Principal® 信安

PRODUCT KEY FACTS

Principal Global Investors Funds
Preferred Securities Fund
April 2018

- ***This statement provides you with key information about Principal Global Investors Funds - Preferred Securities Fund ("Sub-Fund").***
- ***This statement is a part of the offering document.***
- ***You should not invest in the Sub-Fund based on this statement alone.***

Quick facts

Manager:	Principal Global Investors (Ireland) Limited
Delegate of the Manager:	Principal Global Investors, LLC. Internal delegation in the USA
Sub-Delegate of the Manager:	Spectrum Asset Management, Inc. Internal delegation in the USA
Trustee:	BNY Mellon Trust Company (Ireland) Limited
Ongoing charges over a year *:	USD A Class Accumulation 1.08% USD A Class Income Units 1.08% USD D Class Accumulation Units 1.38% USD D Class Income Units 1.38% USD D2 Class Income Units 1.38% USD F Class Accumulation Units 1.88% USD F Class Income Units 1.88% Yen Hedged A Class Accumulation Units 1.08%

* The ongoing charges are based on last year's expenses, for the year ended 31 December 2017, and this figure may vary from year to year. The ongoing charges include management fee, trustee fee, administration fee, custodian fee, audit fee, professional expense, legal fee, set up cost and other expenses. The set up costs are based on the amortised portion recognised in accordance with the section "Fees and Expenses" of the Summary Prospectus.

Dealing frequency:	Every Ireland business day, other than Saturday and Sunday
Base currency:	US Dollar
Dividend policy:	**For Income Units** • It will be paid on a quarterly basis in the month of January, April, July and October each year, with the exception of the

	D2 Class Income Units. Distributions of the D2 Class Income Units will be declared and paid monthly within 30 days of the end of each calendar month. • Dividend, if declared, will be automatically re-invested unless cash distribution is applied for. • The dividends distributed by the Sub-Fund may be paid effectively out of the capital of the Sub-Fund (i.e. making the distribution from gross income while charging all or part of the Sub-Fund's fees and expenses to capital), resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and an immediate reduction of the net asset value per unit of the Sub-Fund. Payment of dividends effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. **For Accumulation Units:** • No dividend will be declared or distributed.
Financial year end of this Sub-Fund:	30 September
Min. investment:	**For A, D, D2 and F Class Units:** US$ 10,000 initial, US$ 1,000 additional

What is this product?

The Sub-Fund is a fund constituted in the form of a unit trust. It is domiciled in Ireland and its home regulator is the Central Bank of Ireland.

Objectives and Investment Strategy

Objective

To provide a return consisting of income consistent with capital preservation by investing primarily in a portfolio of US dollar denominated preferred securities and debt securities.

Investment Strategy

The Sub-Fund seeks to achieve its overall objective by investing primarily in a portfolio of US dollar denominated preferred securities and debt securities. Preferred securities for this purpose refer to securities with a claim to a company's earnings before payment can be made on common stock, and which are usually entitled to priority over common stock if a company liquidates. While it is anticipated that the majority of the Sub-Fund's investments will be issued by US and/or European issuers, the Sub-Fund's investments will be offered on a number of other markets, a list of which is contained in Appendix A to the Summary Prospectus.

At the time of the Sub-Fund's investment, the majority of these securities will be rated as investment grade quality or better. However, in the event that these securities are subsequently downgraded to below investment grade, the Manager may continue to hold such securities until there are fundamental concerns regarding the issuer with respect to a range of factors, which are to be assessed in accordance with the Sub-Fund's risk management process and procedures.

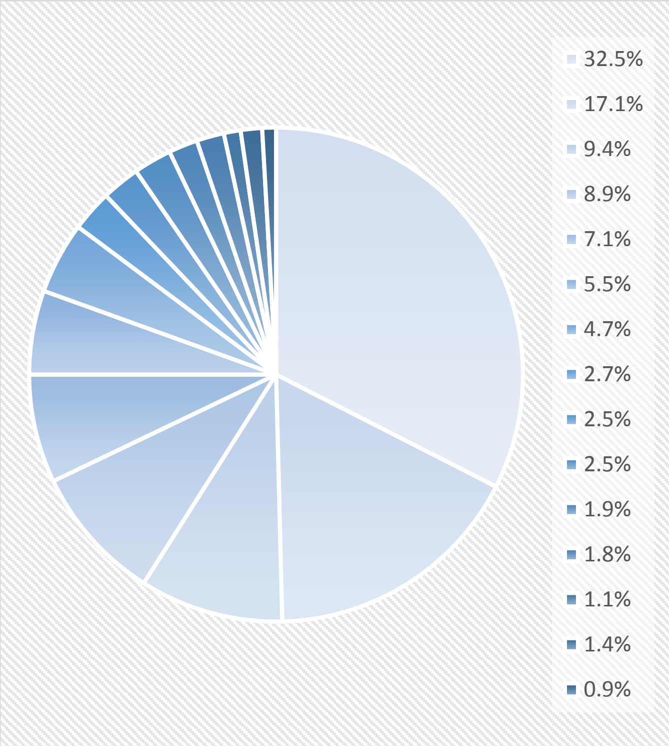
The Sub-Fund seeks to add value primarily through security selection, including credit analysis. Its investment process involves in depth proprietary research, and strategic and disciplined portfolio construction.

The Sub-Fund may also hold ancillary liquid assets such as bank deposits. However, no more than one-third of the net assets of the Sub-Fund may be held in aggregate in ancillary liquid assets or non-preferred or debt securities or instruments.

The Sub-Fund will not invest more than 20% of its net assets in (i) securities traded on markets/exchanges located in emerging markets or (ii) securities which at the time of investment are below investment grade.

The Sub-Fund uses asset replication strategy for the purposes of efficient portfolio management, which may entail the use of financial derivative instruments. The financial derivative instruments that may be entered into for this purpose may include options, futures, options on futures, and other over the counter derivative instruments (including swaps, repurchase or reverse repurchase agreements, etc.). Financial derivative instruments will not be used extensively or primarily to achieve the Sub-Fund's investment objective for investment purposes.

Investment Mix as at 28 February 2018



United States Securities	32.5%
Great Britain Securities	17.1%
French Securities	9.4%
Swiss Securities	8.9%
Japan Securities	7.1%
Netherlands Securities	5.5%
Canada Securities	4.7%
Australia Securities	2.7%
Swedish Securities	2.5%
Bermuda Securities	2.5%
Spanish Securities	1.9%
Italy Securities	1.8%
Belgium Securities	1.1%
Other	1.4%
Cash	0.9%

What are the key risks?

Investment involves risks. Please refer to the Summary Prospectus for details including the risk factors.

1. **Concentration risk** - The performance of the Sub-Fund may be significantly affected or become volatile if the Sub-Fund concentrates its investments in a particular market and/or the markets of a particular geographical region.

2. **Eurozone risk -** In light of ongoing concerns on the sovereign debt risk of certain countries within the Eurozone, the Sub-Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. Any adverse events, such as credit downgrade of a sovereign or exit of EU members from the Eurozone, may have a negative impact on the value of the Sub-Fund.

3. **Downgrading risk** - The underlying assets of the Sub-Fund may be subject to the risk of their credit ratings or the credit ratings of their issuers being downgraded. The Sub-Fund's investment value in such securities may be adversely affected if such downgrading occurs.

4. **Risk specific to below investment grade securities** - The Sub-Fund may hold below investment grade securities, and such securities are speculative and involve a greater risk of default and price changes due to changes in the issuer's credit worthiness. The market prices of such securities therefore fluctuate more than investment grade securities and may decline significantly in periods of greater economic difficulty.

5. **Fixed income securities** - The investment value in fixed income securities may fluctuate substantially due to changes in the general economic conditions, interest rate changes and volatility of yields. Investments in fixed income securities are subject to the risk that the issuer could default on its obligations and the Sub-Fund could sustain losses on such investments.

6. **Market risk** - The Sub-Fund's investments are subject to the risks inherent in all securities, including the fact that the value of holdings may go down as well as up significantly, and you may not be able to get back the same amount you invested. In particular, the income earned from the Sub-Fund's investments may fluctuate up or down as a result of changes in the dividend policy of the underlying companies in which the Sub-Fund is invested. Such changes will impact on the level of income available for distribution by the Sub-Fund.

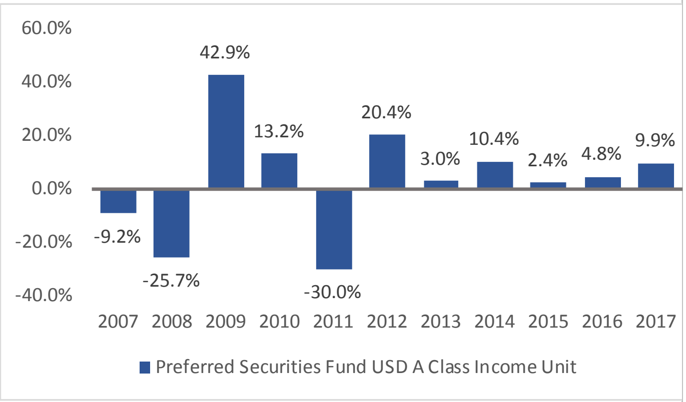
7. **Financial derivative instruments -** The degree of success of the Sub-Fund in using financial derivative instruments for efficient portfolio management will depend, to a large extent, on the ability of the Manager or its delegate to correctly identify and execute on suitable opportunities. This process involves uncertainty, and in adverse situations, such techniques may become ineffective and significant losses may be suffered by the Sub-Fund.

8. **Dividends paid effectively out of capital** - The dividends distributed by the Sub-Fund may be paid effectively out of the capital of the Sub-Fund (i.e. making the distribution from gross income while charging all or part of the Sub-Fund's fees and expenses to capital), resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and an immediate reduction of the net asset value per unit of the Sub-Fund. Payment of dividends effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment.

9. **Risks relating to Hedged Unit Class -** The Yen Hedged A Class Accumulation Units will seek through the use of efficient portfolio management techniques (including exchange rate swap contracts, currency options, forward currency transactions and other instruments) to manage currency exposure. The strategy of utilising currency hedging transactions for this Hedged Unit Class may substantially limit holders of these units from benefiting if the hedged currency falls against the Base Currency. A risk remains that hedging techniques will not always be effective in limiting losses incurred due to currency fluctuation. To the extent that this Hedged Unit Class of the Sub-Fund enters into hedging transactions with a counterparty on an over the counter basis, there may be a credit risk to this Hedged Unit Class with regard to the counterparties and such transactions may bear the risk of settlement default.

	Past performance information is not indicative of

How has the Sub-Fund performed?



future performance. Investors may not get back the full amount invested.

The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.

These figures show by how much the USD A Class Income Units** increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.

Where no past performance is shown there was insufficient data available in that year to provide performance.

Sub-Fund launch date: 2003

USD A Class Income Units launch date: 2005

**The Manager views USD A Class Income Units, being the retail share class denominated in the Sub-Fund's base currency with the longest track record, as the most representative share class.

Is there any guarantee?

This Sub-Fund does not have any guarantees. You may not get back the full amount of the money you invest, and negative returns may be generated under certain circumstances.

What are the fees and charges?

- **Charges which may be payable by you**

  You may have to pay the following fees when dealing in the units of the Sub-Fund.

Fee	What you pay
Subscription fee (Preliminary Charge)	**For A, D and D2 Class Units** Up to 5% of the amount you buy
	For F Class Units Nil (Such rate may be increased up to a specified permitted

	maximum level as set out in the Summary Prospectus upon the giving of not less than 3 months' prior notice to investors.)
Switching fee	Four free switches in a 12-month period. Up to 1% of the amount you are switching for any subsequent switches.
Redemption fee	N/A

- **Ongoing fees payable by the Sub-Fund**
  The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

	Annual Rate (as a % of the Sub-Fund's Net Asset Value attributable to the relevant unit class)	
Management fee	**For A Class Units**	0.90%
	For D, D2 and F Class Units	0.60%
	Annual Rate (as a % of the Sub-Fund's Net Asset Value)	
Trustee fee	**For A, D, D2 and F Class Units**	
	minimum	USD 15,000
	Up to	0.022%
Performance fee	N/A	
Administration fee	**For A, D, D2 and F Class Units**	0.15%

- **Other fees**
  You may have to pay other fees when dealing in the units of the Sub-Fund. The Sub-Fund will bear the costs which are directly attributable to it. Please refer to the section "Fees and Expenses" of the Summary Prospectus for details.

  You will be given not less than 3 months' prior notice should there be increase in any of the above fees and charges from the current level up to the specified maximum level. Please refer to the section "Fees and Expenses" of the Summary Prospectus for details of the maximum level of the above fees and charges (if applicable).

Additional Information

- You generally buy and/or redeem units at the Sub-Fund's next-determined net asset value (NAV) after the Manager receives your request in good order on or before 5:00 p.m. (Hong Kong time) (being the dealing cut-off time) on a particular dealing day. If you place your subscription or redemption orders through your distributor, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the Sub-Fund's dealing cut-off time).

- The net asset value per unit of the Sub-Fund will be calculated by reference to prices of the underlying assets of the Sub-Fund as at 10:00 a.m. (Dublin time) on a given dealing day.
- The net asset value per unit of the Sub-Fund will be published on each dealing day and available online at http://www.principal.com.hk*.
- The information pertaining to the composition of the dividends distributed (i.e. the relative amounts paid out of (i) net distributable income; and (ii) capital) for the last 12 months can be obtained from the Hong Kong Representative upon request and also on the internet website of http://www.principal.com.hk*.
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors from the internet website of http://www.principal.com.hk*.

* This website has not been reviewed by the SFC.

Important

- If you are in doubt, you should seek professional advice
- The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.

Principal Global Investors Funds

SUMMARY PROSPECTUS

CONTENTS

DISCLAIMER

THE UNIT TRUST AND THE FUNDS HAVE BEEN AUTHORISED BY THE SECURITIES AND FUTURES COMMISSION IN HONG KONG (THE "SFC") UNDER SECTION 104 OF THE HONG KONG SECURITIES AND FUTURES ORDINANCE. SUCH AUTHORISATION DOES NOT IMPLY OFFICIAL RECOMMENDATION FROM THE SFC. SFC AUTHORIZATION IS NOT A RECOMMENDATION OR ENDORSEMENT OF A SCHEME NOR DOES IT GUARANTEE THE COMMERCIAL MERITS OF A SCHEME OR ITS PERFORMANCE. IT DOES NOT MEAN THE SCHEME IS SUITABLE FOR ALL INVESTORS NOR IS IT AN ENDORSEMENT OF ITS SUITABILITY FOR ANY PARTICULAR INVESTOR OR CLASS OF INVESTORS.

THE PRICE OF THE UNITS IN THE FUNDS AND INCOME FROM THEM MAY GO UP AS WELL AS DOWN. NONE OF THE TRUSTEE, THE MANAGER, THE INVESTMENT ADVISER OR THE SUB-ADVISERS GUARANTEES THE PERFORMANCE OF THE FUNDS OR THE RETURN OF CAPITAL. INVESTMENT IN THE FUNDS MAY INVOLVE A HIGH DEGREE OF RISK AND MAY NOT BE SUITABLE FOR ALL INVESTORS. THE NET ASSET VALUE OF THE FUNDS CAN BE EXTREMELY VOLATILE AND COULD GO DOWN SUBSTANTIALLY WITHIN A SHORT PERIOD OF TIME. IT IS POSSIBLE THAT THE ENTIRE VALUE OF YOUR INVESTMENT COULD BE LOST. PLEASE READ CAREFULLY THE INVESTMENT OBJECTIVES AND POLICIES AND RISK FACTORS OF THE FUNDS IN THIS SUMMARY PROSPECTUS BEFORE MAKING AN INVESTMENT.

No person receiving either a copy of this Summary Prospectus or an application form may treat such documents as constituting an invitation to them to purchase or subscribe for Units, nor should they in any event use the application form, unless in the relevant territory such an invitation could lawfully be made to them, or the application form could lawfully be used, in compliance with any applicable registration or other legal requirements. Any person wishing to make an application should satisfy themselves as to the observance of the laws of any relevant territory, including the obtaining of any requisite government or other consents and the observing of any other formalities.

The Directors of the Manager (Principal Global Investors (Ireland) Limited) are Greg Thornton, David Shubotham, Christopher J. Henderson, Bronwyn Wright, John O'Connell, Mike Beer and James Firn. The Directors of the Manager accept full responsibility for the accuracy of the information contained in the offering document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement misleading.

Important: if you are in any doubt about the contents of this offering document, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser to seek independent professional financial advice.

Date of publication: 26 March 2018

DIRECTORY

Manager*
Principal Global Investors (Ireland) Limited

Registered Office
32 Molesworth Street, Dublin 2, Ireland.

Trustee
BNY Mellon Trust Company (Ireland) Limited
One Dockland Central, Guild Street, International Financial Services Centre, Dublin 1, Ireland.

Administrator and Registrar
BNY Mellon Fund Services (Ireland) Designated Activity Company
One Dockland Central, Guild Street, International Financial Services Centre, Dublin 1,
Ireland.

Investment Adviser (the Manager's delegate)
Principal Global Investors, LLC
801 Grand Avenue, Des Moines, Iowa, 50392 USA.

