



A & P Macau Patacas Money Market Fund

Management Regulation

March 2024

This English version is a translation of the Chinese original. In the event of any discrepancy between the versions, the Chinese original will prevail.

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IMPORTANT INFORMATION FOR INVESTORS

Important - If you are in any doubt about the contents of this Management Regulation, you should seek independent professional advice.

The Manager and its directors accept full responsibility for the information contained in this Management Regulation as being accurate and confirm, having made all reasonable enquiries, to the best of their knowledge and belief, there are no other facts the omission of which would make such information misleading. However, neither the delivery of this Management Regulation nor the offer or issue of Units shall under any circumstances constitute a representation that the information contained in this Management Regulation is correct as of any time subsequent to the date of its publication. This Management Regulation may from time to time be updated. Investors should check the Manager's website at www.apfund.mo (this website has not been reviewed by the AMCM) for the latest version of the Management Regulation.

Distribution of this Management Regulation must be accompanied by a copy of the latest Informative Prospectus of the Fund, the latest available annual financial report of the Fund (if any) and any subsequent interim financial report. Units are offered on the basis only of the information contained in this Management Regulation, the latest Informative Prospectus and the above mentioned annual financial report and interim financial report. Any information given or representations made by any dealer, salesman or other person and (in either case) not contained in this Management Regulation should be regarded as unauthorised and accordingly must not be relied upon.

The Fund has been authorized by the Monetary Authority of Macao (AMCM) pursuant to Decree-Law 83/99/M. AMCM authorisation is not a recommendation or endorsement of the Fund, nor does it guarantee the commercial merits of the Fund or its performance. It does not mean a Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

Investment involves risk and investors should note that losses may be sustained on their investment. There is no assurance that the investment objective of the Fund will be achieved.

Investors should read the Management Regulation, particularly the section headed "Risk Factors", before making their investment decisions.

Important – If you are in any doubt about the contents of this Management Regulation, you should seek independent professional financial advice.

Enquiries and Complaints to the Manager

Any investor enquiries or complaints should be submitted in writing to the Manager's office:

A & P Investment Fund Management Company Limited

8GH, FBC

Av. Panoramica do Lago Nam Van

Macau

The Manager will respond to investors' enquiries or complaints in writing as soon as practicable.

Directory

Manager	A & P Investment Fund Management Company Limited 8 GH, FBC 810, Avenida Panoramica do Lago Nam Van Macau
Directors of the Manager	Bernardo Tavares Alves I Keng Pan Kot Man Cheong Leonel Alberto Alves Antonio Jose Felix Pontes He Zhong
Custodian (Depository)	Bank of China Macau Branch Bank of China Building Avenida Doutor Mario Soares Macau
Fund Administrator	Bank of China Macau Branch Bank of China Building Avenida Doutor Mario Soares Macau
Main Trading Counterparty	Bank of Communications Co., Ltd. Macau 16 F, AIA Tower 251A-301, Avenida Comercial de Macau Macau
Authorized Distributor (Placing Agent)	Bank of China (Macau) Limited Bank of China Building Avenida Doutor Mario Soares Macau
External Legal Counsel to the Manager	Leonel Alberto Alves Law Office 20 Andar, Edf. Comercial Nam Tung 517, Avenida da Praia Grande Macau
Auditors	Ernst & Young 21 F 39, Avenida de Almeida Ribeiro Macau

The Directors of the Manager

Bernardo Tavares Alves

Mr. Alves holds a BSc (Hons) in Banking & International Finance and is a Chartered Alternative Investment Analyst (CAIA). As the Chairman of the Board, Chairman of the Executive Committee, and Chief Investment Officer of A&P Investment Fund Management Company Limited, he commands a pivotal role in shaping the firm's investment philosophy and strategies. With an industry tenure commencing in 2008, Mr. Alves has crafted a distinct value-based investment approach, successfully implementing it across both public and private equities.

Under his leadership, A&P has orchestrated partnerships with two state-owned banks and has earned the distinct honour of becoming the first Macau-based company registered as an SFC HK approved advisor to a Fund Management Company. Collaborating with BOCHK Asset Management and BOC Macau Branch as the sole distributor, A&P has gained pivotal access to the inner workings of the Fund Management Industry, experience that will be applied on the company's current and future undertakings.

