of the Target Fund:
- (i) transferable securities or money market instruments issued by a single body; and/or
 - (ii) deposits made with the same body; and/or
 - (iii) exposures arising from OTC derivative transactions undertaken with the same body.
- (m) the combination of the following instruments would exceed 35% of the net assets of the Target Fund:
- (i) transferable securities or money market instruments issued by a single body in accordance with sub-paragraph 4.(a)(i) above; and/or
 - (ii) certain debt securities issued by the same body in accordance with sub-paragraph 4.(a)(iii) above; and/or
 - (iii) deposits made with the same body in accordance with sub-paragraph 4.(h) above; and/or
 - (iv) (exposures arising from OTC derivative transactions undertaken with the same body in accordance with sub-paragraph 4.(i) above.

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A company that is included in a group for the purposes of consolidated accounts, as defined in Directive 83/349/EEC or in accordance with recognised international accounting rules, is regarded as a single body for the purpose of calculating the investment limits referred to above in this paragraph 4.

The Company may invest up to 20% of the net assets of the Target Fund in transferable securities and/or money market instruments within the same group.

5. Risk management and monitoring of financial derivatives instruments

The Company will ensure that the Target Fund's global exposure relating to derivative instruments does not exceed its total net assets. The global exposure to the underlying assets must not exceed the investment limits referred to in the Section II of the Target Fund's Prospectus. When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with this paragraph 5. Exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the position.

The risk measurement approach in relation to the Target Fund's global exposure from financial derivatives is commitment approach.

Commitment Approach

Under the commitment approach, the Target Fund calculate their global exposure by taking into account either the market value of an equivalent position in the underlying asset or the derivative's notional value, as appropriate. This approach allows the Target Fund to reduce their global exposure by taking into account the effects of any hedging or offsetting positions. Note that with the commitment approach, certain types of risk-free transactions, leverage-free transactions and non-leveraged swaps can be excluded from the calculation. Pursuant to the 2010 Law, the global exposure for the Target Fund under the commitment approach must not exceed 100% of the Target Fund's NAV.

If the above limitations are exceeded for reasons beyond the control of the Company or as a result of the exercise of subscription rights, the Company's priority objective for its sales transactions must be to remedy that situation, taking account of the interests of shareholders of the Target Fund.

For defensive reasons, the assets of the Target Fund may be held temporarily in securities of one, or a few, States and denominated in one, or a few, currencies.

III. Liquid Assets

The Target Fund may hold ancillary liquid assets (bank deposits at sight, such as cash held in current accounts with a bank accessible at any time) up to 20% of its net assets for treasury purposes. On a temporary basis and if justified by exceptionally unfavourable market conditions (such as the September 11 attacks or the bankruptcy of Lehman Brothers in 2008), the Target Fund may, in order to take measures to mitigate risks relative to such exceptional market conditions in the best interests of the shareholders of the Target Fund, hold ancillary liquid assets up to 100% of its net assets. In order to achieve its investment goals and for treasury purposes, the Target Fund may also invest in deposits with credit institutions, money market instruments and units of money market funds within the meaning of the investment restrictions set out under sections "Eligible Assets" and "Investments Limits Applicable to Eligible Assets" above. For defensive purposes, the Target Fund may hold also up to 100% of its net assets in these instruments on a temporary basis.

Liquid assets held in margin accounts in relation to financial derivative instruments do not qualify as ancillary liquid assets.

IV. Unauthorised Investments

6. The Company will not make investments in:

- (a) precious metals or certificates representing them, or commodities;

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- (b) real estate or any option, right or interest in real estate, provided that the Company may invest in securities secured upon, or issued by companies which invest in, real estate or interests in real estate; and
 - (c) securities purchased on margin (except such short-term credit obtained as necessary for the clearance of purchases and sales of securities) or in uncovered sales of securities, money market instruments or other financial instruments.
7. In addition the Company will not:
- (a) make loans out of or secured upon its assets or assume liability for any obligation or indebtedness of any third person;
 - (b) borrow, except from a bank, as a temporary and extraordinary measure, and then not in excess of 10% of the net assets of the Target Fund, provided that the acquisition of securities in partly paid form will not be deemed to constitute a borrowing; and
 - (c) make investments in any assets involving the assumption of unlimited liability.
8. The Company may purchase securities on a when-issued basis, and it may purchase or sell securities for delayed delivery. These transactions occur when securities are purchased or sold with payment and delivery taking place in the future to secure what is considered an advantageous yield and price to the Target Fund at the time of entering into the transaction. Sufficient cash (in the case of purchases) or securities (in the case of sales) will be blocked within the relevant portfolio of the Target Fund in order to enable the Company to meet its obligation on payment and delivery date and satisfy redemption orders.
9. The United Nations Convention on Cluster Munitions was signed in December 2008 and came into force on 1 August 2010. It was ratified by the Luxembourg government through the law of 4 June 2009 that prohibits all use, stockpiling, production and transfer of cluster munitions. The law of 4 June 2009 also prohibits all persons, businesses and corporate entities from knowingly financing cluster munitions. The Investment Adviser has implemented procedures to comply with the above obligations.

V. Management of Collateral

General

Where the Target Fund enters into an OTC financial derivative transaction (including TRS) the counterparty risk of the Target Fund vis-a-vis a counterparty will be equal to the positive mark-to-market value of all OTC derivative transactions with that counterparty, provided that:

- (i) If there are legally enforceable netting arrangements in place, the risk exposure arising from OTC derivative transactions with the same counterparty may be netted; and
- (ii) If collateral is posted in favour of the Target Fund and such collateral complies at all times with the criteria set out in "Eligible Collateral" below, the counterparty risk of the Target Fund towards a counterparty under OTC derivative transactions is reduced by the amount of such collateral.

Eligible Collateral

Collateral obtained in respect of OTC financial derivative transactions ("Collateral") will only be taken into account to reduce a counterparty's risk exposure if it complies at all times with criteria laid down in the ESMA Guidelines 2014/937 and CSSF Circular 14/592 and provided that the following rules are complied with:

- (i) Collateral received other than cash shall 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;
- (ii) Collateral received shall be valued on at least a daily basis. Assets that exhibit high price volatility shall not be accepted as Collateral unless suitably conservative haircuts are in place;
- (iii) Collateral received should be of high quality;
- (iv) Collateral should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
- (v) Collateral should be sufficiently diversified in terms of country, markets and issuers; and
- (vi) Collateral should be capable of being fully enforced by the Target Fund at any time without reference to or approval from the counterparty.

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For each securities lending transaction and subject to a commitment that the equivalent securities will be returned on a future date or when requested to do so, the counterparty must provide cash in USD, EUR or JPY currency or cash equivalents, such as US Treasury securities as Collateral in an amount at least equivalent, at all times during the lifetime of the transactions, to the full current value of the securities lent. US Treasury securities generally have a maturity between one day and one year.