Discretionary Sub-Adviser to the Preferred Securities Fund: Spectrum Asset Management, Inc.
2 High Ridge Park, Stamford, CT 0695, USA.

Discretionary Sub-Adviser to the Global Equity Fund, European Equity Fund, Asian Equity Fund and Emerging Markets Equity Fund: Principal Global Investors (Europe) Limited
1 Wood Street, London, EC2V 7JB, United Kingdom.

Discretionary Sub-Adviser to the Japanese Equity Fund : Principal Global Investors (Japan) Ltd. Imperial Tower 18th Floor, 1-1-1 Uchisaiwai-cho, Chiyoda-ku, Tokyo 100-0011, Japan.

Non-Discretionary Sub-Adviser to the Asian Equity Fund and Emerging Markets Equity Fund: Principal Global Investors (Singapore) Limited
One Raffles Quay, North Tower, #19-04, Singapore 048583

Auditors
PricewaterhouseCoopers One Spencer
Dock
North Wall Quay, Dublin 1, Ireland.

Hong Kong Representative
Principal Investment & Retirement Services Limited
30/F Millennium City 6, 392 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong

Tel: (852) 2117 8383
Fax: (852) 2801 5690 (General enquiries)
(852) 2918 1461 (Dealing)

Email: Investors-Asia@principal.com

Legal Advisers to the Manager as to Hong Kong law

Deacons
5th Floor, Alexandra House, 18 Chater Road, Central, Hong Kong.

* The Manager may in the future and where appropriate, delegate any of its management duties to its affiliate entities within the Principal Financial Group.

Sponsoring Brokers/Listing Sponsor
Maples & Calder 75 St Stephen's Green, Dublin 2, Ireland.

The Principal Financial Group®

The Principal Financial Group® (Principal®)[1] is a global investment management leader offering retirement services, insurance solutions and asset management. The Principal offers businesses, individuals and institutional clients a wide range of financial products and services, including retirement, asset management and insurance through its diverse family of financial services companies. Founded in 1879 and a member of the FORTUNE 500®, the Principal Financial Group has $US655.5 billion in assets under management as of 30 September 2017 and serves some 20.1 million customers worldwide from offices in Asia, Australia, Europe, Latin America and the United States. Principal Financial Group, Inc. is traded on the New York Stock Exchange under the ticker symbol PFG.

Principal Global Investors

Principal Global Investors leads global asset management at Principal®[1]. As a multi-boutique firm, the firm brings a focused perspective and offer expertise across a host of investment capabilities: fixed income, equities, real estate, asset allocation, currency, stable value, and other structured investment strategies. As of 30 September 2017, the firm managed $US445.5 billion of assets on behalf of a broad range of sophisticated investors.

The Manager
<u>Principal Global Investors (Ireland) Limited</u>

Principal Global Investors (Ireland) Limited is Manager of the Principal Global Investors Funds. It has, however, delegated investment management of the Funds to the Investment Adviser, Principal Global Investors, LLC. The Manager evaluates the global resources and capabilities available to it on an ongoing basis in order to ensure that it can deliver consistently competitive investment performance and superior service on behalf of clients. The organisation's global reach provides an information advantage in researching and managing investment portfolios and the Investment Manager may delegate certain investment management functions to other parts of the organisation from time to time, as appropriate.

The Investment Adviser (the Manager's delegate)
<u>Principal Global Investors, LLC</u>

The Manager has appointed Principal Global Investors, LLC. ("**PGI LLC**") to manage all of the assets of the Funds pursuant to an Investment Advisers Agreement (as amended and novated) dated 31 May 2000.

PGI LLC is a member of the Principal Financial Group® and is a registered investment advisor with the U.S. Securities and Exchange Commission. However, investors should be aware that PGI LLC does not necessarily comply with all the requirements of the U.S. Investment Advisors Act in respect of non-US investors.

The Investment Adviser may delegate investment management responsibility in respect of any of the Funds in whole or in part to the Sub-Advisers.

The Discretionary Sub-Adviser to the Preferred Securities Fund

<u>Spectrum Asset Management, Inc.</u>

The Investment Adviser has appointed Spectrum Asset Management, Inc. ("**Spectrum**") to act as sub-adviser to the Preferred Securities Fund pursuant to a Sub-Investment Adviser's Agreement dated 14 April 2003. The Investment Adviser has delegated to Spectrum overall responsibility for the Preferred Securities Fund's investments in preferred and debt securities and related aspects of the management of that Fund, which may include (but are not limited to) security selection and/or portfolio construction responsibilities, as the parties may from time to time agree.

The Investment Adviser has retained responsibility for managing exchange rate risk for the Hedged Unit Classes in the Preferred Securities Fund.

The Sub-Investment Adviser's Agreement may be terminated by either party on giving 60 days' written notice to the other although, in certain circumstances, the agreement may be terminated forthwith by notice in writing by either party to the other.

Spectrum is regulated by the U.S. Securities and Exchanges Commission.

---

[1] *The Principal Financial Group and Principal are registered trademarks of Principal Financial Services, Inc., a member of the Principal Financial Group. ©2017 Principal Financial Services, Inc. Principal, Principal and the symbol design and Principal Financial Group are trademarks and service marks of Principal Financial Services, Inc., a member of the Principal Financial Group.

Discretionary Sub-Adviser to the Global Equity Fund, European Equity Fund, Asian Equity Fund and Emerging Markets Equity Fund

<u>Principal Global Investors (Europe) Limited</u>

The Investment Adviser has appointed Principal Global Investors (Europe) Limited ("PGIE") to act as sub-adviser to the Global Equity Fund pursuant to a Sub-Investment Adviser's Agreement which is effective from 1 January 2012, and European Equity Fund, Asian Equity Fund and Emerging Markets Equity Fund pursuant to a Sub-Investment Adviser's Agreement which is effective from 10 January 2005. The Investment Adviser has delegated to PGIE responsibility for the Global Equity Fund, European Equity Fund, Asian Equity Fund and Emerging Markets Equity Fund investments and related aspects of the management of that Fund, which may include (but are not limited to) security selection and/or portfolio construction responsibilities and such other responsibilities as set forth in the Sub-Investment Adviser's Agreements or as the parties may from time to time agree. The Investment Adviser has delegated to PGIE certain functions for the Global Equity Fund investments and related aspects of the management of that Fund, which may include (but are not limited to) security selection and/or portfolio construction functions and such other functions as set forth in the Sub-Investment Adviser's Agreement or as the parties may from time to time agree.

The Sub-Investment Adviser's Agreements may be terminated by either party on giving 60 days' written notice to the other although, in certain circumstances, the agreement may be terminated forthwith by notice in writing by either party to the other.

PGIE is regulated by the Financial Services Authority.

Discretionary Sub-Adviser to the Japanese Equity Fund

<u>Principal Global Investors (Japan) Ltd</u>

The Investment Adviser has appointed Principal Global Investors (Japan) Ltd ("**PGIJ**") to act as sub-adviser to the Japanese Equity Fund pursuant to a Sub-Investment Adviser's Agreement which is effective from 2 February 2008. The Investment Adviser has delegated to PGIJ certain functions for the Japanese Equity Fund investments and related aspects of the management of that Fund, which may include (but are not limited to) security selection and/or portfolio construction functions and such other functions as set forth in the Sub-Investment Adviser's Agreement or as the parties may from time to time agree. The Investment Adviser intends to co-manage the Japanese Equity Fund with PGIJ.

The Sub-Investment Adviser's Agreement may be terminated by either party on giving 60 days' written notice to the other although, in certain circumstances, the agreement may be terminated forthwith by notice in writing by either party to the other.

PGIJ is regulated by the Financial Services Agency in Japan.

The Hong Kong Representative

<u>Principal Investment & Retirement Services Limited</u>

Principal Investment & Retirement Services Limited is based in Hong Kong and is the Hong Kong Representative for the Principal Global Investors Funds, giving investors throughout the Asia Pacific region access to the Funds.

Principal Global Investors Funds is an umbrella unit trust which was authorised in Ireland as a UCITS on 13 October 1992 and provides a range of equity and debt securities funds that allow investors access to the equity and debt investment management expertise of Principal Global Investors. The Unit Trust has created a number of Funds, as detailed below. Each Fund is denominated in US dollars and managed to a US dollar base.

In 2015, the European Union Commission introduced the UCITS V Directive. On 18 March 2016, the Central Bank approved the UCITS V changes to the UCITS Trust and this took effect on the same date.

The Manager may issue A Class, I Class, D Class, D2 Class and F Class Units in the Funds. The differences between these classes are the different levels of fees and minimum application amounts.

In addition, the Manager may issue both Income and Accumulation Units in the Funds and the classes may be hedged or unhedged. The differences between these two classes relate to distributions and are explained in the section headed "Units Available" on page [6].

Finally, the Manager may issue both Hedged and Unhedged Units in the Funds. As at the date of this Summary Prospectus, Units of all Funds are denominated in US Dollars.

The Principal Global Investors Funds range currently comprises the following Funds:

- Global Equity Fund
- European Equity Fund
- Asian Equity Fund
- Emerging Markets Equity Fund
- Japanese Equity Fund
- Preferred Securities Fund
- High Yield Fund
- U.S. Equity Fund

Investments involve risks. The performance of the Funds will be affected by a number of risk factors, including those set out below and in other parts of this Summary Prospectus. Investors should also refer to the Summary Prospectus for more information regarding the risk factors relating to investments in the Unit Trust. Investors should carefully consider the risks of investing in the Funds in light of their financial circumstances, knowledge, experience and other circumstances, and should seek independent professional advice as appropriate.

Global Equity Fund

Investment Objective and Policies

Investment Objective

The investment objective of the Fund is to seek capital growth over the medium to long term.

Investment Policies

The Fund seeks to achieve its objective by investing primarily in equity securities selected from investment markets around the world, which the Investment Adviser believes are mispriced by the market and have the potential for significant growth.

The Fund may select equity securities from markets around the world. However, when investing in emerging markets, the Fund adopts a policy of diversification and the percentage of the Fund's assets invested in a single emerging market will not, in the Investment Adviser's opinion, be imprudent, taking into account the market conditions and the holdings of the Fund in such emerging market and/or other markets as at the particular time. Emerging markets include those countries identified as emerging markets by the International Finance Corporation, a division of the World Bank and other underdeveloped countries that the Manager believes present attractive investment opportunities. Emerging markets include, but are not limited to, Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Portugal, Russia, Slovakia, South Africa, Taiwan, Thailand, Turkey and Venezuela.

The Fund may decide to hold investments which are listed or traded in China from time to time. However, the Fund does not directly invest in China A shares and will not have exposure to China A shares. The Fund currently does not invest in China

B Shares and it currently does not intend to make such investments in China B Shares.

The Fund can invest in both listed and unlisted equity securities, with a level of 10% of the net assets of the Fund permitted in unlisted securities. It may also invest in other Funds of the Unit Trust in order to obtain its objective.

The Fund may also invest in real estate investment trusts (REITS) or other REIT-like structures which will be the equivalent of REITS. It may also invest in other Funds of the Unit Trust in order to obtain its objective.

The Fund may also hold ancillary liquid assets such as bank deposits, and a range of non-equity securities, including debt securities issued by companies in which the Fund can purchase equity securities, fixed interest and money market securities (such as government bonds and bank bills). However, no more than 1/3 of the net assets of the Fund may be held in aggregate in ancillary liquid assets and non-equity securities.

The Fund may hold investments from time to time which are listed or traded in Russia. It is not anticipated that such investments will normally constitute a substantial element of the Fund and shall not in any event exceed 15% of the net assets of the Fund.

Risks

Investment in the Fund involves, among other risks, certain degree of risk related to investing in emerging markets and may accordingly not be suitable for all investors. Please see, in particular, the **"**Specific risks related to investments in emerging markets**"** and the **"**Specific risks relating to investments in India**"** sections on page [15].

The dividends paid by the Fund may be paid from gross income while all or part of the Fund's fees and expenses are charged to capital, pursuant to clause 7.3 of the Trust Deed. It will result in an increase in distributable income for the payment of dividends by the Fund and the dividends are effectively paid out of capital of the Fund. Such payment of dividends effectively out of capital of the Fund may result in an immediate reduction of the net asset value per unit of the Fund. Payment of dividends effectively out of capital amounts to a return or withdrawal of part of an Unitholder's original investment or from any capital gains attributable to that original investment. Please see, in particular, the "Payment of dividends effectively out of capital" section on page [20] and the "Payment of dividends effectively out of capital" section on page [20].

Efficient Portfolio Management

The Fund may use techniques and instruments, including derivatives, for the purpose of efficient portfolio management in accordance with the conditions and limits laid down by the Central Bank.

Authorisation

The Fund was approved by the Central Bank on 13 October 1992 and was authorised for sale to the public in Hong Kong by the SFC on 21 October 1992. Such authorisation does not imply official recommendation.

Units Available

At the date of this Summary Prospectus, the following classes of Units in the Fund are available for issue:

- A Class Accumulation Units
- A Class Income Units
- I Class Accumulation Units

It is intended that additional classes of Units in the Fund may be offered from time to time. Investors should contact the Administrator or the Hong Kong Representative for confirmation of the classes of Units available in the Fund at any given time. Details of the existing classes of Units in the Fund will also be included in the Unit Trust's semi-annual report and annual report.

European Equity Fund

<u>Investment Objective and Policies</u>

Investment Objective

The investment objective of the Fund is to seek capital growth over the medium to long term.

Investment Policies

The Fund seeks to achieve its objective by investing primarily in the equity securities of companies domiciled or with their core business in Europe (including Eastern Europe), which the Investment Adviser believes are mispriced by the market and have the potential for significant growth. Such markets may include emerging markets. Emerging markets include those countries identified as emerging markets by the International Finance Corporation, a division of the World Bank and other underdeveloped countries that the Manager believes present attractive investment opportunities.

The Fund can invest in both listed and unlisted equity securities, with a level of 10% of the net assets of the Fund permitted in unlisted securities. The Fund may also invest in debt securities issued by companies in which the Fund can purchase equity securities in order to achieve its objective.

The Fund may also invest in real estate investment trusts (REITS) or other REIT-like structures which will be the equivalent of REITS. It may also invest in other Funds of the Unit Trust in order to obtain its objective.

The Fund may also hold ancillary liquid assets such as bank deposits, and a range of non-equity securities, including fixed interest and money market securities (such as government bonds and bank bills). However no more than 1/3 of the net assets of the Fund may be held in aggregate in ancillary liquid assets, non-equity securities and/or invested outside of Europe.

The Fund may hold investments from time to time which are listed or traded in Russia. It is not anticipated that such investments will normally constitute a substantial element of the Fund and shall not in any event exceed 15% of the net assets of the Fund.

Risks

Investment in the Fund involves, among other risks, certain degree of risk related to investing in Europe and may accordingly not be suitable for all investors. In particular, investment in the Fund is considered speculative and carries significant risk amid the current economic crisis surrounding the European region. Please see, in particular, the **"**Specific risks relating to investments in emerging markets**"** and the **"**Specific risks relating to investments in Europe**"** sections on page [15].

The dividends paid by the Fund may be paid from gross income while all or part of the Fund's fees and expenses are charged to capital, pursuant to clause 7.3 of the Trust Deed. It will result in an increase in distributable income for the payment of dividends by the Fund and the dividends are effectively paid out of capital of the Fund. Such payment of dividends effectively out of capital of the Fund may result in an immediate reduction of the net asset value per unit of the Fund. Payment of dividends effectively out of capital amounts to a return or withdrawal of part of an Unitholder's original investment or from any capital gains attributable to that original investment. Please see, in particular, the "Payment of dividends effectively out of capital" section on page [20] and the "Payment of dividends effectively out of capital" section on page [20].

Efficient Portfolio Management

The Fund may use techniques and instruments, including derivatives, for the purpose of efficient portfolio management in accordance with the conditions and limits laid down by the Central Bank.

Authorisation

The Fund was approved by the Central Bank on 13 October 1992 and was authorised for sale to the public in Hong Kong by the SFC on 21 October 1992. Such authorisation does not imply official recommendation.

Units Available

At the date of this Summary Prospectus, the following classes of Units in the Fund are available for issue:

- A Class Accumulation Units
- A Class Income Units
- I Class Accumulation Units

It is intended that additional classes of Units in the Fund may be offered from time to time. Investors should contact the Administrator or the Hong Kong Representative for confirmation of the classes of Units available in the Fund at any given time. Details of the existing classes of Units in the Fund will also be included in the Unit Trust's semi-annual report and annual report.

Asian Equity Fund

<u>Investment Objective and Policies</u>

Investment Objective

The investment objective of the Fund is to seek capital growth over the medium to long term.

Investment Policies

The Fund seeks to achieve its objective by investing primarily in the equity securities of companies domiciled or with their core business in the Asian Region (excluding Japan), which the Investment Adviser believes are mispriced by the market and have the potential for significant growth.

Investment markets may include Hong Kong, South Korea, Singapore, Malaysia, Thailand, Taiwan, Indonesia, New Zealand, the Philippines, China, India and Pakistan and such other countries in Asia as are identified by the Investment Adviser from time to time. Such markets may include emerging markets. Emerging markets include those countries identified as emerging markets by the International Finance Corporation, a division of the World Bank and other underdeveloped countries that the Manager believes present attractive investment opportunities. Until further notice, no more than 30% of the Fund's assets will be invested in the markets of Pakistan.