I Keng Pan

Mr. I holds an MBA in Executive Management and is currently the Co-CIO, a Director of the Board, and a Director of the Executive Committee at A & P Investment Fund Management Company Limited. With over 30 years of experience in Macau's central banking system, he specializes in money market and foreign exchange operations, having significantly contributed to the management of Macau Government's Exchange and Fiscal Reserves since 2012.

He has previously served as an Honorary Technical Adviser to the Macau Financial Markets Association and was a Director at A & P Investment and Consultancy Limited, being instrumental in the company securing SFC HK approval as an advisor to a Fund Management Company. Mr. I brings a wealth of experience and a proven track, ensuring both stability and innovation in our investment approaches.

Kot Man Cheong

Mr. Kot holds a Master of Business Administration and currently serves as the CEO, a Director of the Board, and a Director of the Executive Committee at A&P Investment Fund Management Company Limited. Launching his banking career at HSBC Macau in 1982, Mr. Kot became Treasury Officer from 1987 to 1992. During his tenure, he specialized in FX and Money Market operations and witnessed and actively participated in the launch of the Monetary Bills by AMCM in 1987. He also took on the critical responsibility of contributing to the Macau Interbank Offer Rates (MAIBOR) as one of the initial five banks involved in its formation.

Mr. Kot served as the President of the Macau Financial Markets Association from 2000 to 2004 and was a member of the Executive Board of the Macau Institute of Financial Services between 2002 and 2005. His versatile experience spans Retail, Private, Corporate, and Commercial Banking in key management roles. Additionally, as the former CEO of A&P Investment and Consultancy Limited, Mr. Kot led the firm to become the first Macau-based company to gain SFC HK approval as an advisor to a Fund Management Company. His extensive experience and leadership acumen serve as invaluable assets to our strategic and operational capabilities.

Leonel Alberto Alves

Director of the Board

Member of Legislative Assembly (1984-2017), held the function of First Secretary (1996-2009)

Previously the Vice President of the Basic Law Advisory Board of the Macao SAR

Legal advisor to numerous credit institutions in Macau and a lawyer for the Macao Banking Association

President of the General Assembly of the Santa Casa da Misericórdia of Macao since 1998

Macao SAR Silver Lotus Medal of Honor (2019), Macao SAR Medal of Professional Merit (2002), Order of the Infante Medal (1999), Macao Government Medal of Professional Merit (1997)

Concurrent Positions:

- Registered Lawyer and Notary in Macao
- Member of the National Committee of the Chinese People's Political Consultative Conference since 2008
- Member of the Executive Council since 2005

António José Félix Pontes

Director of the Board, Director of the Executive Committee and Chief Compliance Officer

Over 40 years of experience in central banking and financial services industry in Macau.

Deputy Chairman of the General Assembly of "Santa Casa de Misericórdia de Macao"

Regional Advisory Board and Chief Representative for Macau–Greater Bay Area Impact Forum Foundation (GBAIFF)

Held various key positions including Executive Director of AMCM and Macao Insurance Commissioner, Council member of Advisory Council of AMCM, Legislator in Macao Legislative Council, etc.

Concurrent Position:

- Adjunct Assistant Professor in Practice in the Faculty of Business Administration of the University of Macau
- Independent Non-Executive Director of Well Link Bank Ltd.

He Zhong

Director of the Board

Over more than 25 years of fund management experience

Previously Deputy General Manager, Head of Research (RO), Director, Member of Executive Committee of Asset Management Department of China Merchants Securities (CMS) (Hong Kong) and Executive Director, CIO, RO (HK Investment/Research), Deputy General Manager of Asset Management of China Merchants Securities (CMS)

Previously Economist & Section Chief of China Insurance Regulatory Commission (CIRC) and People's Bank of China (PBOC)

Managed operations & investments of both China Merchants Securities (CMS) Asset Management Department (Mainland Market) and China Merchants Securities (CMS) Asset Management (Hong Kong) (Hong Kong Market).

Managed NCSF's (National Council for Social Security Fund) Portfolio 604 (Balanced) & Portfolio 110 (Equity); Portfolio 604 ranked No.1

Managed CMF Money Market Fund, China's 3rd largest mutual fund (AUM 3 billion USD)

DEFINITIONS

The defined terms used in this Management Regulation have the following meanings:

Decree-Law 83/99/M

Regulate the constitution and operation of investment funds and investment fund management companies in Macau.