Reinvestment of Collateral

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

Cash received as Collateral may only be:

- (i) Placed on deposit with entities prescribed in article 50(f) of the UCITS Directive;
- (ii) Invested in high quality government bonds;
- (iii) Used for reverse repo transactions under which the cash is callable at any time; and
- (iv) Invested in short term money market funds.

Re-invested cash collateral must be diversified in accordance with the diversification requirements applicable to non-cash collateral. The Target Fund may be subject to a risk of loss in the case of a default of the relevant issuer or the relevant counterparty to transactions in which cash collateral has been reinvested.

Cash received as Collateral in the context of securities lending transactions will only be placed in deposits, or invested in high quality, liquid, and short term money market funds (as described above) preapproved by Capital Group.

Collateral Policy

The collateral policy that will be followed by the Target Fund to cover its exposure to an OTC financial derivative transaction is set out below.

The Management Company has established a list of authorised counterparties, eligible collateral, and haircut policies; and these may be revised or amended by the Management Company at any time.

The counterparties to any OTC financial derivative transaction, entered into by the Target Fund, are selected from a list of authorised counterparties established by the Management Company. The authorised counterparties are subject to prudential supervision and belong to categories approved by the CSSF.

The list of authorised counterparties may be amended with the consent of the Management Company.

Collateral is posted and received in order to mitigate the counterparty risk in OTC financial derivative transactions. Collateral is monitored and marked-to-market daily. Regular reporting is provided to the Management Company, administrative manager of the Company, and Investment Adviser.

Collateral posted in favour of the Target Fund under a title transfer arrangement should be held by the custodian of the Company or one of its correspondents or sub-custodians. Collateral posted in favour of the Target Fund under a security interest arrangement (e.g. a pledge) can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of collateral.

Cash Collateral received by the Management Company is only used as described under Reinvestment of Collateral above.

As part of its OTC financial derivatives transaction risk mitigation and in accordance with its internal policy relating to the management of collateral, the Management Company will determine:

- (i) the required level of collateral; and
- (ii) the level of valuation haircut applicable to non-cash assets received as collateral, taking into account the assets' characteristics (such as the credit standing of the issuers, the maturity, the currency and the price volatility of the assets).

A haircut is a discount applied to the value of a Collateral asset to account for the fact that its valuation, or liquidity profile, may deteriorate over time. Subject to the framework agreements in place with the relevant counterparty, which may or may not include minimum transfer amounts and/or threshold amounts of unsecured credit exposure that the parties are prepared to accept before asking for

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collateral, it is the intention of the Management Company that any collateral received shall have a value, adjusted in light of the haircut policy, which equals or exceeds the relevant counterparty exposure where appropriate.

Certain framework agreements or OTC financial derivatives transactions may require the posting of initial margin which is agreed between the parties at the time of each trade. Where initial margin is required, the value of collateral posted will be in excess of the value of the relevant OTC financial derivative transaction.

As of the date of the Target Fund's Prospectus, the Management Company typically accepts collateral types and applies the following haircuts in relation thereto:

Collateral Type	Typical Haircut
Cash	0%
Government Bonds	0.5% to 10%*
Non-Government Bonds	10% to 20%*

* These may vary depending upon the maturity of the security

The Management Company reserves the right to depart from the above haircut levels where it would be appropriate to do so taking into account the assets' characteristics (such as the credit standing of the issuers, the maturity, the currency and the price volatility of the assets). Furthermore, the Management Company reserves the right to accept collateral types other than those disclosed above.

Cash is denominated in major currencies and typically USD, GBP or EUR. Government bonds consist of bonds issued or guaranteed by a member state of the OECD or by their local authorities or supranational institutions and bodies of a community, regional or worldwide nature. Non-Government bonds are bonds issued by or guaranteed by high quality issuers offering adequate liquidity.

Specific Provisions Regarding The Collateral Applicable To Securities Lending

Where the Target Fund enters into securities lending transactions, the market value of the lent securities and of the collateral will be calculated each business day of the Target Fund. The collateral received will have a target coverage amounting to 102% for US securities and 105% for non-US securities of the total mark-to-market value of the lent securities. The ownership of the Collateral is transferred to the Target Fund and will be held by the depository of the Company (or a sub-custodian acting on behalf of the depository) on behalf of the Target Fund in accordance with the safekeeping duties of the depository of the Company under the agreement entered into between the Company and the depository of the Company. The Collateral is capable of being fully enforced by the Target Fund at any time without reference to or approval from the counterparty.

3.10 NET ASSET VALUE OF THE TARGET FUND

Frequency and Timing

The NAV of the Target Fund is calculated as of each valuation date of the Target Fund, after the cut-off time of the Target Fund. In addition, a NAV, for performance and fee calculation purposes only, is calculated on each business day of the Target Fund which is not a valuation date of the Target Fund, that falls on month-ends; no dealing activity can be based on such NAV per share of the Target Fund.

Calculation Principles

The NAV of the Target Fund is calculated by dividing the value of the portion of the assets of the Company properly attributable to the relevant class of the Target Fund, less the value of the portion of the liabilities of the Company properly attributable to such class of the Target Fund, by the total number of shares of such class of the Target Fund issued and outstanding as of the relevant valuation date of the Target Fund.

The NAV of the Target Fund will be rounded to two decimal places.

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Swing pricing adjustment

The Target Fund may suffer dilution of the NAV as a result of large subscriptions, redemptions or switches.

Such dilution would arise from shareholders of the Target Fund buying or selling shares of the Target Fund at a NAV which would not accurately reflect the dealing and other costs incurred when securities are traded to accommodate cash inflows or outflows. In order to counter such dilution impact, the Company adopts a swing pricing mechanism as part of its valuation policy.

If on any valuation date of the Target Fund, the net aggregate amount of subscriptions or redemptions in shares of the Target Fund exceeds a pre-determined threshold expressed as a percentage of the NAV of the Target Fund, the NAV may be adjusted upwards or downwards to reflect the costs attributable to the underlying trade in securities undertaken by the Investment advisers to accommodate inflows or outflows as the case may be. The swing pricing mechanism is applied on the net aggregate amount of subscriptions or redemptions in shares of the Target Fund and does not address the specific circumstances of each individual investor transaction.

The NAV will be first calculated separately as per the "Calculation Principles" as described above. Any swing pricing adjustment to such NAV will be applied systematically and consistently based on predefined factors.

The price adjustment may vary from fund to fund and will normally not exceed 3% of the original NAV. The Company may decide to (i) suspend the application of any swing pricing adjustment to the NAV of the Target Fund or (ii) increase this price adjustment limit, in exceptional circumstances such as pandemics, natural or environmental disasters, war, acts of terrorism, or other events leading to severe turmoil to protect the interests of shareholders of the Target Fund. Such price adjustment is available on the Management Company's webpage at capitalgroup.com/international concomitantly with the publication of the relevant NAV.