The Fund may decide to hold investments which are listed or traded in China from time to time. However, the Fund does not directly invest in China A shares and will not have exposure to China A shares. The Fund currently does not invest in China B Shares and it currently does not intend to make such investments in China B Shares.

The Fund can invest in both listed and unlisted equity securities with a level of 10% of the net assets of the Fund permitted in unlisted securities.

The Fund may also invest in real estate investment trusts (REITS) or other REIT-like structures which will be the equivalent of REITS. It may also invest in other Funds of the Unit Trust in order to obtain its objective.

The Fund may also hold ancillary liquid assets such as bank deposits, and a range of non-equity securities, including debt securities issued by companies in which the Fund can purchase equity securities, fixed interest and money market securities (such as government bonds and bank bills). However no more than 1/3 of the net assets of the Fund may be held in aggregate in ancillary liquid assets, non-equity securities and/or invested outside of Asia.

Risks

Investment in the Fund involves, among other risks, a certain degree of risk related to investing in emerging markets and may accordingly not be suitable for all investors. Please see, in particular, the "Specific risks related to investments in emerging markets" and the "Specific risks relating to investments in India" sections on page [15].

The dividends paid by the Fund may be paid from gross income while all or part of the Fund's fees and expenses are charged to capital, pursuant to clause 7.3 of the Trust Deed. It will result in an increase in distributable income for the payment of dividends by the Fund and the dividends are effectively paid out of capital of the Fund. Such payment of dividends effectively out of capital of the Fund may result in an immediate reduction of the net asset value per unit of the Fund. Payment of dividends effectively out of capital amounts to a return or withdrawal of part of an Unitholder's original investment or from any capital gains attributable to that original investment. Please see, in particular, the "Payment of dividends effectively out of capital" section on page [15] and the "Payment of dividends effectively out of capital" section on page [20].

Efficient Portfolio Management

The Fund may use techniques and instruments, including derivatives, for the purpose of efficient portfolio management in accordance with the conditions and limits laid down by the Central Bank.

Authorisation

The Fund was approved by the Central Bank on 13 October 1992 and was authorised for sale to the public in Hong Kong by the SFC on 21 October 1992. Such authorisation does not imply official recommendation.

Units Available

At the date of this Summary Prospectus, the following classes of Units in the Fund are available for issue:

- A Class Accumulation Units
- A Class Income Units

It is intended that additional classes of Units in the Fund may be offered from time to time. Investors should contact the Administrator or the Hong Kong Representative for confirmation of the classes of Units available in the Fund at any given time. Details of the existing classes of Units in the Fund will also be included in the Unit Trust's semi-annual report and annual report.

Emerging Markets Equity Fund

Investment Objective and Policies

Investment Objective

The investment objective of the Fund is to seek capital growth over the medium to long term.

Investment Policies

The Fund seeks to achieve its objective by investing primarily in the equity securities of companies domiciled or with their core business in the world's emerging investment markets, which the Investment Adviser believes are mispriced by the market and have the potential for significant growth.

Emerging markets include those countries identified as emerging markets by the International Finance Corporation, a division of the World Bank and other underdeveloped countries that the Investment Adviser believes present attractive investment opportunities. Emerging markets include, but are not limited to, Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Portugal, Russia, Slovakia, South Africa, Taiwan, Thailand, Turkey and Venezuela.

The Fund may decide to hold investments which are listed or traded in China from time to time. However, the Fund does not directly invest in China A shares and will not have exposure to China A shares. The Fund currently does not invest in China B Shares and it currently does not intend to make such investments in China B Shares.

While the Fund is primarily an emerging markets fund, the Fund may invest in securities issued in non-emerging markets, subject to the limitation described below. This includes where the Fund has invested in an emerging market but due to economic development, that market is no longer classified as an emerging market.

The Fund can invest in both listed and unlisted equity securities, with a level of 10% of the net assets of the Fund permitted in unlisted securities. It may also invest in a range of non-equity securities, including debt securities issued by companies in which the Fund can purchase equity securities, fixed interest and money market securities (such as government bonds and bank bills), and other collective investment schemes.

The Fund may also invest in real estate investment trusts (REITS) or other REIT-like structures which will be the equivalent of REITS. It may also invest in other Funds of the Unit Trust in order to obtain its objective.

The Fund may also hold ancillary liquid assets such as bank deposits. However no more than 1/3 of the net assets of the Fund may be held in aggregate in ancillary liquid assets and non-equity securities and/or invested other than in emerging markets.

The Fund may hold investments from time to time which are listed or traded in Russia. It is not anticipated that such investments will normally constitute a substantial element of the Fund and shall not in any event exceed 15% of the net assets of the Fund.

Risks

Investment in the Fund involves, among other risks, a certain degree of risk related to investing in emerging markets and may accordingly not be suitable for all investors. Please see, in particular, the "Specific risks related to investments in emerging markets" and the "Specific risks relating to investments in India" sections on page [15

].

Efficient Portfolio Management

The Fund may use techniques and instruments, including derivatives, for the purpose of efficient portfolio management in accordance with the conditions and limits laid down by the Central Bank.

Authorisation

The Fund was approved by the Central Bank on 23 January 1998 and was authorised for sale to the public in Hong Kong by the SFC on 6 February 1998. Such authorisation does not imply official recommendation.

Units Available

At the date of this Summary Prospectus, the following classes of Units in the Fund are available for issue:

- A Class Accumulation Units
- I Class Accumulation Units

It is intended that additional classes of Units in the Fund may be offered from time to time. Investors should contact the Administrator or the Hong Kong Representative for confirmation of the classes of Units available in the Fund at any given time. Details of the existing classes of Units in the Fund will also be included in the Unit Trust's semi-annual report and annual report.

Japanese Equity Fund

<u>Investment Objective and Policies</u>

Investment Objective

The investment objective of the Fund is to seek capital growth over the medium to long term.

Investment Policies

The Fund seeks to achieve its objective by investing primarily in the equity securities of companies domiciled or with their core business in Japan, which the Investment Adviser believes are mispriced by the market and have the potential for significant growth.

Whereas it is intended that the investments of the Fund be traded on Japanese markets, subject to the limitation described below, the Fund may invest elsewhere if the Investment Adviser considers it appropriate in the context of the Fund.

The Fund can invest in both listed and unlisted equity securities, with a level of 10% of the net assets of the Fund permitted in unlisted securities.

The Fund may also invest in real estate investment trusts (REITS) or other REIT-like structures which will be the equivalent of REITS. It may also invest in other Funds of the Unit Trust in order to obtain its objective.

The Fund may also hold ancillary liquid assets such as bank deposits, and a range of non-equity securities, including debt securities issued by companies in which the Fund can purchase equity securities, fixed interest and money market securities (such as government bonds and bank bills). However no more than 1/3 of the net assets of the Fund may be held in aggregate in ancillary liquid assets, non-equity securities and/or invested outside of Japan.

Efficient Portfolio Management

The Fund may use techniques and instruments, including derivatives, for the purpose of efficient portfolio management in accordance with the conditions and limits laid down by the Central Bank.

Authorisation

The Fund was approved by the Central Bank on 23 January 1998 and was authorised for sale to the public in Hong Kong by the SFC on 6 February 1998. Such authorisation does not imply official recommendation.

Units Available

At the date of this Summary Prospectus, the following classes of Units in the Fund are available for issue:

- A Class Accumulation Units
- I Class Accumulation Units

It is intended that additional classes of Units in the Fund may be offered from time to time. Investors should contact the Administrator or the Hong Kong Representative for confirmation of the classes of Units available in the Fund at any given time. Details of the existing classes of Units in the Fund will also be included in the Unit Trust's semi-annual report and annual report.

Preferred Securities Fund

<u>Investment Objective and Policies</u>

Investment Objective

The overall objective of the Fund is to provide a return consisting of income consistent with capital preservation.

Investment Policies

The Fund seeks to achieve its overall objective by investing primarily in a portfolio of US dollar denominated preferred securities and debt securities. Preferred securities for this purpose refer to securities with a claim to a company's earnings before payment can be made on common stock, and which are usually entitled to priority over common stock if a company liquidates. At the time of the Fund's investment, the majority of these securities will be rated as investment grade quality or better. In the event that such a security was subsequently downgraded to below investment grade, the Fund would not sell the security solely on the basis of the downgrade as rating agencies are lagging indicators, especially for the preferred securities market. Irrespective of ratings, the Fund would generally only take action on a security if there were fundamental concerns regarding the issuer with respect to aspects including, but not limited to, its management, business model, future profitability, leverage and capital, to be assessed in accordance with the Fund's risk management process and procedures. The Fund's investments will be offered on markets listed in Appendix A to this Summary Prospectus, although it is anticipated that the majority will be issued by US and/or European issuers.

The Fund seeks to add value primarily through security selection, including credit analysis. Its investment process involves in depth proprietary research, and strategic and disciplined portfolio construction.

The Fund's investment universe will include real estate investment trusts (REITs). A REIT is established as a trust or partnership structure which uses pooled capital of many investors to purchase and manage income property and/or mortgage loans. They are granted special tax exemptions, not being taxed at the company level but they must distribute at least 90% of their taxable income to investors. REITs are tradable on major markets and exchanges as securities. The investment in REITs will not affect the Funds' ability to provide redemption facilities.

The Fund may also hold ancillary liquid assets such as bank deposits. However, no more than 1/3 of the net assets of the Fund may be held in aggregate in ancillary liquid assets or non-preferred or debt securities or instruments.

The Fund will not invest more than 20% of its net assets in securities traded on markets/exchanges located in emerging markets.

The Fund will not invest more than 20% of its net assets in securities which at the time of investment are below investment grade.

Risks

Notwithstanding that the overall objective of the Fund is to provide a return consisting of income consistent with capital preservation, the Fund does not provide a guarantee on return and negative returns may be generated under certain circumstances. Furthermore, investment in the Fund involves certain degree of risk related to investing in fixed income securities and below investment grade securities. Please see, in particular, the **"**Specific risks relating to investments in fixed income securities**"** and **"**Specific risks relating to below investment grade securities**"** sections on page [16].

The dividends paid by the Fund may be paid from gross income while all or part of the Fund's fees and expenses are charged to capital, pursuant to clause 7.3 of the Trust Deed. It will result in an increase in distributable income for the payment of dividends by the Fund and the dividends are effectively paid out of capital of the Fund. Such payment of dividends effectively out of capital of the Fund may result in an immediate reduction of the net asset value per unit of the Fund. Payment of dividends effectively out of capital amounts to a return or withdrawal of part of an Unitholder's original investment or from any capital gains attributable to that original investment. Please see, in particular, the "Payment of dividends effectively out of capital" section on page [20] and the "Payment of dividends effectively out of capital" section on page [20].

Efficient Portfolio Management

The Fund will utilise certain techniques and instruments from the Asset Replication Strategy. For further information, please see page [49]. Investors' attention is also called to the additional risk disclosures in this regard, to be found under "Special Investment Considerations and Risks" on page [12].

The Fund will utilise additional derivative techniques and instruments for the Hedged Unit Classes in accordance with the investment restrictions, conditions and limits laid down by the Central Bank.

Authorisation

The Fund was approved by the Central Bank on 14 April 2003 and was authorised for sale to the public in Hong Kong by the SFC on 12 August 2004. Such authorisation does not imply official recommendation.

Units Available

At the date of this Summary Prospectus, the following classes of Units in the Fund are available for issue:

<u>Income Units</u>

- A Class Income Units
- D Class Income Units
- D2 Class Income Units
- F Class Income Units

<u>Accumulation Units</u>

- A Class Accumulation Units
- Yen Hedged A Class Accumulation Units
- D Class Accumulation Units

- F Class Accumulation Units

It is intended that additional classes of Units in the Fund may be offered from time to time. Investors should contact the Administrator or the Hong Kong Representative for confirmation of the classes of Units available in the Fund at any given time. Details of the existing classes of Units in the Fund will also be included in the Unit Trust's semi-annual report and annual report.

High Yield Fund

Investment Objective and Policies

Investment Objective

The objective of the Fund is to provide a return consisting of income and, over the long term, capital growth.

Investment Policies

The Fund seeks to achieve its overall objective by investing the majority (i.e. over 50%) of the assets of the Fund in a portfolio of US dollar denominated public and private issued high-yield fixed income securities, such as fixed interest rate corporate bonds. The balance of the Fund will be invested in public and private issued high-yield fixed income securities, such as fixed interest rate corporate bonds globally.

The Fund seeks to add value primarily through value identification, downside protection, and risk diversification. "Downside protection" as mentioned above, for clarification purpose, does not mean a guarantee on returns nor capital, and under certain circumstances may result in a negative return. Investment ideas are generated through internal research efforts, which are supplemented by external sources.

The Fund may also invest in real estate investment trusts (REITS) or other REIT-like structures which will be the equivalent of REITS. It may also invest in other Funds of the Unit Trust in order to obtain its objective.

Any investment exposure to currencies other than U.S. dollar will be hedged back to U.S. dollars.

However, the Fund may also hold ancillary liquid assets such as bank deposits, yet no more than 1/3 of the assets of the Fund may be held in aggregate in ancillary liquid assets or non-high yield fixed income securities or instruments (i.e. no less than 2/3 of the assets of the Fund will be invested in high-yield fixed income securities). All the high yield securities (i.e. both primary and ancillary securities) will generally be rated below investment grade, and the Fund's investments will be listed/traded on the exchanges and markets listed in Appendix A to this Summary Prospectus, although it is anticipated that the majority will be issued by US and Canadian government and corporate issuers.

The Fund currently does not invest in sovereign debts and it currently does not intend to make such investments. Should the Fund intend to invest in sovereign debts in the future, prior approval will be sought from the SFC and one month's prior notice will be given to the Unitholders.

The Fund will not invest more than 20% of its net assets in securities traded on markets/exchanges located in emerging markets.

Risks

Investment in the Fund involves a certain degree of risk related to investing primarily in fixed income securities which will generally be graded below investment grade. Please see, in particular, the "Specific risks relating to investments in fixed income securities" section and "Specific risks relating to below investment grade securities" section on page [16].

The dividends paid by the Fund may be paid from gross income while all or part of the Fund's fees and expenses are charged to capital, pursuant to clause 7.3 of the Trust Deed. It will result in an increase in distributable income for the payment of dividends by the Fund and the dividends are effectively paid out of capital of the Fund. Such payment of dividends effectively out of capital of the Fund may result in an immediate reduction of the net asset value per unit of the Fund. Payment of dividends effectively out of capital amounts to a return or withdrawal of part of an Unitholder's original investment or from any capital gains attributable to that original investment. Please see, in particular, the "Payment of dividends effectively out of capital" section on page [20] and the "Payment of dividends effectively out of capital" section on page [20].

Efficient Portfolio Management

The Fund will utilise derivative techniques and instruments for the Hedged Unit Class in accordance with the investment restrictions, conditions and limits laid down by the Central Bank and investors' attention is drawn to the relevant information pertaining to these classes set out on page [20].

Authorisation

The Fund was approved by the Central Bank on 30 October 2003 and was authorised for sale to the public in Hong

Kong by the SFC on 12 August 2004. Such authorisation does not imply official recommendation.

Units Available

At the date of this Summary Prospectus, the following classes of Units in the Fund are available for issue:

Income Units

- A Class Income Units
- Australian Dollar Hedged A Class Income Units
- D2 Class Income Units

Accumulation Units

- A Class Accumulation Units
- D Class Accumulation Units

It is intended that additional classes of Units in the Fund may be offered from time to time. Investors should contact the Administrator or the Hong Kong Representative for confirmation of the classes of Units available in the Fund at any given time. Details of the existing classes of Units in the Fund will also be included in the Unit Trust's semi-annual report and annual report.

U.S. Equity Fund

Investment Objective and Policies

Investment Objective

The investment objective of the Fund is to seek capital growth over the medium to long term.

Investment Policies

The Fund seeks to achieve its objective by investing primarily in the equity securities of companies domiciled or with their core business in the United States, which the Investment Adviser believes are mispriced by the market and have the potential for significant growth.

The Fund can invest in both listed and unlisted equity securities, with a level of 10% of the net assets of the Fund permitted in unlisted securities. The Fund may also invest in debt securities, all of which will be at least investment grade and issued by companies in which the Fund can purchase equity securities in order to achieve its objective. The Fund may also hold a range of non-equity securities including fixed interest and money market securities (such as government bonds).

At least 90% of the securities acquired by the Fund will be traded or listed on the exchanges and markets set out in Appendix A to this Summary Prospectus.

The Fund may also invest in real estate investment trusts (REITS) or other REIT-like structures which will be the equivalent of REITS. It may also invest in other Funds of the Unit Trust in order to obtain its objective. The Fund may hold ancillary liquid assets such as bank deposits. However no more than 1/3 of the net assets of the Fund may be held in aggregate in ancillary liquid assets, non-equity securities and/or invested outside of the United States.

Efficient Portfolio Management

The Fund may use techniques and instruments, including derivatives, for the purpose of efficient portfolio management in accordance with the conditions and limits laid down by the Central Bank.

Authorisation

The Fund was approved by the Central Bank on 30 October 2003 and was authorised for sale to the public in Hong Kong by the SFC on 12 August 2004. Such authorisation does not imply official recommendation.