83/99/M Article 36.1.b & c

Contract loans on behalf of the funds they administer, unless in exceptional situations and when they are short-term loans no longer than one hundred and eighty days and amounting to a maximum of 10% of the total value of the relevant fund.

Pledge the fund's assets in any manner, except to obtain the loans referred to in the preceding paragraph.

"AMCM"

Monetary Authority of Macao

Accumulation or capitalization fund

Investment funds whose management regulations make provision for automatic reinvestment of profits generated, increasing the value of the portfolio and not distributing income.

"Accounting Date"

31 December in each year

"Authorised Distributor (Placing Agency)"

Bank of China (Macau) Limited. Credit institutions contractually responsible for placing participation units of a fund on the market for public subscription.

"Business Day"

A day (other than a Saturday and Sunday) on which banks in Macau are open for normal banking business or such other day or days as the Manager and the Custodian may agree from time to time provided that where as a result of a number 8 typhoon signal, black rainstorm warning or other similar event, the period during which banks in Macau are open on any day is reduced, such day shall not be a Business Day unless the Manager and the Custodian determine otherwise.

"Custodian (Depository)"

Bank of China Macau Branch, safekeeps assets of an investment fund, together with other functions described in the law, the Management Regulation, and respective Custodian Contract.

“Dealing Day”

The days on which Units are subscribed for or redeemed for the Fund.

“Dealing Deadline”

11 a.m. (Macau time) on a Dealing Day or such other time as the Manager may from time to time with the approval of the Custodian determine, as described for the Fund.

“Fund”

A & P Macau Patacas Money Market Fund

“Fund Administrator”

Bank of China Macau Branch, responsible for the registration of the respective participation units, together with other functions described in the law, the Management Regulation, and respective Service Agreement.

“HKD”

Hong Kong Dollar, the lawful currency of Hong Kong

“Initial Offer Period”

In respect of the Fund, the period during which Units in that Fund will be offered for subscription at a fixed price as specified in the relevant document.

“Macau”

Macau Special Administrative Region of the PRC

“Management Regulation”

This Management Regulation may be amended, updated or supplemented from time to time.

“Manager (Fund Manager)”

A & P Investment Fund Management Company Limited, legally authorized to administer one or more investment funds, namely, to exercise the rights inherent to the values contained in the respective assets, as well of others described in the present laws and regulations and in the Management Regulations of those funds.

“MOP”

Macau Patacas, the lawful currency of Macau

“Net Asset Value”

The net asset value of the Fund or of a Unit, as the context may require, calculated in accordance with the provisions of the Fund’s “Valuation.”

Open-end Fund

Investment fund consists of a varying number of participation units which can be redeemed at their updated value.

“Redemption Price”

The price at which Units will be redeemed as more fully described in the section headed “Redemption of Units”.

“Subscription Price”

The price per Unit at which Units of a particular class will be issued.

“Unit”

Equity representing each part of equal value into which the net assets of an investment fund are divided.

“Unitholder/Participant”

Individual or corporate person who owns one or more units in an investment fund.

“USD”

United States Dollars, the lawful currency of the United States

“U.S. Treasury Bills”

Treasury Bill (T-Bill) is a short-term U.S. government debt obligation backed by the Treasury Department until a maturity of one year or less

“Valuation Day”

Each Dealing Day

“Valuation Point”

The close of business in the last relevant market to close on each Valuation Day or such other time on such other day to calculate the Net Asset Value.

The Fund

A & P Macau Patacas Money Market Fund (Fund) has been authorized by the Monetary Authority of Macao (AMCM) pursuant to Decree-Law 83/99/M.

It is an open-ended, accumulated, indefinite duration, public fund and all Unitholders/Participants are entitled to the benefit of, are bound by and deemed to have notice of the Management Regulation of the Fund.

The Manager has set a minimum total subscription amount of MOP200,000,000 to be received during the initial offer period failing which the Manager may either extend the initial offer period or decide that the Fund shall not launch. Notwithstanding the aforesaid, the Manager reserves the right to proceed with the launch of the Fund even if the minimum total subscription amount is not achieved. If the Manager decides not to launch the Fund, application moneys paid by applicants will be returned without interest within 7 Business Days after the close of the initial offer period by cheque through the post or by telegraphic transfer to the bank account from which the moneys originated, at the risk and expense of the applicants or in such other manner determined by the Manager and the Custodian.