The Company, relying on the Management Company and its conducting officers' ongoing review, will reassess on a periodic basis the price adjustment factors to reflect an approximation of current dealing and other costs.

3.11 SUSPENSIONS OF DETERMINATION OF NAV AND OF ISSUE, SWITCH AND REDEMPTION OF SHARES OF THE TARGET FUND

The Company or, upon delegation of the Company, the Management Company, may suspend the determination of the NAV of any or all fund(s) or class(es) of the Company and suspend the issue, switch and redemption of shares of the Target Fund in the cases listed below:

- (a) any market(s) or stock exchange(s) on which a material part of the investments of the Target Fund are quoted, is/are closed, other than for official holidays, or when dealings are substantially restricted or suspended;
- (b) the disposal of the assets of the Target Fund or the determination of their value is not possible due to a local, regional or global crisis, a communications breakdown or similar circumstances;
- (c) the reliable determination of the value of the assets of the Target Fund is not possible, despite the use of fair valuation procedures as described under Section 3.10 "Net Asset Value of the Target Fund", due to exceptionally high levels of market volatility or similar circumstances;
- (d) as a result of exchange or other restrictions or difficulties affecting the transfer or remittance of funds, transactions are rendered impossible or impracticable, or when purchases and sales of assets cannot be effected at the normal rate of exchange;
- (e) a failure to do so might result in the of the Target Fund or the Company or shareholders of the Target Fund suffering any financial disadvantage which might not otherwise have been suffered;
- (f) in the case of the liquidation or merger of the Company or the Target Fund;
- (g) following a decision to merge a class of the Target Fund, the Target Fund or the Company, if justified with a view to protecting the interest of shareholders of the Target Fund; or

The suspension of the Target Fund will have no effect on the calculation of the NAV, and the issue, switch and redemption of the shares of the Company, of any other fund or its class.

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Investors who have applied for subscription and shareholders of the Target Fund who have requested switch or redemption of their shares in the Target Fund will be promptly notified of any suspension and of the termination of the suspension. Subscription, redemption and switch requests may be withdrawn until termination of the suspension has been notified. In case of subscription, the subscription amount will be returned, without interest, as soon as practicable following the date of withdrawal, at the applicant's expense and risk.

Subscriptions Deferral

If, on any valuation date of the Target Fund, the Target Fund receives subscription(s) for shares of the Target Fund with a combined value of 5% or more of its total net assets, the Management Company will have the right to defer such subscription(s) in excess of 5% of its total net assets, pro rata to the outstanding subscription requests, until the next or subsequent valuation date(s) of the Target Fund. The investors concerned will be promptly informed of this decision and will have the right to withdraw their subscription request, or the portion thereof that was deferred, by notifying the Management Company at the latest on the business day of the Target Fund following such notification before the cut-off time of the Target Fund. In the case of deferral of subscriptions, the relevant shares of the Target Fund will be issued at the NAV of the Target Fund, potentially adjusted upwards or downwards as the case may be as described under Section 3.10 "Swing pricing adjustment" determined as of the valuation date of the Target Fund corresponding to the valuation date of the Target Fund on which the subscription, or the relevant portion thereof, is effected.

Redemptions Deferral

The Company will not be bound to redeem on any valuation date of the Target Fund or in any period of four consecutive valuation dates of the Target Fund, more than 10% of the total net assets of the Target Fund, respectively, on such valuation date of the Target Fund or at the commencement of such period. In this event, the limitation will apply pro rata so that all redemption applications to be processed on a valuation date of the Target Fund to which such limitation applies will be processed in the same proportion. However, redemptions may be deferred for not more than five consecutive valuation dates of the Target Fund after the date of receipt of the redemption request, subject to a suspension of determination of NAV of the Target Fund as referred to above. In the case of deferral of redemptions, the relevant shares of the Target Fund will be redeemed at the NAV of the Target Fund, potentially adjusted upwards or downwards as the case may be as described under Section 3.10 "Swing pricing adjustment" determined as of the valuation date of the Target Fund on which the redemption, or the relevant portion thereof, is effected. If redemption(s) are deferred, the Management Company will inform the shareholder(s) of the Target Fund concerned, who will have the right to withdraw their redemption request, or the portion thereof that was deferred, by notifying the Management Company at the latest on the business day of the Target Fund following such notification, before the cut-off time of the Target Fund.

3.12 FEE OF THE TARGET FUND

The following fees and charges¹ are currently payable out of the assets of the Target Fund:

Sales Charge ²	A sales charge of up to 5.25% from any amount to be invested in
Redemption Charge	Nil
Management Fee ³	0.65%
Performance Fee	Nil
Annual Administration Charge ⁴	0.25% maximum
Transaction Cost ⁵	Estimated 0.1% of the value of your investment per year

Note:

¹ based on Class Z or equivalent shares of the Target Fund.

² No sales charge as the Target Fund is subscribing directly through the administrator of the Company

³ There will be no double charging of annual management fees. The management fee imposed on the Target Fund level will be taken from the annual management fee of up to 1.50% per annum of the NAV of the Fund charged by the Manager.

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⁴ *The annual administration charge of the Target Fund includes costs related, but not limited, to depositary and custody fees, paying agency, domiciliary agency, corporate agency, registrar and transfer agent, legal publications, prospectuses, financial reports and other documents made available to shareholders of the Target Fund, governmental charges, legal, auditing and quality controlling fees, registration, publication, translation, local advice, coordination, representation and other similar costs relating to the registration of shares of the Target Fund in foreign jurisdictions, reporting expenses (including in particular tax advisor fees for shareholder tax reporting of the Target Fund in various jurisdictions), communication costs, reasonable investor servicing expenses, payments related to placing certain funds on platforms that support wider distribution of the shares of the Target Fund and/or facilitate investments in the Target Fund, exchanges or markets, and any other platforms facilitating investment in the Target Fund; fund accounting and administrative service expenses, and generally any other expenses arising from its administration, operations or costs incurred in connection with its representation, VAT, where applicable, in relation to each of the charges and expenses noted above, other relevant charges that may occur from time to time.*

Charges relating to the creation of any new fund of the Company or class of the Target Fund may be written off against the assets of the Target Fund or class of the Target Fund over a period not exceeding five years and in such amounts in each year as determined on a fair basis.

⁵ *This is an estimate of the costs incurred when we buy and sell the underlying investments for the product. The actual amount will vary depending on how much we buy and sell.*

CHAPTER 4: TRANSACTION INFORMATION

4.1 COMPUTING OF NAV AND NAV PER UNIT

The NAV of the Fund means the total value of the Fund's investment, assets and properties less the Fund's expenses or liabilities incurred or accrued for the day, at a particular valuation point.

The NAV per Unit is the NAV of the Fund attributable to a Class divided by the number of Units in circulation for that particular Class, at the same valuation point.