Units Available

At the date of this Summary Prospectus, the following classes of Units in the Fund are available for issue:

- A Class Accumulation Units

It is intended that additional classes of Units in the Fund may be offered from time to time. Investors should contact the Administrator or the Hong Kong Representative for confirmation of the classes of Units available in the Fund at any given time. Details of the existing classes of Units in the Fund will also be included in the Unit Trust's semi-annual report and annual report.

SPECIAL INVESTMENT CONSIDERATIONS AND RISKS

Important risks of investing

The underlying assets of a Fund will rise and fall in value. The value of your investment and any distribution will also rise and fall. Please note, investment in the Funds carries significant risk and we recommend that you read the entire Summary Prospectus for the Funds and seek professional advice to assess the risks of investment.

Concentration risk

To the extent that the investments of a Fund concentrates in a particular market and/or the markets of a particular geographical area, the performance of that Fund will be significantly affected by the performance of those particular market(s) in which it has concentrated its investments. Accordingly, the performance of the Fund could be more volatile than the performance of other more diversified funds.

Downgrading risk

The underlying assets of a Fund may be subject to the risk of their credit ratings or the credit ratings of their issuers being downgraded. In the event of downgrading in the credit ratings of a security or an issuer relating to a security, a Fund's investment value in such security may be adversely affected.

Specific risks relating to investments in emerging markets

Although a truly diversified global portfolio should include exposure to emerging markets, investments in emerging market economies involves certain considerations which are not normally involved in investments in more developed markets. Such considerations may include, but are not limited to, being subject to higher liquidity and volatility risks, and additional legal, regulatory, political, expropriation, repatriation and foreign exchange risks. Accordingly, the Manager recommends that investment in the Global Equity Fund, the Asian Equity Fund and the Emerging Markets Equity Fund should not constitute a substantial proportion of a portfolio as these three Funds are relatively more exposed to emerging markets risks. As such, these Funds may be considered speculative and carry significant risk.

Accounting Standards

In emerging markets there is an absence of uniform accounting, auditing and financial reporting standards and practices.

Business Risks

In some emerging markets, crime and corruption, including extortion and fraud, pose a risk to businesses. Property and employees of underlying investments may become targets of theft, violence and/or extortion.

Country Risk

The value of the Fund's assets may be affected by political, legal, economic and fiscal uncertainties. Existing laws and regulations may not be consistently applied.

Custody Risk

Custodians may not be able to offer the level of service and safe-keeping, settlement and administration of securities that is customary in more developed markets and there is a risk that the Fund will not be recognised as the owner of securities held on its behalf by a sub-custodian.

Disclosure

Less complete and reliable fiscal and other information may be available to investors.

Legal

The legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets. Risks associated with many emerging market legal systems include (i) the untested nature of the independence of the judiciary and its immunity from economic, political or nationalistic influences; (ii) inconsistencies among laws, presidential decrees and governmental and ministerial orders and resolutions; (iii) the lack of judicial and administrative guidance on Asset Replication Strategy interpreting applicable laws; (iv) a high degree of discretion on the part of government authorities; (v) conflicting local, regional and federal laws and regulations; (vi) the relative inexperience of judges and courts in interpreting new legal norms; and (vii) the unpredictability of enforcement of foreign judgements and foreign arbitration awards. There is no guarantee that further judicial reform aimed at balancing the rights of private and governmental authorities in courts and reducing grounds for re-litigation of decided cases will be implemented and succeed in building a reliable and independent judicial system.

Market Characteristics/ Liquidity and Settlement Risks

In general, emerging markets are still in the early stages of their development, have less volume, are less liquid and experience greater volatility than more established markets and many emerging markets are not highly regulated. When seeking to sell emerging market securities, little or no market may exist for the securities. The combination of price volatility and the less liquid nature of securities markets in emerging markets may, in certain cases, affect a Fund's ability to acquire or dispose of securities at the price and time it wishes to do so, and consequently may have an adverse impact on the investment performance of the Fund. Settlement of transactions may be subject to delay and administrative uncertainties.

Tax

The taxation system in some emerging market countries is subject to varying interpretations, frequent changes and inconsistent enforcement at the federal, regional and local levels. Tax laws and practices in some emerging market countries are at an initial stage of development and are not as clearly established as in more developed countries.

Frontier Markets Risk

Investing in the securities of issuers operating in frontier emerging markets carries a high degree of risk and special considerations not typically associated with investing in more traditional developed markets. In addition, the risks associated with investing in the securities of issuers operating in emerging market countries are magnified when investing in frontier emerging market countries. These types of investments could be affected by factors not usually associated with investments in more traditional developed markets, including risks associated with expropriation and/or nationalisation, political or social instability, pervasiveness of corruption and crime, armed conflict, the impact on the economy of civil war, religious or ethnic unrest and the withdrawal or non-renewal of any licence enabling a Fund to trade in securities of a particular country, confiscatory taxation, restrictions on transfers of assets, lack of uniform accounting, auditing and financial reporting standards, less publicly available financial and other information, diplomatic development which could affect investment in those countries and potential difficulties in enforcing contractual obligations. These risks and special considerations make investments in securities in frontier emerging market countries highly speculative in nature and, accordingly, an investment in a Fund's shares must be viewed as highly speculative in nature and may not be suitable for an investor who is not able to afford the loss of their entire investment. To the extent that a Fund invests a significant percentage of its assets in a single frontier emerging market country, a Fund will be subject to heightened risk associated with investing in frontier emerging market countries and additional risks associated with that particular country.

Specific risks relating to investments in India

The investments of the Fund in India are exposed to the risk associated with changes in social, political and economic policies in India, as well as the risks associated with the changes in current Indian tax laws and policies. In particular, there may be tax measures introduced by the Indian government which impose new tax liabilities on capital market activities by foreign investors (e.g. the Fund) in India. If such measures are promulgated by the Indian government, the Fund may be required to assume additional tax liabilities and this will have an adverse effect on the value of the Fund, in which case investors may suffer losses as a result.

Specific risks relating to investments in Europe

Investment in the Fund involves, among other risks, certain degree of risk related to a concentration of investments in the European market. In particular, in view of the recent economic and financial crisis surrounding Europe and the likelihood that the economies in the European region are unlikely to recover swiftly within the foreseeable future and may continue to deteriorate or spread within and outside Europe, investing into the Fund involves significant risk as the deterioration in the economic conditions of the European market will expose the Fund to extremely high liquidity and volatility risks, as well as additional political, sovereign and foreign exchange risks. In particular, investments in European securities and the value of such securities may be affected by the market, currency, economic and political conditions in Europe.

It is likely that the measures taken by the governments of the European countries, central banks and other authorities to address the economic and financial difficulties, such as austerity measures and reforms, will not achieve their intended results. The failure of these measures will have a significant impact on the asset prices in and outside of the European countries, which will adversely affect the value of the Fund. In addition, it is possible that certain existing member countries may withdraw from the Eurozone and from using the Euro, and the Eurozone may break up and the Euro may cease to be used as a currency in the Eurozone. It is therefore highly probable that investment in the Fund in such period of economic instability around the European region will result in significant loss of your investments in the Fund.

Specific risks relating to investments in real estate investment trusts (REITS)

The real estate investment trusts (REITS) or other REIT-like structures which will be the equivalent of REITS (collectively **"REIT investments"**) that may be invested by one or more Funds of the Unit Trust may not necessarily be authorised by the SFC and the dividend or payout policy of these Funds are not representative of the dividend or payout policy of these underlying REIT investments.

Specific risks relating to investments in fixed income securities

High Yield Securities Risk

Below investment grade debt securities are speculative and involve a greater risk of default and price changes due to changes in the issuer's creditworthiness. The market prices of these debt securities fluctuate more than investment grade debt securities and may decline significantly in periods of general economic difficulty.

The value of the Fund's assets may be affected by uncertainties such as changes in government policies, taxation, currency repatriation restrictions and other developments in the law or regulations of the countries in which the Fund may invest.

Yield and Market Risk

Investments in fixed income securities entail certain risks including adverse income fluctuation associated with general economic conditions affecting the fixed income securities market, as well as adverse interest rate changes and volatility of yields. When interest rates decline, the market value of the Fund's fixed income securities can be expected to rise. Conversely, when interest rates rise, the market value of the Fund's fixed income securities can be expected to decline.

Default Risk

Investments in fixed income securities, specifically those which are rated below investment grade, are subject to the risk that the issuer could default on its obligations and the Fund could sustain losses on such investments. The Fund will seek to limit such risks by in-depth credit research and careful securities selection but there can be no assurance that the Fund will not acquire securities with respect to which the issuer subsequently defaults.

Liquidity Risk

The secondary market for high yield bonds is typically much less liquid than the market for investment grade bonds, frequently with significantly more volatile prices and larger spreads between bid and asked price in trading. At times the high yield bond market will be very illiquid. The Fund may have to sell holdings of high yield bonds at unfavourable prices in order to raise proceeds to pay for redemptions of Units. Illiquid securities may be difficult to resell at approximately the price they are valued in the ordinary course of business in seven days or less. When investments cannot be sold readily at the desired time or price, a Fund may have to accept a lower price or may not be able to sell the security at all, or may have to forego other investment opportunities, all of which may have an impact on the Fund.

Specific risks relating to below investment grade securities

Investment in below investment grade securities are speculative and involve a greater risk of default and price changes due to changes in the issuer's credit worthiness. The market prices of such securities therefore fluctuate more than investment grade securities and may decline significantly in periods of greater economic difficulty.

Specific risks relating to investments in unlisted securities

A Fund may invest in unlisted securities. In general there is less governmental regulation and supervision of transactions in the unlisted securities markets than for transactions entered into on organised exchanges. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearing house, may not be available in connection with unlisted securities. Therefore, any Fund investing in unlisted securities will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Fund will sustain losses.

There may be little or no liquidity in unlisted securities and it may be difficult to establish a proper market price

for them.

Risks relating to the use of financial derivative instruments

Financial derivatives, including options, futures, options on futures, other over the counter derivative instruments (including swaps) may, if deemed advisable by the Investment Adviser of the Fund for the purposes of efficient portfolio management, be used subject to the conditions and limits laid down by the Central Bank and the Trust Deed and subject to any other restrictions or regulations which may affect the portfolio management of the Funds or the investment adviser. The Funds may employ techniques and instruments relating to transferable securities and money market instruments subject to the Regulations and to conditions imposed by the Central Bank. The use of derivatives requires investment techniques and risk analysis different from those of more traditional investments, and will involve an understanding not only of the underlying instrument but also of the derivative instrument itself. The degree of success of a Fund in using financial derivative instruments for efficient portfolio management will depend, to a large extent, on the fund manager's ability to correctly identify and execute on suitable opportunities. This process involves uncertainty. In adverse situations, the use of financial derivative instruments in a Fund for the purposes of efficient portfolio management may become ineffective, in which case significant losses may be suffered as a result. Financial derivative instruments will not be used extensively or primarily for investment purposes.

Exchange Derivatives Risk

Exchange derivative instruments may be restricted in their liquidity due to the imposition of fluctuation limiting regulations commonly referred to as "daily price fluctuation limits" or "daily limits". Such limitations prevent trades from being executed at prices beyond the daily limits during a trading day.

Over-the-counter Derivatives Risk

Over-the-counter derivative instruments are entered into directly between counterparties acting as principals and are therefore subject to a certain degree of counterparty risk.

Credit Risk and Counterparty Risk

Funds will be exposed to a credit risk in relation to the counterparties with whom they transact or place margin or collateral in respect of transactions in derivative instruments. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Regardless of the measures the Fund may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Fund will not sustain losses on the transactions as a result.

Correlation Risk

The prices of derivative instruments may be imperfectly correlated to the prices of the underlying securities, for example, because of transaction costs and interest rate movements.

Collateral Risk

Collateral or margin may be passed by the Fund to a counterparty or broker in respect of OTC FDI transactions. Assets deposited as collateral or margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy. Where collateral is posted to a counterparty or broker by way of title transfer, the collateral may be re-used by such counterparty or broker for their own purpose, thus, exposing the Fund to additional risk.

Forward Trading

Forward contracts and options thereon, 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 and "cash" trading is substantially unregulated. There is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. Market illiquidity or disruption could result in major losses to a Fund.

Foreign Exchange Transactions

Where a Fund utilises derivatives which alter the currency exposure characteristics of securities held by the Fund the performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

Futures and Options Trading is Speculative and Volatile

Substantial risks are involved in trading futures, forward and option contracts and various other instruments in which a Fund may trade. Certain of the instruments in which a Fund may invest are sensitive to interest rates and foreign exchange rates, which means that their value and, consequently, the Net Asset Value, will fluctuate as interest and/or foreign exchange rates fluctuate. The Fund's performance, therefore, will depend in part on its ability to anticipate and respond to such fluctuations in market interest rates and foreign exchange rates, and to utilise appropriate strategies to maximise returns to the Fund, while attempting to minimise the associated risks to its investment capital. Variance in the degree of volatility of the market from the Fund's expectations may produce significant losses to the Fund.

The low initial margin deposits normally required to establish a futures position permit a high degree of leverage. As a result, a relatively small movement in the price of a futures contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited.

Further, when used for hedging purposes there may be an imperfect correlation between these instruments and the investments or market sectors being hedged. Transactions in over-the-counter derivatives may involve additional risk as there is no exchange or market on which to close out an open position. It may be impossible to liquidate an existing position, to assess or value a position or to assess the exposure to risk. Warrants give a Fund the right to subscribe to or purchase securities in which a Fund may invest. The underlying security may be subject to market volatility thus rendering an investment in a warrant a higher risk than an investment in an equity security.

Legal Risk
The use of OTC derivatives, such as forward contracts, credit derivatives, swap agreements and contracts for difference, will expose the Funds to the risk that the legal documentation of the relevant OTC contract may not accurately reflect the intention of the parties.

Margin Risk
A Fund may be obliged to pay margin deposits and option premia to brokers in relation to futures and option contracts entered into for the relevant Fund. While exchange traded contracts are generally guaranteed by the relevant exchange, the relevant Fund may still be exposed to the fraud or insolvency of the broker through which the transaction is undertaken. The relevant Fund will seek to minimise this risk by trading only through high quality names.

Liquidity Risk
Liquidity risk exists when a particular derivative instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

Necessity for Counterparty Trading Relationships
Participants in the OTC currency market typically enter into transactions only with those counterparties which they believe to be sufficiently creditworthy, unless the counterparty provides margin, collateral, letters of credit or other credit enhancements. While the Irish Collective Asset-management Vehicle believes that it will be able to establish the necessary counterparty business relationships to permit a Fund to effect transactions in the OTC markets, there can be no assurance that it will be able to do so. An inability to establish such relationships would limit a Fund's activities and could require a Fund to conduct a more substantial portion of such activities in the cash or exchange traded markets. Moreover, the counterparties with which a Fund expects to establish such relationships will not be obligated to maintain the credit lines extended to a Fund, and such counterparties could decide to reduce or terminate such credit lines at their discretion.

Index Risk
If a derivative is linked to the performance of an index, it will be subject to the risks associated with changes to that index. If the index changes, a Fund could receive lower interest payments or experience a reduction in the value of the derivative to below what the Fund paid. Certain indexed securities – including inverse securities (which move in the opposite direction to the index) – may create leverage, to the extent that the increase or decrease in value is at a rate that is a multiple of the changes in the applicable index.

Specific risks relating to the use of the Asset Replication Strategy or investments in swaps, repurchase agreements, securities lending and over-the-counter transactions

Utilisation of the Asset Replication Strategy or investments in swaps, repurchase agreements, securities lending and over-the-counter transactions involves certain considerations stemming from the inherent characteristics of the techniques and instruments used therein. These include:

- The swaps market is a relatively new market and is largely unregulated. It is possible that developments in the swaps market, including potential government regulation, could adversely affect the Fund's ability to terminate existing swap agreements or to realise amounts to be received under such agreements. Whether the Fund's use of swap agreements for efficient portfolio management purposes will be successful will depend on the Investment Adviser's or any Sub-Advisers ability to correctly predict whether certain types of investments are likely to produce greater returns than other investments. The Fund bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a swap agreement counterparty.

- The Fund may act as both a protection buyer and seller in respect of credit default swaps (CDS). Where the Fund is the protection seller, the risk arises where a specified reference credit event occurs which obliges the Fund to pay the counterparty under the terms of the CDS. Where the Fund is the protection buyer, the risk arising is of counterparty default where a specified reference credit event occurs and the Fund looks to the counterparty for payment.

- The risk arising to the Fund in a total return swap (TRS) is credit risk in the event that the counterparty is unable to meet its payment obligations to the Fund under the terms of the TRS.

- If the other party to a repurchase agreement should default, the Fund might suffer a loss to the extent that the proceeds from the sale of the underlying securities and other collateral held by the Fund in connection with the refuted repurchase agreement are less than the repurchase price. In addition, in the event of bankruptcy or similar proceedings of the other party to the repurchase agreement or its failure to repurchase the securities as agreed, the Fund could suffer losses, including loss of interest on or principal of the security and costs associated with delay and enforcement of the repurchase agreement.

- Securities lending involves the risk of loss of rights in the collateral or delay in recovery of the collateral should the borrower fail to return the securities loaned or become insolvent. The Fund may pay lending fees to the party arranging the loan. None of the Funds currently engages in securities lending.