The Fund, after successful IPO, will suspend redemption for the first 30 days for asset allocation while subscription will remain open as determined by the Manager and the Custodian.

The Distributor is required to inform the Manager of any subscriptions or subsequent subscriptions above MOP5,000,000 or an equivalent amount of HKD/USD per transaction and obtain the Manager's prior consent.

The Fund may borrow up to 10% of its total Net Asset Value but only on a temporary basis of no longer than 180 days for the purpose of meeting redemption requests or defraying operating expenses.

Investment Objective

The investment objective is to invest in high-quality money market instruments and short-term bank deposits. The Fund's primary consideration is to preserve capital. The Manager seeks to allocate the fund's core assets of money market instruments to achieve a better return and ready availability of monies. There can be no assurance that the Fund will achieve its investment objective.

Management of the Fund

The Manager (Fund Manager)

The Manager of the Fund is A & P Investment Fund Management Company Limited.

The Manager was incorporated in Macau on 11 January 2023. It is licensed to conduct investment fund business according to Executive Order no. 50/2022 (<http://images.io.gov.mo//bo/i/2022/51/orde-50-2022.pdf>) dated 19 December and pursuant to Decree-Law 83/99/M.

The Manager undertakes the investment of the assets of the Fund in accordance with the investment policy described in the Management Regulation. The Manager coordinates the assessing of the value of participation units and with the parties involved in the Fund's accounting and is responsible for the publishing of the financial statements/reports of the Fund. The Manager complies with the duties to provide information established by law or in the Management Regulation.

The Manager is not prepared to appoint Discretionary Manager and Abroad Custodian for the Fund.

The Fund Administrator

The Manager has appointed Bank of China Macau Branch as the Fund Administrator of the Fund.

Bank of China Macau Branch is responsible for providing transfer agency services to the Fund based on the service agreement, including but not limited to, processing applications for the subscription, conversion, and redemption of the Units. It will also be responsible for the calculation of the Fund's NAV and NAV per unit on every dealing day.

The Fund Manager is responsible for determining the value of the Fund's units. The fund administrator would calculate the Fund's NAV and NAV per unit based on the management regulations and the service agreement on every dealing day to assist the fund manager to determine the value of the Fund's units.

The Custodian (The Depositary)

The Manager has appointed Bank of China Macau Branch as the Custodian of the Fund.

The Custodian is the largest banking group in Macau. It offers a full range of banking services, including global custody and fund-related services for institutional clients.

It shall take into custody or under its control all the investments, cash and other assets, hold them for the unitholders/participants of the Fund in accordance with the provisions of the Custodian contract and Management Regulation and, to the extent permitted by law, such investments, cash and registrable assets shall be registered in the name of or to the order of the Custodian and such investments, cash and other assets of the Fund shall be dealt with as the Custodian may think proper for the purpose of providing for the safe keeping thereof.

The Custodian will prepare an informative report on the accomplishment of the Management Regulation by the Manager in the annual report of the Fund.

The Custodian shall not be responsible for any act, omission or bankruptcy of Euroclear Bank S.A./N.V., Clearstream Banking, S.A. or any other such central depository or clearing system in relation to any investment deposited with such central depository or clearing system.

The Manager is responsible for making investment decisions in relation to the Fund. The Custodian shall take reasonable care to supervise that the investment and borrowing limitations set out of this Management Regulation are complied with and save for the aforesaid, the Custodian is not responsible and has no liability for any investment decision made by the Manager.

The Custodian is not responsible for the preparation or issue of this Management Regulation and therefore accepts no responsibility for any information contained in this Management Regulation other than the descriptions under this section headed "The Custodian".

Authorized Distributor(s) (Placing Agencies)

The Manager has appointed Bank of China (Macau) Limited to be the Authorized Distributor to distribute units of the Fund and to receive applications for subscription, redemption and/or switching of Units (if any) on the Manager's behalf.

Auditors

The Manager has appointed Ernst & Young the Auditor of the Fund.

Liability of the Manager and Custodian

- The Manager and the Custodian must, in the course of their duties, act independently and in the exclusive interest of the Unitholders/Participants.
- The Manager and the Custodian are jointly liable to Unitholders/Participants, under the terms of the law, the custodian contract, and the management regulation, for the fulfilment of all commitments contracted in exercising their respective duties.
- The fact that the Manager and the Custodian may have entrusted part of all of their duties to a third party cannot be invoked as a cause for excluding themselves from claims of liability.