The valuation of the Fund will be carried out on a daily basis in the Base Currency. Accordingly, all assets that are not denominated in USD will be translated to USD for valuation purposes. The foreign exchange rate used for this purpose shall be the bid foreign exchange rate quoted by Bloomberg or Refinitiv at 4.00 p.m. United Kingdom time (which is equivalent to 11.00 p.m. or 12.00 midnight (Malaysia time) on the same day) as the valuation point of the Fund or such time as may be prescribed under the relevant laws from time to time.

Due to multiple Classes in the Fund, the gain, income, expenses, and/or other expenses related to the Fund are apportioned based on the value of the Class (quoted in the Base Currency) relative to the value of the Fund (also quoted in the Base Currency), which is shown as MCR.

Please refer to the illustration below for the computation

An illustration of computation of NAV and the NAV per Unit for a particular day:-

Items	Fund (USD)	USD Class (USD)	AUD Hedged Class (USD)	SGD Hedged Class (USD)	MYR Class (USD)	MYR Hedged Class (USD)
Net Asset Value BF	47,190,512.83	9,652,515.85	10,560,492.47	8,734,571.11	5,256,680.71	12,986,252.69
Multi Class Ratio (MCR) %		20.45435676	22.37842277	18.50916760	11.13927439	27.51877848
Class gains	28,888.13	-	10,133.70	4,212.50	-	14,541.93
Gains, Income and Expenses	195,922.51	40,074.69	43,844.37	36,263.63	21,824.35	53,915.47
Gross Asset Value Before Fee	47,415,323.47	9,692,590.54	10,614,470.54	8,775,047.24	5,278,505.06	13,054,710.09
Management Fee	(1,948.57)	(398.33)	(436.21)	(360.62)	(216.92)	(536.49)
Trustee Fee	(38.97)	(7.97)	(8.72)	(7.21)	(4.34)	(10.73)
Net Asset Value	47,413,335.92	9,692,184.25	10,614,025.60	8,774,679.41	5,278,283.80	13,054,162.87
Units in Circulation		8,500,000.00	14,500,000.00	10,500,000.00	19,800,000.00	52,000,000.00
Exchange Rate		1.0000	1.5500	1.3700	4.5300	4.5300
NAV Per Unit in Fund Currency		1.14025697	0.73200177	0.83568375	0.26657999	0.25104159
NAV Per Unit in Class Currency		1.14025697	1.13460274	1.14488674	1.20760735	1.13721842
NAV Per Unit in Class Currency (Rounded to four decimals)		1.1403	1.1346	1.1449	1.2076	1.1372

Note:

The management fee and trustee fee for a particular day is illustrated based on 365 calendar days. In the event of a leap year, the computation will be based on 366 calendar days.

The calculation set out above is for illustration purposes and exclusive of any payable taxes and/or duties.

4.2 PRICING OF UNITS

We adopt the single pricing policy for any transaction. Under this regime, both the selling price and redemption price of Units are fixed at the Initial Offer Price during the Initial Offer Period. After the Initial Offer Period, the selling price and redemption price will be the NAV per Unit.

The daily NAV per Unit is valued at the next valuation point after a subscription application or a redemption request is processed by us, i.e., on forward price basis.

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Incorrect Pricing

The Manager shall take immediate remedial action to rectify any incorrect valuation and pricing of the Fund and/or the Units and to notify the Trustee and the relevant authorities of the same unless the Trustee considers the incorrect valuation and pricing of the Fund and/or the Units is of minimal significance. An incorrect valuation and pricing of the Fund and/or the Units shall result in reimbursement of moneys unless the Trustee considers that such incorrect valuation and/or pricing of the Fund and/or the Units is of minimal significance.

The Trustee shall not consider the incorrect valuation and pricing of the Fund and/or the Units is of minimal significance if the error involves a discrepancy of zero point five per centum (0.5%) or more of the NAV per Unit attributable to a Class unless the total impact on a Unit Holder's account of each Class is less than RM10.00 or an equivalent denomination in the currency that a particular Class of Units is denominated. An incorrect valuation and pricing not considered to be of minimal significance by the Trustee shall result in reimbursement of money in the following manner:

- (a) if there is an over valuation and pricing in relation to the application of Units, the Fund shall reimburse the Unit Holder;
- (b) if there is an over valuation and pricing in relation to the redemption of Units, the Manager shall reimburse the Fund;
- (c) if there is an under valuation and pricing in relation to the application of Units, the Manager shall reimburse the Fund; and
- (d) if there is an under valuation and pricing in relation to the redemption of Units, the Fund shall reimburse the Unit Holder or former Unit Holder.

Policy on rounding adjustment

In calculating your investments with us, the NAV per Unit of the Fund will be rounded to four (4) decimal places.

4.3 SALE OF UNITS

Minimum Initial Investment	USD Class	MYR Class	AUD Hedged Class	SGD Hedged Class	MYR Hedged Class
	USD5,000	RM5,000	AUD5,000	SGD5,000	RM5,000
	<i>or such other lower amount as we may decide from time to time.</i>				
Minimum Additional Investment	USD Class	MYR Class	AUD Hedged Class	SGD Hedged Class	MYR Hedged Class
	USD1,000	RM1,000	AUD1,000	SGD1,000	RM1,000
	<i>or such other lower amount as we may decide from time to time.</i>				

The Fund is open for subscription on each Business Day.

Application of Units must be submitted by completing the account opening form, which is available at our head office or any of our business centres. Please refer to Chapter 9, List of TA Investment Management Berhad's Office, Institutional UTS Advisers and Authorised Distributors for details.

Individual or joint application must be accompanied by a copy of the NRIC / passport or other documents of identification.

Corporate application must be accompanied by, where applicable, a certified true copy of the certificate of incorporation, memorandum and article of association or constitution, form 24 or return for allotment of shares under section 78 of the Companies Act 2016, form 44 or notice under section 46 of the Companies Act 2016 and form 49 or notice under section 58 of the Companies Act 2016, board resolution with list of authorised signatories and company seal (if applicable), latest audited financial statement, certified true copy of NRIC or passport or other form of identification of directors.

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The duly completed documents, together with the proof of payment and a copy of bank statement must be attached. Bank charges, where relevant, will be borne by investors. The validity of the transaction is subject to clearance of the payment made to us.

Any duly completed application form received through fax will only be deemed complete after we receive the original copy of the form together with the proof of payment. Receipt of fax copy will not be an indication of acceptance of application by us or completion of transaction. We shall not be responsible for applications not processed as a result of incomplete transmission of fax. A duly completed application received by us on or before 4.00 p.m. on any Business Day be it via fax, send in by post or walk-in, will be processed based on the NAV per Unit calculated at the end of the Business Day. Any application received by us after 4.00 p.m. will be deemed to have been received on the next Business Day. If an application is received by us on non-Business Day, such application request will be processed based on the NAV per Unit calculated at the close of the next Business Day. We reserve the right to reject any application that is unclear, incomplete and/or not accompanied by the required documents. Incomplete applications will not be processed until all the necessary information has been received.