- Forward currency contracts will be entered into over-the-counter (OTC) directly between two counterparties acting as principals. Since an OTC contract is not guaranteed by an exchange or clearing house, a default on the contract would deprive the Fund of the benefits of the contract and force the Fund to cover its purchase or sale commitments, if any, at the current market price. The performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

Investors' attention is drawn to the fact that financial derivatives, including options, futures and other over the counter derivative instruments (including swaps) have been and are only being used for the purposes of efficient portfolio management for the Fund and/or for the Hedged Unit Classes subject, inter alia, to the conditions and limits laid down by the Central Bank and the Trust Deed. All incremental income generated from such transactions are accrued to the Fund.

The exposure of a Fund with respect to a financial derivative instrument which gives rise, or may give rise, to a future commitment on behalf of a Fund will be covered as follows:

- in the case of a financial derivative instrument which require physical delivery of the underlying asset, the asset will be held at all times by the Fund;
- in the case of a financial derivative instrument which automatically, or at the discretion of the Fund, are cash settled, or in the case of a financial derivative instrument where the underlying consists of highly liquid fixed income securities, the Fund will hold at all times liquid assets sufficient to cover the exposure; and

- for financial derivative instruments traded on a regulated market, the total amount of premium paid or received for options and initial margin paid for future contracts may not exceed 15% of the Fund's NAV.

The Manager employs a risk management process to monitor measure and manage the risks attached to its positions in relation to its financial derivative instruments.

In respect of over the counter derivatives, the Fund will only trade with counterparties having a minimum credit rating of A2 or equivalent. In such circumstances the Fund is exposed to the credit risk of the counterparties and their ability to satisfy the terms of the contracts. Counterparties are selected from the Investment Adviser's list of approved counterparties. At least annually, the Investment Adviser's credit analysts review each counterparty's financial strength and monitor counterparty credit ratings on an ongoing basis. In addition, the regulations issued by the Central Bank only permit investment in over the counter derivatives where the counterparties are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

The risk exposure of each Sub-Fund to any counterparty in an over the counter derivatives transaction may not exceed 5% of net assets.

Specific risks relating to the Hedged Unit Classes

Additional considerations apply in respect of Units in Hedged Unit classes stemming from the inherent characteristics of the techniques and instruments used to achieve hedging. These include:

Currency Risk

The strategy of utilising currency hedging transactions for the Hedged Units may substantially limit holders of those Units from benefiting if the Hedged Currency falls against the Base Currency.

Investors in Hedged Unit Classes should be aware that the exchange rate used for the purpose of converting the proceeds of their trade to or from the relevant base currency is likely to be the rate prevailing at the time the necessary currency hedging contracts are put in place which means that this exchange rate risk is borne by those transacting investors rather than by the other investors in the relevant Hedged Unit Class.

Transaction Risk

A risk remains that hedging techniques will not always be effective in limiting losses incurred due to currency fluctuation.

Credit Risk

To the extent that the Fund enters into hedging transactions with a counterparty in relation to the Hedged Units on an over-the-counter basis, there may be a credit risk to the relevant class with regard to the counterparties and such transactions may bear the risk of settlement default.

Payment of dividends effectively out of capital

In respect of the Funds which have income units, the Manager may, in accordance with clause 7.3 of the Trust Deed of the Funds and at its discretion, pay the dividends from gross income while charging all or part of these Funds' fees and expenses to capital, pursuant to clause 7.3 of the Trust Deed. It will result in an increase in distributable income for the payment of dividends by these Funds, and the dividends are effectively paid out of capital of these Funds. Payment of dividends effectively out of capital amounts to a return or withdrawal of part of an Unitholder's original investment or from any capital gains attributable to that original investment. Payment of dividends effectively out of capital of these Funds may result in an immediate reduction of the net asset value per unit of these Funds.

Specific risks relating to termination

As further elaborated in the section headed "Duration of the Unit Trust" on page [38], the Unit Trust and/or any Fund may be terminated under certain circumstances. Upon termination of the Unit Trust and/or any Fund, the investments held thereof will be sold and the net cash proceeds derived from the realization of the assets will be distributed to the relevant Unitholders in proportion to their respective interests. There is a risk that such realization proceeds at the time may be less than the Unitholders' original investment.

Specific risks relating to the Subscriptions/Redemptions Account

The Unit Trust operates a Subscriptions/Redemptions Account for all of the Funds. Monies in the Subscriptions/Redemptions Account are deemed assets of the respective Funds and shall not have the protection of the Investor Money Regulations. Investors are advised to promptly comply with any subscription requirements, such as the provision of the relevant anti-money laundering documentation, as monies due to an investor as a result of redemption or dividend activity cannot otherwise be transferred to the investor. When the investors' monies are held by the Unit Trust in the Subscriptions/Redemptions Account for the account of a Fund during subscription, redemption or distribution, there is a risk for investors in the event that such Fund (or another Fund of the Unit Trust) becomes insolvent.

If a Fund itself becomes insolvent, the investors of the Fund will rank equally with other unsecured creditors and may only be able to recover a pro-rata share of monies in the Subscriptions/Redemptions Account, rather than the full amount that they are originally entitled to.

If another Fund (e.g. Fund B) becomes insolvent, the investors of the Fund (e.g. Fund A) are unlikely to be affected since the Trustee has an obligation to monitor each Fund's monies within the Subscriptions/Redemptions Account independently and there is no transfer between monies held in the Subscriptions/Redemptions Account for the account of Fund A and Fund B. There is only risk for investors in the unlikely event of the Trustee failing to monitor the account correctly which may result in the commingling of monies of different Funds.

Other risks

Settlement Risk

Each Fund will be exposed to credit risk on parties with which it trades and will bear the risk of settlement default. Market practices in relation to the settlement of securities transactions and the custody of assets could provide increased risks. A Fund will be exposed to a credit risk on parties with whom it trades and may also bear the risk of settlement default. The Trustee may be instructed by the Investment Adviser to settle transactions on a delivery free of payment basis where the Investment Adviser believes that this form of settlement is appropriate. Unitholders should be aware, however, that this may result in a loss to a Fund if a transaction fails to settle and the Trustee will not be liable to the Fund or the Unitholders for such a loss, provided the Trustee has acted in good faith in making any such delivery or payment.

Currency Risk

Changes in exchange rates between currencies may cause the value of an investment to diminish or increase. In addition to favourable and unfavourable currency exchange rate developments, the Funds are subject to the possible imposition of exchange control regulations or currency blockages with respect to their investments. Additionally, investment decisions made on behalf of a Fund will not always prove to have been profitable.

Assets of a Fund may be denominated in a currency other than the Base Currency of the Fund and changes in the exchange rate between the Base Currency and the currency of the asset may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency. The Investment Manager may, depending on the investment objective of the Fund, seek to mitigate this exchange rate risk by using FDI. No assurance, however, can be given that such mitigation will be successful.

Classes of Units in a Fund may be denominated in currencies other than the Base Currency of the Fund and a Fund may enter into currency exchange transactions and/or use derivatives (at a Fund level or, in certain circumstances as described in this Summary Prospectus, at a class level) to seek to protect against fluctuation as a result of changes in currency exchange rates. Although these transactions are intended to minimise the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might be realised should the value of the hedged currency increase. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. The successful execution of a hedging strategy cannot be assured. It may not be possible to hedge against generally anticipated exchange fluctuations at a price sufficient to protect the assets from the anticipated decline in value as a result of such fluctuations.

Currency Hedging at Unit Class Level Risk

Hedging activity at Unit class level may expose the Fund to cross contamination risk as it may not be possible to ensure (contractually or otherwise) that a counterparty's recourse in any such arrangements is limited to the assets of the relevant

Unit class. Although the costs, gains and losses of the currency hedging transactions will accrue solely to the relevant Unit class, investors are nonetheless exposed to the risk that currency hedging transactions undertaken in one Unit class may impact negatively on another Unit class, particularly where (pursuant to EMIR) such currency hedging transactions require the Fund to post collateral (i.e. initial or variation margin). Any such collateral is posted by a Fund and at the Fund's risk (rather than by the Unit class and at the risk of the Unit class only because the Unit class does not represent a segregated portion of the Fund's assets) thus exposing investors in other Unit classes to a proportion of this risk.

Valuation Risk

A Fund may invest some of its assets in unquoted securities. Such investment will be valued in accordance with the valuation techniques set out in Appendix B. The Manager may consult with the Investment Adviser with respect to the valuation of unquoted investments. There is an inherent conflict of interest between the involvement of the Investment Adviser in determining the valuation price of certain of a Fund's investments and the Investment Adviser's other responsibilities. Estimates of the fair value of such investments are inherently difficult to establish and are subject to substantial uncertainty. Each Fund may, for the purpose of efficient portfolio management, use derivative instruments in which case there can be no assurance that the valuation as determined in accordance with the provisions set out in Appendix B reflects the exact amount at which the instrument may be closed out.

Credit Ratings Risk

The ratings of fixed-income securities by Moody's and Standard & Poor's are a generally accepted barometer of credit risk. They are, however, subject to certain limitations from an investor's standpoint. The rating on an issuer or a security is heavily weighted by past performance 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. In addition, there may be varying degrees of difference in credit risk of securities within each rating category. In the event of a downgrading of the credit rating of a security or an issuer relating to a security, the value of a Fund investing in such security may be adversely affected.

Equity Risks

A Fund may invest directly or indirectly in equity securities. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions. Prices of equities fluctuate daily dependent on market conditions. Markets can be influenced by a series of factors such as political and economic news, corporate earnings reports, demographic trends, catastrophic events and wider market expectations. The value of equities can fall as well as rise. Potentially a Fund investing in equities could incur significant losses.

Investing in equity securities may offer a higher rate of return than those investing in short term and longer term debt securities. However, the risks associated with investments in equity securities may also be higher, because the investment performance of equity securities depends upon factors which are difficult to predict. As a result, the market value of the equity securities that it invests in may go down and the relevant Fund may suffer losses. Factors affecting the equity securities are numerous, including but not limited to changes in investment sentiment, political environment, economic environment, and the business and social conditions in local and global marketplace. Securities exchanges typically have the right to suspend or limit trading in any security traded on the relevant exchange; a suspension will render it impossible to liquidate positions and can thereby expose the relevant Fund to losses.

Equity Related Securities Risk

A Fund may invest in instruments such as American depository receipt (ADRs) and global depository receipts (GDRs), which in addition to the risks of investments in foreign securities described herein, may not necessarily be denominated in the same currency as the underlying securities into which they may be converted. Ownership of unsponsored ADRs and GDRs may not entitle the Fund to financial or other reports from the issuer, to which they would be entitled as the owner of sponsored ADRs and GDRs.

Market Capitalisation Risk

Certain Funds may invest in the securities of small-to-medium-sized (by market capitalisation) companies, or FDI related to such securities. Such securities may have a more limited market than the securities of larger companies. Accordingly, it may be more difficult to effect sales of such securities at an advantageous time or without a substantial drop in price than securities of a company with a large market capitalisation and broad trading market. In addition, securities of small-to-medium-sized companies may have greater price volatility as they are generally more vulnerable to adverse market factors such as unfavourable economic reports. Additional risk factors associated with companies whose market capitalisation is small or mid-cap may include but are not limited to the following: limited or unproven operating history; weak or leveraged balance sheets, limited borrowing capacity; low or negative profit margins; high concentration of sales from limited number of customers; competition from more established companies; and key-man management risk.

Investment in Collective Investment Schemes

A Fund may invest in one or more CIS including schemes managed by the Investment Adviser or its affiliates. As a shareholder of another CIS, a Fund would bear, along with other shareholders, its pro rata portion of the expenses of the other CIS, including investment management and/or other fees. These fees would be in addition to the Investment Adviser's fees and other expenses which a Fund bears directly in connection with its own operations.

CIS may have different settlement cycles than that of the Funds. Thus, there may be mismatch between the two settlement cycles causing the Funds to use borrowing on a temporary basis to meet such obligations. This may result in charges being incurred by the relevant Fund. Any such borrowing will comply with the Regulations. Further, each CIS may not be valued at the same time or on the same day as the relevant Fund and accordingly the net asset value of such CIS used in the calculation of the Net Asset Value of the relevant Fund will be the latest available net asset value of such CIS (further details on the calculation of the Net Asset Value are set out in Appendix B).

CIS may be leveraged. This includes the use of borrowed funds and investments in FDI. Also, they may engage in short sales. While such strategies and techniques increase the opportunity to achieve higher returns on the amounts invested, they also increase the risk of loss. The level of interest rates generally, and the rates at which such funds may be borrowed in particular, could affect the operating results of the relevant Fund.

To the extent that the relevant Fund is invested in CIS, the success of the relevant Fund shall depend upon the ability of the CIS to develop and implement investment strategies that achieve the relevant Funds' investment objective. Subjective decisions made by the CIS may cause the relevant Fund to incur losses or to miss profit opportunities on which it could otherwise have capitalised. In addition, the overall performance of the relevant Fund will be dependent not only on the investment performance of the CIS, but also on the ability of the Investment Manager to select and allocate the Funds' assets among such CIS effectively on an ongoing basis. There can be no assurance that the allocations made by the Investment Manager will prove as successful as other allocations that might otherwise have been made, or as adopting a static approach in which CIS are not changed.

Tax Risk

Where a Fund invests in assets that are not subject to withholding tax at the time of acquisition, there can be no assurance that tax may not be withheld in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Fund may not be able to recover such withheld tax and so any change may have an adverse effect on the Net Asset Value of the Units.

FATCA

FATCA means (a) sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986 or any associated regulations or other official guidance; (b) any intergovernmental agreement, treaty, regulation, guidance or other agreement between the Government of Ireland (or any Irish government body) and the US, UK or any other jurisdiction (including any government bodies in such jurisdiction), entered into in order to comply with, facilitate, supplement, implement or give effect to: (i) the legislation, regulations or guidance described in paragraph (a) above; or (ii) any similar regime, including any automatic exchange of information regime arising from or in connection with the OECD Common Reporting Standard; and (c) any legislation, regulations or guidance in Ireland that give effect to the matters outlined in the preceding paragraphs.

FATCA aims to reinforce the fight against U.S. tax avoidance by the "US Tax Persons" holding accounts in foreign countries. Pursuant to FATCA, any non-U.S. financial institution (foreign financial institution or "FFI"), e.g. banks, management companies, investment funds etc., either has certain reporting obligations with respect to certain incomes of US Tax Persons or is required to withhold tax at the rate of 30 per cent on (i) certain U.S. source income (including, among other types of income, dividends and interests), (ii) gross proceeds from the sale or disposition of U.S. assets of a type that produce dividends and interest, (iii) foreign passthru payments made to certain FFIs, that do not comply with FATCA and to any investor (unless otherwise exempt from FATCA) that does not provide identification information with respect interests used by a participating FFI always subject to forthcoming clarification and additional guidance by IRS on rules that potentially require withholding on foreign passthru payments.

The United States and Ireland have entered into an intergovernmental agreement to implement FATCA (the "IGA"). Under the IGA, an entity classified as a FFI that is treated as resident in Ireland is expected to provide the Irish tax authorities with certain information in respect of its "account" holders (i.e. Holders). The IGA provides for the automatic reporting and exchange of information between the Irish tax authorities and the IRS in relation to accounts held in Irish FFIs by U.S. persons, and the reciprocal exchange of information regarding U.S. financial accounts held by Irish residents. The Unit Trust and its Funds expects to be treated as a reporting FFI and provided it complies with the requirements of the IGA and the Irish legislation, it should not be subject to FATCA withholding on any payments it receives and may not be required to withhold on payments which it makes. Although the Unit Trust will attempt to satisfy any obligations imposed on it to avoid the imposition of the FATCA withholding tax, no assurance can be given that the Unit Trust will be able to satisfy these obligations. In order to satisfy its FATCA obligations, the Unit Trust will require certain information from investors in respect of their FATCA status. If the Unit Trust becomes subject to a withholding tax as a result of the FATCA regime, the value of the Units held by all Holders may be materially affected. All prospective investors / Holders should consult with their own tax advisors regarding the possible implications of FATCA on an investment in the Unit Trust.

Liquidity Risk and Liquidity Risk Management

The Funds are intended to be long-term investment vehicles and are not designed to provide Unitholders with a means of speculating on short-term market movements. The investment objectives of the Funds are as follows:–

Funds	**Funds Investment Objectives**
Global Equity Fund	To seek capital growth over the medium to long term
European Equity Fund	To seek capital growth over the medium to long term
Asian Equity Fund	To seek capital growth over the medium to long term
Emerging Markets Equity Fund	To seek capital growth over the medium to long term
Japanese Equity Fund	To seek capital growth over the medium to long term
U.S. Equity Fund	To seek capital growth over the medium to long term
Preferred Securities Fund	To provide a return consisting of income consistent with capital preservation
High Yield Fund	To provide a return consisting of income and, over the long term, capital growth

The Manager is entitled to limit, with the approval of the Trustee, the total number of Units of a particular Fund redeemed on any Dealing Day to Units representing 10% of the Net Asset Value of the relevant Fund to ensure the Funds are sufficiently liquid to meet redemption requests.