Investment Objective and Policy

The investment objective is to invest in high-quality short term U.S. Treasury Bills and short-term bank deposits. The Fund's primary consideration is to preserve capital. The Manager seeks to allocate the fund's core assets of money market instruments, including U.S. Treasury Bills and short-term bank deposits to achieve a better return and ready availability of monies.

Investment Strategy and Risk Control Policy

The Fund seeks to achieve its investment objective by investing primarily in U.S. Treasury Bills backed by Treasury Department of U.S. government and MOP/ HKD /USD-denominated and settled short-term deposits by credit institutions.

Asset	AUM Range
Cash	3% - 10%
Treasury Bills	0% - 35%
Bank Deposits	60% - 95%

The Manager will allocate the assets of the Fund with maturity targeted to providing daily liquidity to meet any level of redemption demands.

The aggregate value of the Fund's holding of deposits issued by a single entity will not exceed 10% of the total Net Asset Value of the Fund and 25% of the total Net Asset Value of the Fund provided the entity is a state-owned credit institution.

State-owned credit institutions are institutions with no less than 35% stakes owned by the Ministry of Finance of PRC/Central Huijin Investment Ltd/National Social Security Fund of PRC.

The Fund will only place deposits and purchase Treasury Bills up to 366 days (in case of leap year).

The Fund may borrow up to 10% of its total Net Asset Value but only on a temporary basis of no longer than 180 days for the purpose of meeting redemption requests or defraying operating expenses.

The Fund, after the successful IPO, will suspend redemption for the first 30 days, as determined by The Manager, Custodian and Distributor, for asset allocation while subscription will remain open.

Risks Factors

Market Risk

- The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore the investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- *Short-term instruments risk*: As the Fund invests significantly in short-term instruments with short maturities, it means the turnover rates of the Fund's investments may be relatively high and the transaction costs incurred may have a negative impact on the Net Asset Value of the Fund.
- *Sovereign debt risk*: The Fund's investment in debt securities issued or guaranteed by governments may be exposed to political, social, and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.
- *Valuation risk*: Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the Net Asset Value of the Fund.

Level of Risk – Low

Risks associated with bank deposits

- Bank deposits are subject to the credit risks of the relevant credit institutions. The Fund's deposit may not be protected by any deposit protection schemes, or the value of the protection under the deposit protection schemes may not cover the full amount deposited by the Fund. Therefore, if the relevant credit institution defaults, the Fund may suffer losses as a result.

Level of Risk – Low

Currency risk

The Fund's investments may be quoted in currencies other than the Fund's base currency (Macau Patacas). The Fund's value may fluctuate favourably or unfavourably in response to fluctuations in exchange rates between such currencies and Macau Patacas and by changes in exchange rate controls.

Level of Risk – Low

Concentration risk

The Fund will invest in the MOP/HKD/USD denominated instruments. Although the Fund adopts a diversified investment strategy, the Fund may be susceptible to adverse economic events.

Level of Risk – Low

Classes of Units

Min. investment:

Class	Min. Subscription Amount	Min. Subsequent Subscription Amount
Class A1 (MOP)	MOP5,000	MOP500
Class V1 (MOP) (Institution Clients)	MOP50,000	MOP1,000
Class A2 (HKD)*	HKD5,000	HKD500
Class V2 (HKD)* (Institution Clients)	HKD50,000	HKD1,000
Class A3 (USD)*	USD1,000	USD100
Class V3 (USD)* (Institution Clients)	USD5,000	USD500

The Manager may in its discretion agree to accept applications for subscription/subsequent subscription and redemption of all/certain classes below the applicable minimum amounts.

*The launch of subscription/redemption in HKD/USD classes of the Fund is subject to agreement between the Fund Manager and the authorized Distributor.

Dealing Day and Dealing Deadline

The Manager may from time to time with the approval of the Custodian determine generally the time on such Dealing Day or on such other Business Day (on which Units may from time to time be sold) prior to which instructions for subscriptions, redemptions are to be received in order to be dealt with on a particular Dealing Day.

Investors should note that subscription, redemption of Units must be placed through Authorised Distributor(s) or through other authorised and/or electronic means as from time to time determined by the Manager. Dealing through the Authorised Distributor(s) or other authorised electronic means may involve different dealing procedures and an earlier cut-off time may be imposed before the Dealing Deadlines for receiving instructions. Investors should confirm the arrangements with the Authorised Distributor(s) concerned.