Note: We reserve the right to accept or reject any application in whole or part thereof without assigning any reason.

All applicants intending to invest in a Class other than MYR Class or MYR Hedged Class are required to have a foreign currency account with any financial institution as all transactions relating to the particular foreign currency will ONLY be made via electronic fund transfers.

SOPHISTICATED INVESTORS ARE ADVISED NOT TO MAKE ANY PAYMENT IN CASH TO ANY INDIVIDUAL AGENT WHEN PURCHASING UNITS OF THE FUND

PLEASE BE ADVISED THAT IF A SOPHISTICATED INVESTOR INVESTS IN UNITS THROUGH AN IUTA WHICH ADOPTS THE NOMINEE SYSTEM OF OWNERSHIP, THE SOPHISTICATED INVESTOR WOULD NOT BE CONSIDERED TO BE A UNIT HOLDER UNDER THE DEED AS THE SOPHISTICATED INVESTOR'S NAME WILL NOT APPEAR IN THE REGISTER OF UNIT HOLDERS. THE SOPHISTICATED INVESTOR MAY CONSEQUENTLY NOT HAVE ALL THE RIGHTS ORDINARILY EXERCISABLE BY A UNIT HOLDER (FOR EXAMPLE, THE RIGHT TO CALL FOR A UNIT HOLDERS' MEETING AND TO VOTE THEREAT).

4.4 REDEMPTION OF UNITS

Redemption of Units can be made by completing a transaction form available from our head office or any of our business centres or by sending written instructions to us on any Business Day. The minimum redemption of Units for each Class is 1,000 Units or such other lesser number of Units as we may from time to time decide.

If you give us written instructions, your letter should include:

- (a) your investment account number;
- (b) the name of the Fund and its Class (if any) that you wish to redeem your Units from;
- (c) the number of Units that you intend to redeem; and
- (d) instructions on what we should do with the money (e.g. credit into your bank account).

A duly completed redemption request sent via fax is accepted by us. Receipt of fax copy should not be an indication of acceptance of a redemption request by us or completion of transaction. We shall not be responsible for redemption requests that are not processed as a result of incomplete transmission of fax. We reserve the right to reject any redemption request that is unclear, incomplete and/or not accompanied by the required documents. Investors are strongly advised to contact our customer service to confirm the receipt of instruction given by fax.

The Fund will be valued on a daily basis and the daily prices of the Fund will be published the next Business Day. The Fund's Unit prices are available on our website at www.tainvest.com.my or from our head office or any of our business centres listed in Chapter 9, List of TA Investment Management Berhad's Office, Institutional UTS Advisers and Authorised Distributors.

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Any duly completed redemption request received by us on or before 4.00 p.m. on a Business Day will be processed based on the NAV per Unit calculated at the end of the Business Day. A redemption request received after 4.00p.m. will be deemed to have been received on the next Business Day. If a redemption request is received by us on non-Business Day, the request will be processed based on the NAV per Unit calculated at the close of the next Business Day.

Under normal circumstances, the redemption proceeds will be paid to you within ten (10) Business Days from the day the redemption request is received by us based on the selected payment method stated in the transaction form received by our head office or any of our business centres. Should the redemption request of the Target Fund be deferred or suspended (as prescribed in Sections 2.2(e) and 3.11 of this Information Memorandum), the redemption of the Fund may also be deferred or suspended accordingly. The redemption proceeds will be paid to you within ten (10) Business Days after the suspension is lifted.

If any of the following circumstances shall occur which is beyond the control of the Manager:

- (i) operational, network or system disruptions involving the clearing houses, banks, Trustee, administrator (if any), custodian and/or Management Company; or
- (ii) settlement delays between the clearing houses, banks, Trustee, administrator (if any), custodian and/or Management Company,

the Manager may require up to two (2) additional Business Days for the Fund to receive the redemption proceeds, hence the redemption proceeds will be paid to you within twelve (12) Business Days from the date the transaction form is received by the Manager. Should the redemption request of the Target Fund be deferred or suspended, the redemption of the Fund may also be deferred or suspended accordingly. The redemption proceeds will be paid to you within twelve (12) Business Days after the suspension is lifted.

In case of joint holders, we will process the redemption request based on the operating instruction stated in the account opening form when you first invested in the Fund. For avoidance of doubt, all redemption proceeds will be made payable to the principal applicant by default, unless there is a request by the principal applicant that the redemption proceeds be made payable to the joint applicant.

The NAV per Unit of the Fund will be forwarded to the FIMM. We shall ensure the accuracy of the NAV per Unit forwarded to FIMM. We, however, shall not be held liable for any error or omission in NAV per Unit published by any third party as this is beyond the Manager's control. In the event of any discrepancy between the NAV per Unit published by any third party and our NAV per Unit computation, our computed NAV per Unit shall prevail.

We reserve the right to vary the terms and conditions of redemption payment from time to time, which shall be communicated to you in writing.

4.5 BASES OF VALUATION OF THE ASSETS OF THE FUND AND VALUATION FOR THE FUND

4.5.1 Bases of Valuation of the Assets of the Fund

The bases of valuation of the respective asset classes of the Fund are as follows:

Investment Instruments	Valuation Basis
Collective investment scheme	Collective investment scheme which is quoted on an exchange shall be valued based on the official closing price or last known transacted price on the Eligible Market on which the collective investment scheme is quoted. However, if the price is not representative or not available to the market, including a suspension in the quotation of the collective investment scheme for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, the collective investment scheme shall be valued at fair value.

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	Investments in unlisted collective investment scheme will be valued based on the last published redemption price or fair value as determined in good faith by us on methods and bases that will have to be approved by the Trustee.
Money market instruments	<p>Investments in money market instruments (with remaining term to maturity of not more than ninety (90) calendar days at the time of acquisition) are valued at book cost, meaning cost of acquisition plus accretion of discount on yield to maturity method.</p> <p>For negotiable instruments of deposit, valuation will be done using the indicative price quoted by the financial institution that issues or provides such instruments.</p> <p>Investments in money market instruments other than the above instruments will be valued by reference to the average indicative yield quoted by three (3) independent and reputable financial institutions or in accordance to fair value as determined in good faith by us on methods and bases that will have to be approved by the Trustee.</p>
Derivatives	<p>Listed or quoted derivatives will be valued based on the official closing price or last known transacted price on the Eligible Market on which the derivatives are quoted. However, if the price is not representative or not available to the market, including a suspension in the quotation of the derivatives for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, the derivatives shall be valued at fair value.</p> <p>If it is not listed or quoted on an exchange, the derivatives will be valued based on fair value as determined in good faith by us on methods or bases which will have to be approved by the Trustee.</p>
Deposits	Deposits placed with financial institutions will be valued each day by reference to the principal value of such investments and interest accrued thereon, if any, for the relevant period.
Foreign exchange conversion	Foreign exchange conversion of foreign investments for a particular Business Day is determined based on the bid foreign exchange rate quoted by Bloomberg or Refinitiv at United Kingdom time 4.00 p.m. which is equivalent to 11.00 p.m. or 12.00 midnight (Malaysia time) on the same day, or such other time as prescribed from time to time by FIMM or any relevant laws.
Any other instruments	Fair value as determined in good faith by us, on methods or bases which will have to be approved by the Trustee.