Under the current investment restrictions, not all securities or instruments invested in by the Funds will be listed or rated and consequently liquidity may be low. Moreover, the accumulation and disposal of holdings in some investments may be time consuming and may need to be conducted at unfavourable prices. The Funds may also encounter difficulties in disposing of assets at their fair price due to adverse market conditions leading to limited liquidity. Some of the markets in which a Fund invests may be less liquid and more volatile than the world's leading stock markets and this may result in the fluctuation in the price of the securities. As a result, the Fund may suffer losses and the Net Asset Value of the Fund may be adversely affected. Due to market conditions the Funds may from time to time trade in transferable securities dealt on a permitted market that may become illiquid after they have been acquired or it may be difficult for a Fund to liquidate at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as a temporary disruption of a particular market. Certain securities may therefore be difficult or impossible to sell at the time that the seller would like or at the price that the seller believes the security is currently worth.

Liquidity risk management is an important part of the investment process and will be considered during portfolio construction. The liquidity profile of the Funds' investments may be changed if a period of reduced or heightened liquidity needs is anticipated. The Manager may also utilise the following tools to manage the Funds' liquidity risk:–

- Redemption Restrictions – To ensure the Funds are sufficiently liquid to meet redemption requests, the Manager may implement measures to limit the total number of Units of a particular Fund redeemed on any Dealing Day to Units representing 10% of the Net Asset Value of the relevant Fund. Refer to the information in the "Redemptions / Withdrawals of Units" sub-section of "Dealing Procedures" section for details.
- Anti-Dilution Levy – To ensure all investors in the Funds are treated equitably, the Manager may apply an anti-dilution levy in relation to redemptions of Units. Refer to the information in the "Anti-Dilution Levy" sub-section of "Dealing Procedures" section for details.

No Secondary Market

It is not anticipated that there will be an active secondary market for the Shares, and it is not expected that such a market will develop. Subject to certain conditions outlined herein, including when repurchases or the registration of transfers of Shares are suspended, Unitholders will, however, be able to realise their investment in a Fund by repurchasing their Shares or by a transfer to an investor who an eligible transferee.

Recent Developments in Financial Markets

Recent developments in the global financial markets illustrate that the current environment is one of extraordinary and possibly unprecedented uncertainty. In light of such recent market turmoil and the overall weakening of the financial services industry, the Unit Trust's, the Manager's, the Investment Adviser's and other financial institutions' financial condition may be adversely affected and they may become subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on the Unit Trust's business and operations.

Financial Markets and Regulatory Change

The laws and regulations affecting businesses continue to evolve in an unpredictable manner. Laws and regulations, particularly those involving taxation, investment and trade, applicable to the Unit Trust's activities can change quickly and unpredictably, and may at any time be amended, modified, repealed or replaced in a manner adverse to the interests of the Unit Trust. The Unit Trust and the Manager may be or may become subject to unduly burdensome and restrictive regulation. In particular, in response to significant recent events in international financial markets, governmental intervention and certain regulatory measures which have been or may be adopted in certain jurisdictions.

Eurozone

It is possible that an existing Eurozone country may leave the Eurozone and return to a national currency, and as a result may leave the EU and/or that the Euro, the European single currency, will cease to exist in its current form and/or lose its legal status in one or more countries in which it currently has such status. The effect of such potential events on the Funds which are denominated in Euro or which invest in instruments predominantly tied to Europe is impossible to predict.

Reinvestment of Cash Collateral Risk

As a Fund may reinvest cash collateral received, subject to the conditions and within the limits laid down by the Central Bank, a Fund reinvesting cash collateral will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

Repurchase Risk

Large repurchases of Units in a Fund might result in a Fund being forced to sell assets at a time and price at which it would normally prefer not to dispose of those assets which may be materially adverse to the Fund.

Volatility Risk

Prices of securities may be volatile. Price movements of securities are difficult to predict and are influenced by, among other things, speculation, changing supply and demand relationships, governmental trade, fiscal, monetary and exchange control programs and policies, national and international political and economic events, climate, changes in interest rates, and the inherent volatility of the market place. Volatility may also be due to the fluctuations in the exchange rate of currencies. Therefore, it is a probability measure of the threat that an exchange rate movement poses to an investor's portfolio in a foreign currency. During periods of uncertain market conditions the combination of price volatility and the less liquid nature of securities markets may, in certain cases, affect a Fund's ability to acquire or dispose of securities at the price and time it wishes to do so, and consequently may have an adverse impact on the investment performance of the Fund.

Accounting, Auditing and Financial Reporting Standards

The accounting, auditing and financial reporting standards of many of the countries in which a Fund may invest may be less extensive than those applicable in the European Union.

Operational Risks (including Cyber Security and Identity Theft)

An investment in a Fund, like any fund, can involve operational risks arising from factors such as processing errors, human errors, inadequate or failed internal or external processes, failure in systems and technology, changes in personnel, infiltration by unauthorised persons and errors caused by service providers such as the Manager, the Investment Adviser or the Administrator. While the Funds seek to minimise such events through controls and oversight, there may still be failures that could cause losses to a Fund. The Manager, Investment Adviser, Administrator and Trustee (and their respective groups) each maintain appropriate information technology systems. However, like any other system, these systems could be subject to cyber security attacks or similar threats resulting in data security breaches, theft, a disruption in the relevant entity's service or ability to close out positions and the disclosure or corruption of sensitive and confidential information. Notwithstanding the existence of policies and procedures designed to detect and prevent such breaches and ensure the security, integrity and confidentiality of such information as well as the existence of business continuity and disaster recovery measures designed to mitigate any such breach or disruption at the level of the Unit Trust and its delegates, such security breaches may potentially also result in loss of assets and could create significant financial and or legal exposure for the Unit Trust.

Paying Agent Risk

Unitholders who choose or are obliged under local regulations to pay or receive subscription or repurchase monies or dividends via an intermediate entity rather than directly to the relevant Fund (e.g. a Paying Agent in a local jurisdiction) bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the relevant Fund and (b) repurchase monies payable by such intermediate entity to the relevant Unitholder.

Contingent Convertible Instruments Risk

(i) Unpredictable nature of the conversion events - the occurrence of a conversion event is inherently unpredictable and depends on a number of factors, many of which will be outside the issuer's control. Because of the inherent uncertainty regarding the determination of whether a conversion event will occur, it may be difficult to predict when, if at all, a CoCo will be converted. Accordingly, trading behaviour in the CoCos is not necessarily expected to follow trading behaviour associated with other types of convertible or exchangeable debt securities;

(ii) Subordinated instruments - CoCos will in the majority of circumstances be issued in the form of subordinated, convertible debt instruments in order to provide the appropriate regulatory capital treatment prior to a conversion. Accordingly, in the event of liquidation, dissolution or winding-up of an issuer prior to a conversion having occurred, the rights and claims of the holders of the CoCos against the issuer in respect of or arising under the terms of the CoCos shall generally rank junior to the claims of all holders of unsubordinated obligations of the issuer. In addition, if the CoCos are converted into the issuer's underlying equity securities following a conversion event, each holder will be subordinated due to their conversion from being the holder of a debt instrument to being the holder of an equity instrument.

(iii) Market value will fluctuate based on unpredictable factors - the value of CoCos is unpredictable and will be influenced by many factors including, without limitation, (i) the trading price of the relevant issuer's underlying equity securities; (ii) the creditworthiness of the issuer and/or fluctuations in such issuer's applicable capital ratios; (iii) supply and demand for the CoCos; and (iv) economic, financial and political events that affect the issuer, its particular market or the financial markets in general.

Investment Reporting

All investors will receive quarterly statements which details the current value and Unit holdings of their investment. The annual and semi-annual reports of the Unit Trust will be available to investor within four months following the end of the financial year (30 September) and within two months following the end of the relevant period (31 March) respectively, and can be downloaded from the website of http://www.principal.com.hk[2] or may be obtained, free of charge, on request from the Manager, the distributors or the representatives of the Unit Trust. Unitholders will be notified of where such reports can be obtained in printed and electronic forms. The annual audited accounts and the semi-annual unaudited accounts will only be available in English.

The Manager may provide investment statements and any additional reporting or accounting information in currencies other than the Base Currency from time to time to A Class, I Class, D Class, D2 Class and F Class Unitholders who subscribed for Units in a Fund in a currency other than the Base Currency and who request such information.

Any additional reporting information provided in a non-Base Currency will be indicative only, and will be prepared by reference to an exchange rate determined by the Manager and the Net Asset Value per Unit of the Fund that applies at the reporting date and this will be noted on the information itself. The exchange rate will not necessarily represent an exchange rate that an applicant or an investor has received, or could be expected to receive.

Unless otherwise arranged with the Hong Kong Representative, the quarterly and investment statements will be provided to investors in English only.

Client Service in Hong Kong

A team of English and Chinese speaking client service representatives are available from 9:00 a.m. until 7:00 p.m. Monday to Friday and 9:00 a.m until 1:00 p.m. Saturday on phone (852) 2117 8383 or fax (852) 2801 5690. Investors can also access the latest information on the Unit Trust and the Funds through our internet site: www.principal.com.hk[3]

Enquiries and Complaint Handling

Principal Investment & Retirement Services Limited is appointed as the Hong Kong representative for the Principal Global Investors Funds, and is responsible for dealing with any enquiries or complaints. Should you have any enquiries or complaints, you may contact Principal Investment & Retirement Services Limited. All complaints will be dealt with in a prompt, faithful and equitable manner.

The contact details of Principal Investment & Retirement Services Limited are set out below:

30/F Millennium City 6, 392 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong

Tel: (852) 2117 8383

Fax: (852) 2801 5690 (General enquiries)

Email: Investors-Asia@principal.com

[2] *This website has not been reviewed by the SFC.*
[3] *This website has not been reviewed by the SFC.*

To invest in the Principal Global Investors Funds, please complete the Application Form and send it to the Hong Kong Representative, Principal Global Investors (Asia) Limited by mail or facsimile (contact details on page [19]). Where an original and valid application form has been received and is in order, subsequent applications for Units may be made using faxed instructions (without forwarding the original).

If an instruction which relates to an initial investment into a Fund is sent by facsimile, the original Application Form and supporting anti-money laundering documents must still be mailed promptly to Principal Investment & Retirement Services Limited. However, all instructions received by facsimile will be treated as definitive orders and will not be capable of withdrawal after acceptance by Principal Investment & Retirement Services Limited.

Application Forms that are incomplete will not be accepted until all the relevant information is obtained.

You will also need to telegraphically transfer funds when submitting your Application Form, according to the payment instructions below. Investors obtaining a copy of this Summary Prospectus via the Internet should download the Summary Prospectus and invest in the same manner.

Additional investment requests may be made by fax or mail.

The Base Currency for all Funds is currently US Dollars.

It is Principal Global Investors' current policy that applications will only be accepted in US$, HK$ or Euros. Applications received in currencies other than the Base Currency will be converted to the Base Currency at the investor's expense and risk. The Manager is not responsible for the actual exchange rate that applies upon such conversion. Applicants should be aware that gains and losses can occur on currency conversions, and that an exchange risk will arise over the period of the investment. Investors wishing to apply in other currencies are advised to contact the Hong Kong Representative.

Units will be issued in non-certificated form. Fractions of not less than one thousandth of a Unit may be issued. Application monies representing smaller fractions of a Unit will not be returned to the applicant but will be retained as part of the relevant Fund's assets.

Please note that no money should be paid to any intermediary in Hong Kong who is not licensed or registered to carry on Type 1 regulated activity under Part V of the Hong Kong Securities and Futures Ordinance.

US persons (subject to any exceptions outlined in the Prospectus or under relevant law) are ineligible to invest in the Funds. Investors who become residents of the US subsequent to investing can be requested to redeem their investment. Irish residents who are interested in investing in the Funds should contact the Hong Kong Representative to find out whether applications from Irish residents are being accepted by the Manager at that time.

Units Available

The Units available in each Fund are stated under the relevant Fund's investment objectives and policies on. The types of Units which may be made available are as follows:-

Income Units and Accumulation Units

Income Units for the High Yield Fund and the Preferred Securities Fund will distribute the net income they earn quarterly normally within 14 days but in any event within 30 days of the end of each calendar quarter each year (31st March, 30th June, 30th September, 31st December), with the exception of the D2 Class Income Units. D2 Class Income Units for the High Yield Fund and the Preferred Securities Fund will distribute the net income they earn monthly normally within 30 days of the end of each calendar month. Income Units for all other Funds will distribute the net income they earn annually normally within 14 days but in any event within 30 days of the end of each calendar year (31st December). At this time, income is automatically reinvested in the form of additional Income Units in the relevant Fund, in your account name, unless you applied for cash distributions when originally purchasing the Units, and such application was accepted. If you apply for cash distributions these will normally be paid by telegraphic transfer to your nominated account at your risk and expense.

Investors may also at any time serve notice in writing on the Manager and the Trustee to apply for cash distributions. Such notice must be received by the Manager and the Trustee at least seven Business Days before the next following Distribution Date to be effective in respect of distributions paid on that date.

Investors should contact the Administrator or the Hong Kong Representative to find out whether distributions can be paid in cash in respect of any given Fund or class of Units and the manner in which they are payable. Accumulation Units do not declare or distribute the income they earn. Net income (if any) is calculated daily and retained within the Fund and its impact is reflected each day in the price of Accumulation Units.

Investors should note that any dividend income being paid out by a Fund and held in the Subscriptions/Redemptions

Account shall remain an asset of the relevant Fund until such time as the income is released to the investor and that during this time the investor will rank as a general unsecured creditor of the Unit Trust.

Upon the expiry of the period of six years after the relevant Distribution Date, the Unitholder and any person claiming through, under or in trust for him shall forfeit any right to any distribution not paid, and such amount shall become part of the relevant Fund.

Payment of dividends effectively out of capital

The Funds which currently have income units are Global Equity Fund, European Equity Fund, Asian Equity Fund, Preferred Securities Fund and High Yield Fund. Currently, the dividends for these Funds are currently paid out of income.

Clause 7.3 of the Trust Deed of the Unit Trust allows the Manager to charge fees and expenses of these Funds to capital instead of income. The Manager may therefore, in accordance with clause 7.3 of the Trust Deed of the Funds and at its discretion, pay the dividends of these Funds from gross income while charging all or part of these Funds' fees and expenses to capital. This will result in an increase in distributable income for the payment of dividends by these Funds, and the dividends are effectively paid out of capital of these Funds. Such payment of dividends effectively out of capital amounts to a return or withdrawal of part of a Unitholder's original investment or from any capital gains attributable to that original investment. Payment of dividends effectively out of capital may result in an immediate reduction of the net asset value per unit of these Funds.

Please note that realised capital profits of these Funds can be paid as distributable income to Unitholders under clause 1.14 of Appendix G to the Trust Deed.

The information pertaining to the composition of the dividends paid (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months can be obtained from the Hong Kong Representative upon request and also on the internet website of http://www.principal.com.hk[4]. Please note that the website has not been reviewed by the SFC. The Manager may amend the dividend distribution policy with respect to the matters mentioned above subject to the SFC's prior approval and by giving not less than 1 month's prior notice to the Unitholders.

<u>A Class, I Class, D Class, D2 Class and F Class Units</u>

The Manager may issue A Class, I Class, D Class, D2 Class and F Class Units, all of which may be Income or Accumulation Units. The differences between these Units are the different levels of fees and minimum subscription amounts applicable to each class. Please refer to the information in the "Fees and Expenses" section on the level of fees and the "Dealing Procedures" section below on minimum subscription amounts.

<u>Hedged and Unhedged Units</u>

Units in the relevant Fund may be denominated in the same or in different currencies. Where a class of Units is denominated in a currency other than the relevant Fund's Base Currency (which is the US dollar for all Funds), the Manager shall determine whether such Units shall be constituted as hedged or unhedged Units.

In the case of a hedged class of units ("**Hedged Unit class**") the Fund shall enter into certain currency-related transactions through the use of efficient portfolio management techniques (including exchange rate swap contracts, currency options, forward currency transactions and other instruments) in order to seek to hedge out currency risk of a hedged class of Units. Unless otherwise specified in the relevant Fund's investment objectives and policies, this will involve a class designated in a currency other than the Base Currency being hedged against (i) exchange rate fluctuation risks between the designated currency of the class and the Base Currency of the relevant Fund; or (ii) exchange rate fluctuation risks between the designated currency of the class and the other denominated currencies of the Fund's assets.

To the extent that hedging is successful for a particular class, the performance of the class is likely to move in line with the performance of the underlying assets.

Any financial instruments used to implement such currency hedging strategies with respect to one or more classes shall be assets/liabilities of the Fund but will be attributable to the relevant class(es) and the profit and loss (realised and unrealised) on, and the costs of the currency hedging transactions (including any administrative costs arising from additional risk management) will accrue solely to the relevant class. However, investors should note that there is no segregation of liability between Unit classes. Although the costs, profits and losses of the currency hedging transactions will accrue solely to the relevant class, Unitholders are nonetheless exposed to the risk that hedging transactions undertaken in one class may impact negatively on the Net Asset Value of another class. Please refer to the section entitled "Special Investment Considerations and Risks; Currency Hedging at Units Class Level Risk" for

[4] *This website has not been reviewed by the SFC.*

more details.