Valuation

Valuation Day will be the relevant Dealing Day and the Valuation Point is the close of business in the last relevant market to close on each Valuation Day or such other time on a Valuation Day or such other day as the Manager and the Custodian may from time to time to determine.

Subscription and Redemption Prices

The Subscription Price on any Dealing Day will be the price per Unit ascertained by dividing the Net Asset Value of the relevant class of the Fund as at the Valuation Point in respect of the relevant Dealing Day by the number of Units of such class of that Fund then in issue and rounded to 4 decimal places (0.00005 and above being rounded up; below 0.00005 being rounded down) or in such manner and to such other number of decimal places as may from time to time be determined by the Manager after consulting the Custodian. Any rounding adjustment will be retained by the Fund.

In determining the Subscription Price, the Manager is entitled to add an amount it considers represents an appropriate provision for extraordinary transactional fees or expenses, including stamp duty, other taxes, brokerage, bank charges, transfer fees and registration fees, which are customarily incurred in investing a sum equal to the application monies and issuing the relevant Units or the remittance of money to the Custodian. Any such additional amount will be paid to the Custodian and will form part of the assets of the Fund.

The Manager is entitled to impose a subscription fee on the Subscription Price of each Unit. The Manager may retain the benefit of such subscription fee or may pay all or part of the subscription fee (and any other fees received) to recognised intermediaries or such other persons as the Manager may at its absolute discretion determine.

The Redemption Price on any Dealing Day will be the price per Unit ascertained by dividing the Net Asset Value of the relevant class of the Fund as at the Valuation Point in respect of the relevant Dealing Day by the number of Units of such class then in issue and rounded to 4 decimal places (0.00005 and above being rounded up; below 0.00005 being rounded down) or in such manner and to such other number of decimal places as may from time to time be determined by the Manager after consulting the Custodian. Any rounding adjustment will be retained by the Fund.

In determining the Redemption Price, the Manager is entitled to deduct an amount which it considers represents an appropriate provision for extraordinary transactional fees or expenses, including stamp duty, other taxes, brokerage, bank charges, transfer fees and registration fees, which are customarily incurred by the Fund. Any such deducted amount will be retained by and form part of the assets of the Fund.

Valuation rules

The Net Asset Value of the Fund will be calculated by valuing the assets of the Fund and deducting the liabilities attributable to the Fund. These liabilities include, without limitation, any management fee, custodian fee, any taxes, any borrowings and the amount of any interest and expenses thereon, any other costs or expenses expressly authorised by the Management Regulation.

The value of the assets of the Fund will be determined as at each Valuation Point in accordance with the Management Regulation. The Management Regulation provides (inter alia) that:

- cash, deposits and similar investments shall be valued at their face value (together with accrued interest) unless, in the opinion of the Manager in consultation with the Custodian, any adjustment should be made to reflect the value thereof.
- Treasury Bills shall be valued at their discount value (together with accrued capital appreciation) unless, in the opinion of the Manager in consultation with the Custodian, any adjustment should be made to reflect the value thereof.
- the Manager may, in consultation with the Custodian, adjust the value of any investment or permit some other method of valuation to be used if, having regard to relevant circumstances, the Manager considers that such adjustment is required to reflect the fair value of the investment.

The Fund is adopting an accumulation policy in which all benefits including but not limited to interest, capital appreciation will be collected into Net Asset Value of the Fund.

Expenses and Charges

Management Fee

The Manager is entitled to receive a management fee accrued daily and payable monthly in arrears out of the Fund as a percentage of the Net Asset Value of the Fund as at each Valuation Day at the rates set out in the Fund's Informative Prospectus subject to a maximum fee of 1% per annum.

The Manager shall pay the fees of any sub-investment manager and investment adviser which it has appointed, any such sub-investment managers and investment adviser will not receive any remuneration directly from the Fund.

Unitholders shall be given not less than one month's prior notice should there be any increase of the management fee from the current level to the maximum level.

Fund Administrator Fee

The Fund Administrator is entitled to receive a fund administrator fee accrued daily and payable monthly in arrears out of the Fund as a percentage of the Net Asset Value of the Fund as at each Valuation Day at the rates set out in the Fund's Informative Prospectus subject to a maximum fee of 0.5% per annum.