4.6 VALUATION FOR THE FUND

The Fund will be valued on a daily basis, which is on the Valuation Day.

If the Target Fund is closed for business or the valuation of the units or shares of the Target Fund is not available during the valuation point, the Manager will value the investment based on the latest available price as at the day the Target Fund was last opened for business or transacted.

Price of the Fund will be published on next Business Day and the Unit Holders may obtain the latest price of the Fund from our website at www.tainvest.com.my or FIMM's website.

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4.7 DISTRIBUTION PAYMENT

Distribution, if any, will be paid out in the currencies which the Class(es) are denominated.

Unit Holders may choose to receive any distribution declared in either of the following methods:

1) Reinvestment of Units

We will create the Units based on the NAV per Unit of the Class on the Reinvestment Date. There will not be any cost for reinvestment of those additional Units, i.e. no sales charge will be imposed on such transaction.

2) Cash Payment

Unit Holders should note that distribution payments, if any, will be made in the respective currency of the Class(es). As such, the distribution amount may be different for each Class as a result of exchange rate movement between the Base Currency and the currency denomination of the Class(es). The distribution will be paid into your bank account (which shall be in the respective currency of the Class(es)) in our records. All the cost and expenses incurred in facilitating such distribution payments shall be borne by Unit Holders.

Income distribution will be automatically reinvested on the Reinvestment Date without incurring any sales charge, if:

- Any distribution payable which is less than or equal to the amount of USD/AUD/SGD/RM 50.00, or such amounts as may be determined by the Manager from time to time. Unit Holders will be notified prior to any increase in the said minimum threshold amount, and any changes to such an amount will be updated on our website at www.tainvest.com.my;
- no distribution choice was made on the account opening form or transaction form; and/or
- there is no bank account details provided.

Note:

Any change in distribution instruction must be in writing. If this is done in the last fourteen (14) days before the distribution declaration date of the Class, the change will only take effect from the next distribution point, if any.

CHAPTER 5: THE MANAGER

5.1 BACKGROUND INFORMATION

The manager of the Fund is TA Investment Management Berhad (“TAIM”). TAIM was incorporated on 17 April 1995 under the Companies Act 1965 (*now known as Companies Act 2016*) and commenced operations on 1 July 1996. TA Securities Holdings Berhad, a wholly owned subsidiary of TA Enterprise Berhad, is the holding company of TAIM. TA Enterprise Berhad, an investment holding company has years of exposure and experience in investing in the Malaysian securities markets.

The principal activities of TAIM are the establishment and management of unit trust funds and portfolio clients. TAIM has more than twenty-nine (29) years of experience in managing unit trust funds.

5.2 ROLES, DUTIES AND RESPONSIBILITIES OF THE MANAGER

TAIM is responsible for the day to day management of the Fund and for the development and implementation of appropriate investment strategies. The main tasks performed by TAIM include:

- managing investments portfolio;
- processing the sale and redemption of Units;
- keeping proper records for the Fund;
- valuing investments of the Fund; and
- distributing income and/or capital to the Unit Holders.

5.3 BOARD OF DIRECTORS

The functions of the board of directors of the Manager are to elaborate, decide, endorse or resolve all matters pertaining to the Manager and the Fund at the board meetings that are held formally four (4) times yearly or as and when circumstances require.

The list of board of directors are available at our website at <https://www.tainvest.com.my/our-people/>.

5.4 INVESTMENT TEAM

The designated fund managers for the Fund are Choo Swee Kee and Lam Chee Mun. Their profiles are as set out below:

Mr. Choo Swee Kee, CFA
Chief Investment Officer

Swee Kee is the Chief Investment Officer and Executive Director of TAIM. He joined TAIM in July 2005 and has over twenty-five (25) years of experience in the investment and stock markets. He leads the investment team and is responsible for implementing the investment strategy of the funds and managing TAIM’s portfolio. After graduating, he began his career with Coopers & Lybrand in 1987 as a senior officer. Between 1990 and 1999, he worked as an analyst and fund manager in Singapore and Malaysia, gaining valuable experience in the investment field. Before joining TA Group, he was the Chief Investment Officer at KLCS Asset Management Sdn. Bhd. He holds a Bachelor of Business Administration from the National University of Singapore and is a Chartered Financial Analyst (CFA) charterholder.

Mr. Lam Chee Mun
Fund Manager

Lam is a fund manager at TAIM, where he is responsible for Malaysia and Regional equity investment and research. He also handles fixed income credit evaluation and investment. He works closely with the investment team on equity, fixed income, and money market investments for TAIM funds. In addition,

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he is involved in structured products and fund-of-funds investments. Prior to joining TAIM, he served as a compliance manager at KL Unit Trust Berhad for four (4) years and worked at a local stockbroking company for six (6) years. He holds a Bachelor of Business (BBBA) Degree from RMIT University, Australia.

5.5 MATERIAL LITIGATION

The disclosure of the Manager's material litigation and arbitration can be obtained from the Manager's website at <https://www.tainvest.com.my/company-information/>.

Further information and/or updated information about the Manager can be obtained from the Manager's website at www.tainvest.com.my.

CHAPTER 6: TRUSTEE

6.1 ABOUT CIMB COMMERCE TRUSTEE BERHAD

CIMB Commerce Trustee Berhad was incorporated on 25 August 1994 and registered as a trust company under the Trust Companies Act, 1949 and having its registered office at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470, Kuala Lumpur, Malaysia. The Trustee is qualified to act as a trustee for collective investment schemes approved under the Act.

6.2 EXPERIENCE AS TRUSTEE TO UNIT TRUST FUNDS

CIMB Commerce Trustee Berhad has been involved in unit trust industry as trustee since 1996. It acts as trustee to various unit trust funds, real estate investment trusts, wholesale funds, private retirement schemes and exchange-traded funds.