Any additional risk introduced to the Fund through the use of currency hedging for a given Unit class should be mitigated and monitored appropriately. Accordingly, in accordance with the Central Bank Requirements, the following operational provisions will apply to any currency hedging transactions:

- Counterparty exposure should be managed in accordance with the limits in the Regulations and the Central Bank Requirements.
- Over-hedged positions should not exceed 105 per cent of the net assets of the relevant class of Units.
- Under-hedged positions should not fall short of 95 per cent of the portion of the net assets of the relevant class which is to be hedged against currency risk.
- Hedged positions will be kept under review on an ongoing basis, at least at the same valuation frequency of the Fund, to ensure that over hedged or under hedged positions do not exceed/fall short of the permitted levels disclosed above.
- Such review (referred to above) will incorporate a procedure to rebalance the hedging arrangements on a regular basis to ensure that any such position stays within the permitted position levels disclosed above and is not carried forward from month to month.
- The currency exposures of different currency classes may not be combined or offset and currency exposures of assets of the Fund may not be allocated to separate Unit classes.

The Hedged Units will not be leveraged as a result of currency hedging transactions carried out for the class.

Notwithstanding the above, there can be no guarantee that the hedging techniques will be successful and, while not intended, this activity could result in over-hedged or under-hedged positions due to external factors outside the control of the Fund. Further, these hedging techniques are designed to reduce a Unitholder's exposure to currency risk. The use of such class hedging techniques may therefore substantially limit holders of Units in the relevant classes from benefiting if the currency of that class falls against that of the Base Currency of the relevant Fund and/or the currency in which the assets of the relevant Fund are denominated. There are additional considerations for investors inherent in the use of Hedged Units and these are disclosed in the relevant sub-section of the section of this Summary Prospectus headed "Special Investment Considerations and Risks; Currency Risk".

Details of any Hedged Units available and the currency against which they are hedged are set out under the relevant Fund's investment objectives and policies. As at the date of this Summary Prospectus, Hedged Units are offered by the Preferred Securities Fund and High Yield Fund in Hong Kong.

Investors who fail to nominate the type of Unit in a Fund, in which they wish to invest, will receive Accumulation Units for that Fund.

<u>Use of a Subscriptions/Redemptions Account</u>

The Unit Trust operates a single, omnibus Subscriptions/Redemptions Account for all of the Funds, in accordance with the Central Bank's requirements. Accordingly, monies in the Subscriptions/Redemptions Account are deemed assets of the respective Funds and shall not have the protection of the Investor Money Regulations. It should be noted however that the Trustee will monitor the Subscriptions/Redemptions Account in performing its cash monitoring obligations and ensuring effective and proper monitoring of the Unit Trust's cash flows in accordance with its obligations as prescribed under UCITS V. There nonetheless remains a risk for investors to the extent that monies are held by the Unit Trust in the Subscriptions/Redemptions Account for the account of a Fund at a point where such Fund (or another Fund of the Unit Trust) becomes insolvent. In respect of any claim by an investor in relation to monies held in the Subscriptions/Redemptions Account, the investor shall rank as an unsecured creditor of the Unit Trust.

The Manager in conjunction with Trustee shall establish a policy to govern the operation of the Subscriptions/Redemptions Account, in accordance with the Central Bank's guidance in this area. This policy shall be reviewed by the Manager and the Trustee at least annually.

DEALING PROCEDURES

Applications for Units

Minimum Subscription Amounts

A Class Units

Minimum initial subscription amount:	US$10,000 per Fund.
Minimum additional subscription amount:	US$1,000 per Fund.

I Class Units

Minimum initial subscription amount:	US$2,000,000 per Fund.
Minimum additional subscription amount:	US$500,000 per Fund.

D Class Units

Minimum initial subscription amount:	US$10,000 per Fund.
Minimum additional subscription amount:	US$1,000 per Fund.

D2 Class Units

Minimum initial subscription amount:	US$10,000 per Fund.
Minimum additional subscription amount:	US$1,000 per Fund.

F Class Units

Minimum initial subscription amount:	US$10,000 per Fund.
Minimum additional subscription amount:	US$1,000 per Fund.

The Manager may waive or reduce the minimum subscription amounts above for any investor at its absolute discretion.

If a Unitholder requests a partial redemption which would reduce the value of that Unitholder's remaining investment below the minimum investment amount, the Manager may, at its discretion, decide to permit the partial redemption.

Applications made in Base Currency (US dollars)

If your application is received and accepted before 5:00 p.m. Hong Kong time on any Dealing Day, Units will be allocated to you at the price applicable to that Dealing Day. Applications received after 5:00 p.m. Hong Kong time will be treated as if received on the next Dealing Day, unless the Manager determines otherwise in its absolute discretion in relation to requests which due to no fault of the applicant were not, but should have been, received on a Dealing Day or by the relevant dealing deadline.

Settlement for applications made in the relevant Base Currency is on a T+3 basis – i.e. settlement must be made into the relevant bank account within 3 Business Days of the Dealing Day.

Applications made in currencies other than the Base Currency

Applications from persons wishing to purchase A Class Units, I Class Units, D Class Units, D2 Class Units or F Class Units using non-Base Currency amounts will be processed on the date of receipt of the application in the same way as applications received in the Base Currency.

A contract note will be sent to you by mail from the Administrator, BNY Mellon Fund Services (Ireland) Limited, generally within 7 days, but in any case, within 30 days of the Dealing Day.

Telegraphic Transfers

Subscription monies may be submitted by telegraphic transfer to the Subscriptions/Redemptions Account (investors may refer to the Application Form for details). Upon receipt into the Subscriptions/Redemptions Account, subscription monies will become the property of the relevant Fund and accordingly an investor will be treated as a general creditor of the relevant Fund during the period between receipt of subscription monies into the Subscriptions/Redemptions Account and the issue of Units.

Payment in respect of subscription must be received in cleared funds into the Subscriptions/Redemptions Account on or before the Settlement Date for the relevant Fund. Any Units issued prior to receipt of subscription monies will be cancelled at the discretion of the Manager if the subscription monies are not received by the Administrator on the required day. Notwithstanding the cancellation of the application, the Manager may charge the applicant for any resulting loss incurred by the relevant Fund.

Funds can be telegraphically transferred to the following bank accounts, quoting the investor(s) name(s), name of the bank, bank account number and confirmation note number (if one has already been issued), as well as the name(s) of the Fund(s) into which they are investing.

Payment Instructions

	US Dollars	**HK Dollars**	**Euros**	**Yen**
Intermediary Bank BIC Code	IRVTUS3N	HSBCHKHH	N/A	BOTKJPJT
Intermediary Bank	The Bank of New York Mellon, New York	Hong Kong and Shanghai Banking Corporation, Hong Kong	N/A	The Bank of Tokyo-Mitsubishi UFJ Ltd, Tokyo
Beneficiary Bank BIC Code	IRVTBEBB	IRVTBEBB	IRVTBEBB	IRVTBEBB
Beneficiary Bank Account Number	8900285451	511564437001	N/A	6530431656
Beneficiary Bank Name	The Bank of New York Mellon SA/NV, Brussels	The Bank of New York Mellon SA/NV, Brussels	The Bank of New York Mellon SA/NV, Brussels	The Bank of New York Mellon SA/NV, Brussels
Beneficiary Account Number	3977858400	3977853440	3977859780	3977853920
Beneficiary IBAN Number	BE13519397785039	BE13519397785039	BE13519397785039	BE13519397785039
Beneficial Name	Principal Global Investors Funds	Principal Global Investors Funds	Principal Global Investors Funds	Principal Global Investors Funds

Contact Details of the Hong Kong Representative

Principal Investment & Retirement Services Limited
Address:
30/F Millennium City 6, 392 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong

Tel: (852) 2117 8383 (General)

Fax: (852) 2801 5690 (General)

(852) 2918 1461 (Dealing)

Email: Investors-Asia@principal.com

Regular Investments

A Regular Investment Plan is available for the Funds.

You can make regular investments into the Funds by contributing as little as HK$2,000 to one of the Funds each month directly from a nominated Hong Kong bank account. You only need a minimum investment of US$2,000 to start and HK$2,000 each month. Please contact your Principal client service representative for further information.

Redemptions / Withdrawals of Units

If you wish to withdraw part or all of your investment please fax or mail a request signed by the appropriate signatories to the Hong Kong Representative. Requests accepted before 5:00 p.m. Hong Kong time, on any Dealing Day will receive the redemption price for that Dealing Day.

Redemption proceeds will be paid (usually by telegraphic transfer) in the Base Currency into your nominated bank account, normally within 3 Business Days of acceptance of a complete redemption instruction, but in any case within 10 Business Days. Please contact the Hong Kong Representative if you require any other form of remittance.

If no bank account details are provided, the redemption proceeds will be held in a suspense account pending receipt of the relevant bank account details from you.

Investors should note that any redemption proceeds or dividend being paid out by a Fund and held for any time in the Subscriptions/Redemptions Account shall remain an asset of the relevant Fund until such time as the redemption proceeds or dividend are released to the investor. This would include, for example, cases where redemption proceeds or dividend are temporarily withheld pending the receipt of any outstanding identity verification documents as may be required by the Manager or the Administrator – in such case, there is a need to address these issues promptly so that the redemption proceeds or dividend may be released. It should also be noted that the investor shall have ceased being considered an investor after redemption of all of the units held in the relevant Fund(s) and instead will rank as a general unsecured creditor of the Unit Trust.

Please note, all bank charges or currency conversion charges related to redemption payments, will be borne by the investor. The Manager will not be responsible for late payments resulting from incorrect or insufficient bank account details provided by the investor to the Manager. The Manager reserves the right to reject ineligible, incomplete or invalid requests.

For reasons associated with the prevention of money laundering, the name(s) to whom redemption payments are made must include the registered investor.

In certain circumstances, the Manager has the discretion to implement measures to ensure the Funds are sufficiently liquid to meet redemption requests.

For example, the Manager has the discretion to implement measures to ensure the Funds are sufficiently liquid to meet redemption requests. The Manager is entitled, with the approval of the Trustee, to limit the total number of Units of a particular Fund redeemed on any Dealing Day to Units representing 10% of the Net Asset Value of the relevant Fund. In this event, the limitation will apply pro rata so that all Unitholders wishing to redeem Units of a particular Fund on that Dealing Day redeem the same proportion of such Units. Units not redeemed, but which would otherwise have been redeemed, will be carried forward for redemption on the next Dealing Day. If redemption requests are carried forward, the Administrator, on the direction of the Manager, will inform the Unitholders affected. This could result in investors' redemption instructions not being met within the standard time.

The Manager may also make an in specie distribution of investments to a Unitholder whose redemption request represents 5% or more of the Net Asset Value of a Fund.

Further, the Manager may at its discretion, require up to 4 days' notice of each redemption request in respect of A Class, I Class, D Class, D2 Class and F Class Units where such request (or series of requests from the one Unitholder) would result in the payment of an amount to that Unitholder which would in aggregate represent more than 5% of the Net Asset Value of the relevant Fund.

The Manager may, with the approval of the Trustee, temporarily suspend the redemption of the Units when (a) there is a closure or suspension of any market on which a substantial part of the investments of the relevant Fund are quoted, listed or dealt in; (b) the disposal of a Fund's investments can not be effected normally or would be seriously prejudicial to the interests of the relevant Unitholders; (c) there is a breakdown in the means of determining the value of any of a Fund's investments; or (d) the redemption of a Fund's investments or the transfer of funds cannot be carried out at normal prices or rates of exchange.

Conversion of Units

You can switch between the Principal Global Investors Funds authorised by the SFC from time to time as your investment objectives change. Simply mail or fax a request signed by the appropriate signatories to Principal Global Investors (Asia) Limited. Requests accepted before 5:00 p.m. Hong Kong time, on any Dealing Day will receive the applicable prices for that Dealing Day. Holders of Units of one class in a Fund may not, unless the Manager otherwise agrees, convert those Units into Units of another class in the same Fund. In addition, Holders of Units in any class of Units may not, unless the Manager otherwise agrees, convert those Units into another class of Units hedged to, or denominated in a different currency in the same Fund or in any other Fund.

You are entitled to make four free switches in a 12-month period, unless you are transferring to a Fund or class with a higher application fee, in which case the difference in application fee will apply. In addition, any subsequent switches in that period may attract a further fee of 1 per cent of the amount you are switching.

The conversion facility is not intended for short-term trading or excessive conversion activity, which may interfere with portfolio management and have an adverse impact on all Unitholders. In order to limit any excessive conversion activity and to promote the best interests of the Funds, the Manager may reject a conversion request, and reserves the right to require any Unitholder to redeem all Units held in the Funds where the Manager is of the opinion that the Unitholder's trading in the Funds is designed to take advantage of short term market movements. The Manager may also decline to accept any further applications for Units from such persons. Where a Unitholder's request to convert Units is rejected by the Manager, the Unitholder retains the right to redeem his Units should he so wish.

Valuation Point

The Net Asset Value per Unit in respect of each Fund (except for the High Yield Fund) will be calculated by reference to prices of underlying assets as at 10:00 a.m. (Dublin Time) on the applicable Dealing Day. The Net Asset Value per Unit in respect of the High Yield Fund will be calculated by reference to prices of underlying assets as at 2:00 p.m. (Dublin time) on the applicable Dealing Day.

Single Pricing

There is a single price for buying and selling which represents the Net Asset Value per Unit of the relevant Fund rounded to the nearest cent (less/plus duties and charges where applicable).

Equalisation

Equalisation is a fund accounting policy that enables the income yield of a Fund to be protected. Equalisation is achieved by splitting the net asset value per unit in the Fund into income and capital components. On any given dealing day, the income element of any subscriptions and redemptions is calculated and allocated to income in the Fund valuation which either increases or decreases the available income for distribution purposes. The capital element of the subscription or redemption is allocated to capital in the Fund valuation. Essentially, investors purchasing or redeeming units in the Fund would either pay for or receive the relevant portion of undistributed income for the relevant distribution period. Equalisation is of particular concern to investors resident in jurisdictions where tax is payable on income distributions.

Equalisation is currently carried out in relation to the A and D2 Class Income Units of the Preferred Securities Fund and the High Yield Fund in order to protect the income yield of these Funds from dilution caused by dealing in the units of these Funds. Investors who acquire such Income Units in either of these Funds during a relevant distribution period and remain in the Fund on the next relevant distribution ex date will receive as part of their distribution payment a capital sum representing the equalisation payment in respect of their units and this will be reflected as an equalisation amount on their distribution voucher. This equalisation amount will be calculated by dividing all equalisation received on units created in the relevant Fund in the relevant distribution period by the total number of units created in the relevant Fund in that period.

As at the date of this Summary Prospectus, equalisation will be operated in respect of the A and D2 Class Income Units of the Preferred Securities Fund and High Yield Fund only.

Anti-Dilution Levy

At any time depending on the size of a subscription or redemption in relation to the Fund's Net Asset Value, the Manager may add or subtract an anti-dilution levy to the single price. The anti-dilution levy is an allowance for fiscal and purchase/sale charges (as the case may be) which is added to the Net Asset Value per Unit of the relevant class when calculating the purchase price and which is deducted from the Net Asset Value per Unit when calculating the selling price. It is intended to be utilised so that all investors in the relevant Fund, both those transacting and those maintaining their investment, are treated equitably by apportioning actual costs to the investors whose transactions have given rise to those costs.

Required Redemptions and Market Timing

The Funds are intended to be long-term investment vehicles and are not designed to provide Unitholders with a means of speculating on short-term market movements. Frequent purchases and redemptions by a Unitholder can disrupt the management of the Fund, negatively affect the Fund's performance, and increase expenses for all Unitholders. In particular, frequent trading (i) can force a Fund to hold larger cash positions than desired instead of fully investing the funds, which can result in lost investment opportunities; (ii) can cause unplanned and inopportune portfolio turnover in order to meet redemption requests, and; (iii) can increase broker-dealer commissions and other transaction costs as well as administrative costs for the Fund.

If an investor intends to trade frequently or use market timing investment strategies, you should not purchase Units in the Funds.

The Manager's policy is to discourage Unitholders from trading in a Fund's Units in an excessive manner that would be harmful to long-term Unitholders investors and to make reasonable efforts to detect and deter excessive trading.

Accordingly, the Manager, whenever it deems it to be appropriate and in the interests of Unitholders, reserves the right to reject any application for exchange and/or subscription of Units from Unitholders whom it considers to be associated with market timing activity at any time for any reason without prior notice. In this connection the Manager may combine Units which are under common ownership or control for the purposes of ascertaining whether investors can be deemed to be involved in such activities. In addition, the Manager reserves the right to require any Unitholder to redeem all Units held in the any Fund where the Manager is of the opinion that the Unitholder's trading in that Fund is designed to take advantage of short term market movements.

In circumstances where a Fund is primarily invested in markets which are closed for business at the time a Fund is valued the Manager may allow for the Net Asset Value per Unit to be adjusted to reflect more accurately the fair value of the Fund's assets at the point of valuation during periods of market volatility in accordance with the procedures as outlined below in Appendix B. Investment schemes are usually valued on the basis of the last available price as at the time when the Net Asset Value of the property in the Fund is calculated. The time difference between the close of the market developments which could affect the value of these assets can occur between the close of the relevant markets and the point of valuation.