Unitholders shall be given not less than one month's prior notice should there be any increase of the fund administrator fee from the current level to the maximum level.

Custodian Fee

The Custodian is entitled to a Custodian Fee accrued daily and payable monthly in arrears out of the Fund as a percentage of the Net Asset Value of the Fund as at each Valuation Day at the rates set out in the Fund's Informative Prospectus subject to a maximum fee of 0.5% per annum.

Unitholders shall be given not less than one month's prior notice should there be any increase of the Custodian Fee from the current level up to the maximum level.

In respect of the Fund, the Custodian is entitled to, among others, transaction charges at customary market rates. The Custodian will also be entitled to reimbursement by the Fund for any out-of-pocket expenses incurred in the course of its duties.

Establishment Costs

The costs for establishing the A & P Macau Patacas Money Market Fund are MOP200,000. These costs will be charged to the Fund and amortised over the first accounting period of this Fund, or such other period as determined by the Manager after consultation with the Auditor.

General

The Fund will bear the cost of (a) all stamp and other duties, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, custodian or sub-custodian's fees and expenses, collection fees and expenses, insurance and security costs, and any other costs, charges or expenses payable in respect of the acquisition, holding and realisation of any investments or cash, deposit or loan (b) the fees and expenses of the Auditors and the Units registration - Fund Administration, (c) fees charged by the Fund Administration in connection with valuing the assets of the Fund or any part thereof, calculating the issue and redemption prices of Units of the Fund and preparing financial statements, (d) all legal charges incurred by the Manager or the Custodian in connection with the Fund, (e) out-of-pocket expenses incurred by the Custodian wholly and exclusively in the performance of its duties, (f) the expenses of or incidental to the preparation of deeds supplemental to the Management Regulation, (g) without prejudice to the generality of the foregoing, all costs incurred in publishing the issue and redemption prices of Units of the Fund, all costs of preparing, printing and distributing all statements, accounts and reports pursuant to the provisions of the Decree-Law 83/99/M (including the Auditors' fees and Custodian's fee), the expenses of preparing and printing any Management Regulation, and any other expenses, deemed by the Manager, after consulting the Custodian, to have been incurred in compliance with or in connection with any change in or introduction of any law or regulation or directive (whether or not having the force of law) of governmental or regulatory authority or with the provisions of the Decree-Law 83/99/M.

For so long as the Fund is authorised by the AMCM, no advertising or promotional expenses shall be charged to the Fund so authorised.

Suspending Subscription and Redemption or only Redemption

With a view to protecting the interests of Unitholders, the Manager is entitled to suspend subscription and redemption, or only redemption of the Fund: -

- When there are 5% more requests to redeem units than to subscribe to them in a single day, or if these requests exceed 10% of the total Net Asset Value of the Fund over a maximum five-day period.

AMCM can order, by its initiative or by request of the Manager, the suspension of subscription and redemption, or only the redemption under extraordinary circumstances.

Suspension of calculation of Net Asset Value

The Manager may, after consultation with the Custodian, having regard to the best interests of the Unitholders, suspend the subscription and redemption of Units in which the calculations of the Net Asset Value of the Fund is suspended: -

1. there is a breakdown in the systems and/or means of communication normally employed in ascertaining the Net Asset Value of the Fund or the Net Asset Value per Unit, Subscription Price or Redemption Price of the relevant class, or when for any other reason the Net Asset Value of the Fund or the Net Asset Value per Unit, Subscription Price, or Redemption Price of the relevant class cannot be ascertained in a prompt or accurate manner.
2. circumstances exist as a result of which, in the opinion of the Manager, it is not reasonably practicable to realise a substantial part of the investments of the Fund or it is not possible to do so without seriously prejudicing the interests of Unitholders.
3. the business operations of the Manager, the Custodian in relation of the operations of the Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riot, strikes, or acts of God.
4. when the Manager has given notice to terminate the Fund.
5. the issue, redemption or transfer of Units of the Fund or class would result in the violation of any applicable law or a suspension or extension is, in the opinion of the Manager, required by any applicable law or applicable legal process.

Market Timing

The Manager does not authorize practices connected to market timing. It reserves the right to reject any applications for subscriptions, redemptions of Units from a Unitholder which it suspects of using such practices and to take such other measures as it considers necessary to protect the Unitholders of the Fund.