6.3 ROLES, DUTIES AND RESPONSIBILITIES OF THE TRUSTEE

The Trustee's functions, duties and responsibilities are set out in the Deed. The general functions, duties and responsibilities of the Trustee include, but are not limited to, the following:

- (a) Take into custody the investments of the Fund and hold the investments in trust for the Unit Holders;
- (b) Ensure that the Manager, operates and administers the Fund in accordance with the provisions of the Deed, Guidelines and acceptable business practice within the unit trust industry;
- (c) As soon as practicable, notify the SC of any irregularity or breach of the provisions of the Deed, Guidelines and any other matters which in the Trustee's opinion, may indicate that the interests of Unit Holders are not served;
- (d) Exercise reasonable diligence in carrying out its functions and duties, actively monitoring the operations and management of the Fund by the Manager to safeguard the interests of Unit Holders;
- (e) Maintain, or cause the Manager to maintain, proper accounting records and other records as are necessary to enable a complete and accurate view of the Fund to be formed and to ensure that the Fund is operated and managed in accordance with the Deed, this Information Memorandum, the Guidelines and securities law; and
- (f) Require that the accounts be audited at least annually.

The Trustee has covenanted in the Deed that it will exercise all due diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of Unit Holders.

6.4 TRUSTEE'S DELEGATE (CUSTODIAN)

CIMB Commerce Trustee Berhad has delegated its custodian function to CIMB Bank Berhad ("CIMB Bank"). CIMB Bank's ultimate holding company is CIMB Group Holdings Berhad, a listed company on Bursa Malaysia. CIMB Bank provides full fledged custodial services, typically clearing, settlement and safekeeping of all types of investment assets and classes, to a cross section of investors and intermediaries client based, both locally and overseas.

For the local Ringgit Malaysia assets, they are held through its wholly owned nominee subsidiary "CIMB Group Nominees (Tempatan) Sdn Bhd". For foreign non-Ringgit Malaysia assets, CIMB Bank appoints global custodian as its agent bank to clear, settle and safekeep on its behalf and to its order.

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All investments are automatically registered in the name of the custodian to the order of the Trustee. CIMB Bank acts only in accordance with instructions from the Trustee.

6.5 TRUSTEE'S DISCLOSURE OF MATERIAL LITIGATION AND ARBITRATION

As at the Last Practicable Date, CIMB Commerce Trustee Berhad is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee.

CHAPTER 7: SALIENT TERMS OF THE DEED

7.1 RIGHTS AND LIABILITIES OF THE UNIT HOLDERS

Rights of the Unit Holders

As a Unit Holder of the Fund, and subject to the provisions of the Deed, you have the right to:

- (a) receive distributions, if any, from the Fund;
- (b) participate in any increase in the NAV per Unit of the Fund/ class;
- (c) call for Unit Holders' meetings and to vote for the removal of the Trustee or the Manager through a Special Resolution;
- (d) receive quarterly and annual reports on the Fund; and
- (e) exercise such other rights and privileges as provided for in the Deed.

However, Unit Holders would not have the right to require the transfer to them any of the investments of the Fund. Neither would Unit Holders have the right to interfere with or to question the exercise by the Trustee (or by the Manager on the Trustee's behalf) of the rights of the Trustee as trustee of the investments of the Fund.

Note: Please be advised that if you invest in units through an IUTA which adopts the nominee system of ownership, you will not be considered as a unit holder under the deed and you may consequently not have all the rights ordinarily exercisable by a unit holder (for example, the right to call for a unit holders' meeting and to vote thereat and the right to have your particulars appearing in the register of unit holders of the fund).

Liabilities of Unit Holders

As a Unit Holder of the Fund, and subject to the provisions of the Deed, your liabilities would be limited to the following:

- (a) A Unit Holder would not be liable for nor would a Unit Holder be required to pay any amount in addition to the payment for Units of the Fund as set out in the Information Memorandum and the Deed.
- (b) A Unit Holder would not be liable to indemnify the Trustee and/or the Manager in the event that the liabilities incurred by the Trustee and/or the Manager on behalf of the Fund exceed the NAV of the Fund.

7.2 TERMINATION OF THE FUND

7.2.1 Termination of the Fund

Pursuant to the Deed, the Fund may be terminated by the Manager with the consent of the Trustee (whose consent shall not be unreasonably withheld) by giving not less than one (1) month's notice in writing to the Unit Holders as hereinafter provided:

- If any law shall be passed which renders it illegal or in the opinion of the Manager impracticable or inadvisable to continue this Fund; or
- If in the reasonable opinion of the Manager, it is impracticable or inadvisable to continue this Fund; or
- such other circumstance(s) or event(s) as set out in the Information Memorandum

7.2.2 Introduction and/or Termination of a Class of Units

The Manager may introduce and/or terminate a particular class of Units in accordance with the relevant laws. The Manager may only introduce and/or terminate a particular class of Units if the introduction and/or termination of that class of Units do not prejudice the interests of Unit Holders of any other class of Units. For the avoidance of doubt, the introduction and/or termination of a class of Units shall not affect the continuity of any other class of Units of the Fund.

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7.3 POWER TO CALL FOR A MEETING BY UNIT HOLDERS

7.3.1 Unit Holders' Meeting convened by the Unit Holders

Unless otherwise required or allowed by the relevant laws, the Manager shall, within twenty-one (21) days of receiving a direction from not less than fifty (50) or one-tenth (1/10), whichever is less, of all the Unit Holders of the Fund or of a particular class of Units, summon a meeting of the Unit Holders of the Fund or of a particular class of Units by:

- sending by post, or where allowed by any relevant law and/or authority, digitally or electronically, at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders;
- publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national daily newspaper; and
- specifying in the notice, the place, time and terms of the resolutions to be proposed.

The Unit Holders may direct the Manager to summon a meeting for any purpose including, without limitation, for the purpose of:

- requiring the retirement or removal of the Manager;
- requiring the retirement or removal of the Trustee;
- considering the most recent financial statements of the Fund; or
- giving to the Trustee such directions as the meeting thinks proper;

provided always that the Manager shall not be obliged to summon such a meeting unless direction has been received from not less than fifty (50) or one-tenth (1/10) of the relevant Unit Holders, whichever is less of the Unit Holders of the Fund or a particular class, where applicable.

7.3.2 Unit Holders' Meeting convened by the Manager or Trustee

Where the Manager or the Trustee convenes a meeting, the notice of the time and place of the meeting and terms of resolution to be proposed shall be given to the Unit Holders by sending by post, digitally or electronically a notice of the proposed meeting at least fourteen (14) days before the date of the proposed meeting, to each Unit Holder of the Fund or that class, as the case may be, at the Unit Holder's last known address or, in the case of joint holders, to the joint holder of the Fund or that class, as the case may be, whose name stands first in our records at the joint holder's last known address.

CHAPTER 8: ADDITIONAL INFORMATION

8.1 REPORTS AND UP-TO-DATE INFORMATION RELATING TO THE FUND

The quarterly and annual reports of the Fund will be made available to Unit Holders no later than two (2) months after the period that such reports covered.

A copy of this Information Memorandum and the monthly fund fact sheets relating to the Fund are available upon request from the Manager.

As for the Fund's daily NAV per Unit, it will be published on our website at www.tainvest.com.my. Unit Holders may contact us during our business hours from 9.00 a.m. to 6.00 p.m. from Monday to Friday (except public holidays) to obtain the latest NAV per Unit.

Note: The Fund's annual report is available upon request.

8.2 CUSTOMER SERVICE

When you invest in the Fund, the Manager will undertake to make available to you the following:

- Written confirmation on all transactions and distributions (if any);
- Monthly statement of account which shows the balance of Unit Holder's investments and all transactions made during the month, distribution details and investment value;
- Unaudited quarterly report for each of the Fund's financial quarter; and
- Audited annual report for the Fund's financial year-end.

If you have any questions about the information in this Information Memorandum or would like to know more about investing in any investment funds managed by the Manager, please contact our authorised distributors or our customer service officers on our toll free number at 1-800-38-7147 between 9.00 a.m. and 6.00 p.m., from Monday to Friday (except public holidays).

Where Units Can Be Purchased or Redeemed

In relation to the information on where Units can be purchased or redeemed, please refer to the addresses and contact numbers of the offices of TAIM as disclosed in Chapter 9, List of TA Investment Management Berhad's Office, Institutional UTS Advisers and Authorised Distributors.

AIMS@TA Investment

Is an online service that assists you in administering and tracking your unit trust investments more effectively and efficiently at our website, www.tainvest.com.my. There is no registration fee.

For security and compliance purposes, corporate investors who wish to register with the facilities are required to complete a hardcopy of a user application form that is available online.

8.3 ANTI-MONEY LAUNDERING POLICY

A customer acceptance procedure, which includes the identification and verification of identity of new customers, is conducted prior to entering into the relationship by Customer Due Diligence ("CDD"). Information, documents and evidence will be obtained depending on the types of applicant i.e. individual or corporate clients, etc. The classification of customer is based on risk-based approach whereby customers are classified into different risk level according to their background and investment threshold. Any suspicious transactions for Anti Money Laundering and Anti-Terrorist Financing and Targeted Financial Sanctions-Proliferation Financing will be reported to our compliance officer as well as to the local regulators, where applicable. All employees are required to adhere to these policies and procedures.

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8.4 UNCLAIMED MONEYS POLICY

Any moneys (other than unclaimed distribution) payable to Unit Holders which remain unclaimed after two (2) years from the date of payment or such other period as may be prescribed by the Unclaimed Moneys Act 1965 will be paid to the Registrar of Unclaimed Moneys by us in accordance with the requirements of the Unclaimed Moneys Act 1965. Unit Holders will have to liaise directly with the Registrar of Unclaimed Moneys to reclaim their moneys.

8.5 UNCLAIMED DISTRIBUTION

For income distribution payout by way of bank transfer, if any, which remained unsuccessful and/or unclaimed for six (6) months, it will be automatically reinvested into additional Units of the Class within thirty (30) Business Days after the six (6) months period based on the prevailing NAV per Unit on the day of the reinvestment provided that the Unit Holder still has an account with the Manager. For income distribution payout by way of cheque, if any, which remain unclaimed and/or not presented for payment by the expiry of six (6) months from the date of issuance of such cheques, will be automatically reinvested into additional Units of the Class within thirty (30) Business Days after the six (6) months period based on the prevailing NAV per Unit on the day of the reinvestment provided that the Unit Holder still has an account with the Manager. For the avoidance of doubt, there will not be any sales charge imposed for the reinvestment.

If the Unit Holder no longer has an account with the Manager, such payment of distribution will be dealt with in accordance with the requirements of the Unclaimed Moneys Act 1965.

CHAPTER 9: LIST OF TA INVESTMENT MANAGEMENT BERHAD'S OFFICE, INSTITUTIONAL UTS ADVISERS AND AUTHORISED DISTRIBUTORS

Head Office

TA Investment Management Berhad
23rd Floor, Menara TA One
22 Jalan P. Ramlee
50250 Kuala Lumpur

Telephone number: 03 2031 6603
Facsimile number: 03 2031 4479
Toll Free: 1-800-38-7147
Email address: investor.taim@ta.com.my
Website: www.tainvest.com.my

Miri Business Centre Lot 1251, 1st Floor
Centrepont Commercial Centre (Phase 1)
Jalan Melayu
98000 Miri, Sarawak
Tel: 085-430 415

Kota Kinabalu Business Centre Unit 4-1-02, 1st Floor
Block 4, Api-Api Centre
Jalan Centre Point
88000 Kota Kinabalu, Sabah
Tel: 088-268 023
Fax: 088-248 463

Kuching Business Centre 2nd Floor, Lot 13008, SL26, Block 16, KCLD
Gala City Commercial Centre
Jalan Tun Jugah
93350 Kuching, Sarawak
Tel: 082-265 979

Penang Business Centre 15-1-8, Bayan Point
Medan Kampung Relau
11900 Pulau Pinang
Tel: 04-645 9801
Fax: 04-611 9805

Melaka Business Centre 57A, Jalan Merdeka
Taman Melaka Raya
75000 Melaka
Tel: 06-288 2687

Ipoh Business Centre 29A, Jalan Niaga Simee
Arena Niaga Simee
31400 Ipoh, Perak
Tel: 05-545 5222

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Johor Bahru Business Centre 37-01, Jalan Molek 1/29
Taman Molek
81100 Johor Bahru
Johor
Tel: 07-361 1781

Institutional UTS Advisers or Authorised Distributors

For more details on the list of appointed IUTAs or authorised distributors, please contact the Manager.

HEAD OFFICE	TA Investment Management Berhad 23rd Floor, Menara TA One 22 Jalan P. Ramlee 50250 Kuala Lumpur Tel: 03-2031 6603 Fax: 03-2031 4479
MELAKA Business Centre	57A, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel: 06-288 2687
PENANG Business Centre	15-1-8, Bayan Point Medan Kampung Relau 11900 Pulau Pinang Tel: 04-645 9801 Fax: 04-611 9805
KOTA KINABALU Business Centre	Unit 4-1-02, 1st Floor Block 4, Api-Api Centre Jalan Centre Point 88000 Kota Kinabalu, Sabah Tel: 088-268 023 Fax: 088-248 463
KUCHING Business Centre	2nd Floor, Lot 13008, SL26, Block16, KCLD Gala City Commercial Centre Jalan Tun Jugah 93350 Kuching, Sarawak Tel: 082-265 979
MIRI Business Centre	Lot 1251, 1st Floor Centrepoint Commercial Centre (Phase 1) Jalan Melayu 98000 Miri, Sarawak Tel: 085-430 415
IPOH Business Centre	29A, Jalan Niaga Simee Arena Niaga Simee 31400 Ipoh, Perak Tel: 03-545 5222
JOHOR BAHRU Business Centre	37-01, Jalan Molek 1/29 Taman Molek 81100 Johor Bahru Johor Tel: 07-3611781

1-800-38-7147
www.tainvest.com.my