Market timing is to be understood as an arbitrage method through which a Unitholder systematically subscribes, redeems Units within a short time period, by taking advantage of time differences and/or imperfections of deficiencies in the method of determination of the Net Asset Value of the Fund.

Timing of Redemption Proceeds

Redemption proceeds will be paid in the base currency by direct transfer, normally within 5 Business Days after the relevant Dealing Day and in any event within one calendar month of the relevant Dealing Day or (if later) receipt of a properly request for redemption of Units, unless the market(s) in which a substantial portion of investments is made is subject to legal or regulatory requirements (such as foreign currency controls), rendering the payment of the redemption money within the aforesaid time period not practicable. In such case, the extended time frame for payment should reflect the additional time needed in light of the specific circumstances in the relevant market(s). Any bank charges associated with the payment of such redemption proceeds will be borne by the redeeming Unitholder.

Redemption proceeds will only be paid to a bank account that bears the name of the redeeming Unitholder.

Termination of the Fund

The Fund shall be terminated in one of the ways set out below.

The Fund may be terminated by the Custodian on notice in writing, provided that the Custodian shall certify that in its opinion the proposed termination is in the interest of Unitholders,

(a) if the Manager goes into liquidation, becomes bankrupt or if a receiver is appointed over any of their assets and not discharged within 60 days: or

(b) if in the opinion of the Custodian, the Manager is incapable of performing or fails to perform its duties satisfactorily or shall do any other thing which in the opinion of the Custodian is calculated to bring the Fund into disrepute or to be harmful to the interests of the Unitholders; or

(c) if any law shall be passed which renders it illegal or in the opinion of the Custodian impracticable or inadvisable in consultation with the relevant regulatory authority (AMCM) to continue the Fund; or

(d) within 30 days of the Manager leaving office, no new manager is appointed: or

(e) no new Custodian is appointed within six months of the Custodian giving notice of its desire to retire.

The Fund may be terminated by the Manager on notice in writing if:

(a) on any date, in relation to the Fund, the aggregate Net Asset Value of all Units outstanding thereunder shall be less than MOP20 million; or

(b) in the opinion of the Manager, it is impracticable or inadvisable to continue the Fund (as the case may be) including without limitation, a situation where it is no longer economically viable to operate the Fund; or

(c) any law shall be passed which renders it illegal or in the opinion of the Manager impracticable or inadvisable in consultation with the relevant regulatory authority (AMCM) to continue the Fund.

In cases of termination on notice, no less than one month's notice will be given to Unitholders.

Any unclaimed proceeds or other cash held by the Custodian upon termination of the Fund may at the expiration of twelve months from the date upon which the same were payable be paid into court subject to the right of the Custodian to deduct therefrom any expenses it may incur in making such payment.

Compulsory Liquidation

AMCM may, in accordance with Article 17 of the Decree-Law 83/99/M, order the compulsory liquidation of a fund when:

1. There is repeated violation of the management regulation or the failure to observe, over long periods of time, the prudential limits and values established in present law.
2. Operations in violation of article 12 of Decree-Law 83/99/M have been executed.
3. The NAV of the Unit is less than 50% of the initial issuing value when the fund was constituted.
4. Any other situation occurs that can seriously affect the Unitholders/Participants' interest.

Notification of the decision by AMCM shall imply the immediate suspension of subscriptions and redemptions, and the commencement of liquidation procedures.

Connected Trading

"Connected Persons" means, in relation to a company:

(a) any person or company beneficially owning, directly or indirectly, 20% or more of the ordinary share capital of that company or able to exercise directly or indirectly, 20% or more of the total votes in that company.

(b) any person or company controlled by a person who or which meets one or both of the descriptions given in (a);

(c) any member of the group of which that company forms part; or

(d) any director or officer of that company or of any of its connected persons as defined in (a), (b) or (c).

Any trading with connected persons is identified as Connected Trading.

The Manager is not engaged in trading with connected persons in the Fund.

Taxation

Each Prospective Unitholder should inform himself of, and where appropriate take advice on, the taxes applicable to the acquisition, holding and redemption of Units by him under the laws of the places of his citizenship, residence and domicile.

Under the present Macau law and tax regime:

- (a) The Fund is not expected to be subject to Macau tax in respect of any of its authorized activities.
- (b) No tax will be payable by Unitholders in Macau in respect of dividends or other income distributions of the Fund so authorized or in respect of any capital gains arising on a sale, redemption or other disposal of Units of such Fund.