The Funds' policies for deterring frequent purchases and redemptions of Units by Unitholders are intended to be applied uniformly to all Unitholders to the extent practicable. Some financial intermediaries, however, maintain omnibus accounts in which they aggregate orders of multiple investors and forward aggregated orders. Because these are received on an aggregated basis and because these omnibus accounts may trade with numerous fund families with differing market timing policies, the Funds are substantially limited in their ability to identify or deter excessive traders or other abusive traders. The Administrator will use its best efforts to obtain the cooperation of intermediaries to identify excessive traders and to prevent or limit abusive trading activity, to the extent practicable. Nonetheless, the Funds' ability to identify and deter frequent purchases and redemptions of a Fund's Units through omnibus accounts is limited, and the Funds' success in accomplishing the objectives of the policies concerning frequent purchases and redemptions of Fund units in this context depends significantly upon the cooperation of the financial intermediaries.

Publication of Unit Prices

The Net Asset Values per Unit are published on each Dealing Day on the internet site:

http://www.principal.com.hk[5]

You can also find out the latest Unit prices by phoning our Client Services Representatives on (852) 2117 8383.

5 *This website has not been reviewed by the SFC.*

All prices will usually be the prices applicable to the previous day's trades and are therefore only indicative. The Manager takes no responsibility for prices being incorrectly printed.

From time to time the Manager may also decide to publish, together with the Net Asset Values of Units, prices in currencies other than the Base Currency for Units in a Fund. However, such prices will be indicative only, being a function of an exchange rate determined by the Manager and the Net Asset Value per Unit that applies at the relevant time. The exchange rate will not necessarily represent an exchange rate that an investor has received, or could be expected to receive. Publication of indicative prices in any particular currency does not mean that the Manager will accept applications for the issue or redemption of Units in that currency.

The Trust Deed permits each Fund to be valued twice monthly. The Manager, however, currently values each

Fund daily.

Fees and Expenses

The following fees apply to investments in the Principal Global Investors Funds (all amounts are stated in US dollars unless stated otherwise):

Funds/Units		**Current Preliminary Charge# (% of issue price of Units)**		**Annual Management fee# (% of the Fund's Net Asset Value attributable to the relevant unit class per annum))**
Global Equity Fund	A	5.00	A	1.50
	I	0.00	I	0.75
European Equity Fund	A	5.00	A	1.50
	I	0.00	I	0.75
Asian Equity Fund	A	5.00	A	1.50
	I	0.00	I	0.75
Japanese Equity Fund	A	5.00	A	1.50
	I	0.00	I	0.75
Emerging Markets Equity Fund	A	5.00	A	1.50
	I	0.00	I	0.75
Preferred Securities Fund	A	5.00	A	0.90
	I	0.00	I	0.40
	D	5.00	D	0.60
	D2	5.00	D2	0.60
	F	0.00	F	0.60
High Yield Fund	A	5.00	A	1.00
	I	0.00	I	0.65
	D	5.00	D	0.65
	D2	5.00	D2	0.65
U.S. Equity Fund	A	5.00	A	1.50
	I	0.00	I	0.75

#The Manager may waive or reduce the Preliminary Charge and/or the Management fee for any investor at its absolute discretion. The maximum Management fee under the Trust Deed is 2.00% per annum of the net asset value.

Preliminary Charge

The Manager may increase the Preliminary Charge to a maximum of 6.00% (or a higher amount approved by Extraordinary Resolution) of the issue price of Units. The Preliminary Charge may be retained by the Manager and used to pay commission to authorised Intermediaries. It is the Manager's present intention that the Preliminary Charge will not, until further notice, exceed 5.00%. The Manager may differentiate between applicants as to the amount of the Preliminary Charge.

I Class Management fee

The Manager may effect transactions through any person with whom it has an arrangement to do so on normal commercial terms and on an arm's length basis.

The Manager will provide 3 months' prior notice to Unitholders of an increase in any of the Management Fees up to the maximum level.

If Units are being acquired which are managed by the Manager either directly or indirectly; or which are managed by a company related to the Manager by virtue of common management, control, or a direct or indirect interest of more than 10% of the capital or the votes, the Manager may not charge a Preliminary Charge in respect of any such investment only and may only charge a Management Fee reduced to 0.25% per annum of the value of such investment in respect of that investment.

All Investment Advisory fees will be paid by the Manager and will not be paid from the assets of the Funds.

Other fees

In addition to the specific fees that apply to each Fund mentioned in the above table, the following fees apply:

Trustee fees

Trustee fees are charged at the rate of up to 0.022% per annum of the Net Asset Value of the Units of each of the following Funds:-

- Global Equity Fund
- European Equity Fund
- Asian Equity Fund
- Emerging Markets Equity Fund
- Japanese Equity Fund
- U.S. Equity Fund
- Preferred Securities Fund
- High Yield Fund

The fee is payable monthly in arrears and is subject to a minimum of US$15,000 per annum for each Fund which may be waived. The maximum Trustee fee under the Trust Deed is 0.022% per annum of the Net Asset Value of each Fund. Sub-custodian fees are also charged to the Funds. The level of sub-custodian fees and expenses will vary depending on the investment profile of the Fund including, in particular, the nature of the securities markets in which the Fund invests, the size of the Fund and the amount of trading in the assets of the Fund. Such fees will be charged at normal commercial rates and will only be reimbursed from a Fund where they are less than 0.5% per annum of the Net Asset Value of the Fund. The Manager will pay any fees that exceed this level.

Administration fees

The Trust Deed permits the Manager to charge an administration fee of 0.15% per annum of the Net Asset Value of the Units in the Funds, in addition to the Management fee mentioned above, for administering the Unit Trust. Currently, the Manager only charges this fee on the Net Asset Value of the Funds attributable to A Class, D Class, D2 Class and F Class Units.

Marketing and distribution fees

Marketing and distribution fees are charged at the following rates per annum of each of the following classes of the following Funds:

Funds	Unit classes	Annual Marketing and distribution fee (% of the Fund's Net Asset Value attributable to the relevant unit class per annum)
Preferred Securities Fund	D	0.60
	D2	0.60
	F	1.10
High Yield Fund	D	0.60
	D2	0.60

Other Expenses

The costs of establishment of, and the initial issue of Units in each Fund (such costs will be collectively referred as the "Establishment Costs"), to the extent they are not borne by the Manager, will be borne by the relevant Fund and amortised over the first five years of the Fund. The Establishment Costs of all Funds have been fully amortised as at the date of this Summary Prospectus. The costs associated with the termination of any Fund are borne by that Fund prior to the proceeds of the Fund being distributed to Unitholders in that Fund.

The Manager and Trustee are each entitled to pay or reimburse out of the assets of the Funds, various charges and expenses incurred by them pursuant to the Trust Deed (including various expenses of the Administrator).

The Unit Trust was authorised in Ireland as a UCITS on 13 October 1992 and will continue indefinitely (subject to any termination in accordance with the Trust Deed). This document is a summary of the Prospectus for the Unit Trust, which is available for inspection at the offices of the Hong Kong Representative.

Hong Kong investors should refer to the contents of this Summary Prospectus, together with the most recent financial accounts of the Unit Trust (available free of charge from the Hong Kong Representative) before making any investment decisions.

Duration of the Unit Trust

In accordance with the Trust Deed, the Unit Trust may be terminated either (a) by the Manager if the value of net assets of the Unit Trust amounts to less than US$20,000,000 or its equivalent; or (b) by either the Manager or the Trustee at any time in certain circumstances (e.g. if any law is passed which renders it illegal or, in the opinion of the Manager or the Trustee, impracticable or inadvisable to continue the Trust); or (c) by Extraordinary Resolution of a meeting of Unitholders passed at any time; or (d) by either the Trustee or the Manager giving at least six months' notice to the other.

The Manager has the power to terminate any particular Fund if the Net Asset Value of the Fund amounts to less than US$10,000,000 or its equivalent.

The termination of any Fund or the Unit Trust by the Manager is subject to relevant regulatory approval and the giving of at least three months' notice to Unitholders.

The Trustee has power at its absolute discretion to terminate the Unit Trust or any particular Fund or any class of Units within a Fund:-

(i) if the Manager shall go into liquidation (save voluntary liquidation) or a receiver is appointed over the assets of the Manager and is not discharged within 60 days; or

(ii) if, in the opinion of the Trustee, the Manager is incapable of performing its duties satisfactorily or shall bring the Unit Trust or any Fund or any class of Units into disrepute; or

(iii) if the Unit Trust or any Fund or any class of Units shall cease to be authorised or otherwise officially approved pursuant to the Regulations; or

(iv) if within such time as the Trustee considers a reasonable time after the removal of the Manager pursuant to the Trust Deed the Trustee is unable to find a corporation acceptable to the Trustee and the Central Bank to act as the new manager.

The Trust Deed provides that upon the Unit Trust or any Fund therein or class of Units within a Fund being terminated the Trustee shall:-

(a) sell all investments held for the Unit Trust or the relevant Fund or all or part of the investments held for the relevant Fund which proportionately relate to the relevant class of Units and in the latter case the Trustee shall have regard to the interests of continuing Unitholders; and

(b) distribute all net cash proceeds derived from the redemption of the assets of the Unit Trust or the relevant Fund or of the part of the relevant Fund to Unitholders of the relevant classes or class in proportion to their respective interests.

The Trustee shall not be bound (except in the case of final distribution) to distribute any monies for the time being in its hands the amount of which is insufficient to pay the equivalent of one cent in respect of each Unit. In addition, the Trustee shall be entitled to retain out of any monies in its hands as part of the property of the Unit Trust or of the relevant Fund, full provision for all costs, charges, expenses, claims and demands incurred or made in connection with or arising out of the termination of the Trust or the relevant Fund or the relevant class of Units. The costs associated with the termination of any Fund are borne by that Fund prior to the proceeds of the Fund being distributed to Unitholders in that Fund.

Any unclaimed proceeds or other cash held by the Trustee at the end of the expiration of twelve months from the date on which the same were payable will be paid into court subject to the right of the Trustee to deduct therefrom any expenses that the Trustee may incur in making such payments.

Taxation

Hong Kong

The Unit Trust

As the Funds and the Unit Trust have been authorised by the Securities and Futures Commission in Hong Kong, profits of the Funds arising from the sale or disposal of securities, interest received by or accruing to the Funds and certain other profits of the Funds (including those under foreign exchange contracts and certain futures contracts) are exempt from Hong Kong profits tax. It is not expected that any other significant profits arising from the activities of the Funds will be subject to Hong Kong profits tax.

Unitholders

Except as mentioned below, Unitholders will not be subject to any Hong Kong tax on distributions from the Funds or on capital gains realised on the sale of any Units in the Funds.

If the acquisition and redemption of Units in the Funds is or forms part of a trade, profession or business carried on in Hong Kong, gains realised by the relevant Unitholder may attract Hong Kong profits tax.

Units will not attract Hong Kong estate duty and no Hong Kong stamp duty will be payable on the issue or transfer of Units in the Funds.

Automatic Exchange of Financial Account Information

The Inland Revenue (Amendment) (No.3) Ordinance (the "Ordinance") came into force on 30 June 2016. This is the legislative framework for the implementation in Hong Kong of the Standard for Automatic Exchange of Financial Account Information ("AEOI"). The AEOI requires financial institutions ("FIs") in Hong Kong to collect information relating to non-Hong Kong tax residents holding accounts with FIs, and to file such information with the Hong Kong Inland Revenue Department ("IRD") who in turn will exchange such information with the jurisdiction(s) in which that account holder is resident. Generally, tax information will be exchanged only with jurisdictions with which Hong Kong has a Competent Authority Agreement ("CAA"); however, FIs may further collect information relating to residents of other jurisdictions.

By investing in the Funds and/or continuing to invest in the Funds through FIs in Hong Kong, investors acknowledge that they may be required to provide additional information to the relevant FI in order for the relevant FI to comply with AEOI. The investor's information (and information on beneficial owners, beneficiaries, direct or indirect shareholders or other persons associated with such unitholders that are not natural persons), may be communicated by the IRD to authorities in other jurisdictions.

Each Unitholder and prospective investor should consult its own professional advisor(s) on the administrative and substantive implications of AEOI on its current or proposed investment in the Funds through FIs in Hong Kong.

Ireland

Automatic exchange of information

Irish reporting financial institutions, which may include the Trust, have reporting obligations in respect of certain investors under FATCA as implemented pursuant to the Ireland – US intergovernmental agreement and/or the OECD's Common Reporting Standard (see below).

FATCA

With effect from 1 July 2014 the Trust may be obliged to report certain information in respect of U.S. investors in the Trust to the Irish Revenue Commissioners who will the share that information with the U.S. tax authorities. The Foreign Account Tax Compliance provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 (**FATCA**) impose a 30% US withholding tax on certain 'withholdable payments' made on or after 1 July 2014 unless the payee enters into and complies with an agreement with the U.S. Internal Revenue Service (**IRS**) to collect and provide to the IRS substantial information regarding direct and indirect owners and account holders.

On 21 December 2012 Ireland signed an Intergovernmental Agreement (**IGA**) with the United States to Improve International Tax Compliance and to Implement FATCA. Under this agreement Ireland agreed to implement legislation to collect certain information in connection with FATCA and the Irish and U.S. tax authorities have agreed to automatically exchange this information. The IGA provides for the annual automatic exchange of information in relation to accounts and investments held by certain U.S. persons in a broad category of Irish financial institutions and vice versa.

Under the IGA and the Financial Accounts Reporting (United States of America) Regulations 2014 (as amended) (the **Irish Regulations**) implementing the information disclosure obligations, Irish financial institutions which may include the Trust are required to report certain information with respect to U.S. account holders to the Revenue Commissioners. The Revenue Commissioners will automatically provide that information annually to the IRS. The Trust (and Manager on behalf of the Trust) must obtain the necessary information from investors required to satisfy the reporting requirements whether under the IGA, the Irish Regulations or any other applicable legislation published in connection with FATCA and such information is being sought as part of the application process for Units in the Trust. It should be noted that the Irish Regulations require the collection of information and filing of returns with the Revenue Commissioners regardless as to whether the Trust holds any U.S. assets or has any U.S. investors.

If a Unitholder causes the Trust to suffer a withholding for or on account of FATCA (**FATCA Deduction**) or other financial penalty, cost, expense or liability, the Trust may compulsorily redeem any Units of such Unitholder and/or take any actions required to ensure that such FATCA Deduction or other financial penalty, cost, expense or liability is economically born by such unitholder, provided the Manager is acting in good faith and on reasonable grounds and such actions are permitted by the applicable laws and regulations.. While the IGA and the Irish Regulations should serve to reduce the burden of compliance with FATCA, and accordingly the risk of a FATCA withholding on payments to the Trust in respect of its assets, no assurance can be given in this regard. As such, Unitholders should obtain independent tax advice in relation to the potential impact of FATCA before investing.

Common Reporting Standard

The Common Reporting Standard ("CRS") framework was first released by the OECD in February 2014. To date, more than 90 jurisdictions have publically committed to implementation, many of which are early adopter countries, including Ireland. On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the "Standard") was published, involving the use of two main elements, the CAA and the CRS.

The goal of the Standard is to provide for the annual automatic exchange between governments of financial account information reported to them by local FIs relating to account holders tax resident in other participating countries to assist in the efficient collection of tax. The OECD, in developing the CAA and CRS, have used FATCA concepts and as such the Standard is broadly similar to the FATCA requirements, albeit with numerous alterations. It will result in a significantly higher number of reportable persons due to the increased instances of potentially in-scope accounts and the inclusion of multiple jurisdictions to which accounts must be reported.

Ireland is a signatory jurisdiction to a Multilateral Competent Authority Agreement on the automatic exchange of financial account information in respect of CRS while the Finance Act 2014 and Finance Act 2015 contain measures necessary to implement the CRS internationally and across the European Union, respectively. Regulations, the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the "CRS Regulations"), giving effect to the CRS from 1 January 2016 came into operation on 31 December 2015.

Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation (DAC II) implements CRS in a European context and creates a mandatory obligation for all EU Member States to exchange financial account information in respect of residents in other EU Member States on an annual basis. The Irish Finance Act 2015 contained measures necessary to implement the DAC II. Regulations, the Mandatory Automatic Exchange of Information in the Field of Taxation Regulations 2015 (together with the CRS Regulations, the "Regulations"), giving effect to DAC II from 1 January 2016, came into operation on 31 December 2015.

Under the Regulations reporting FIs, which may include the Trust, are required to collect certain information on accountholders and on certain controlling persons in the case of the accountholder(s) being an entity, as defined for CRS purposes, (e.g. name, address, jurisdiction of residence, TIN, date and place of birth (as appropriate), the account number and the account balance or value at the end of each calendar year) to identify accounts which are reportable to the Irish tax authorities. The Irish tax authorities shall in turn exchange such information with their counterparts in participating jurisdictions. Further information in relation to CRS and DAC II can be found on the Automatic Exchange of Information (AEOI) webpage on www.revenue.ie.

Privacy

If you choose to invest in the Funds, you authorise the Manager and its affiliates to collect, use, and maintain personal data provided by you. Personal data is information of both a personal (i.e. name, address, date of birth, etc) and a financial nature. The Manager will only use the data for lawful purposes directly related to the purpose for which the data is originally supplied. Personal data is to be used in connection with providing investment and financial services and to provide you from time to time with material relating to the Funds and other investment and financial services offered by us or our affiliates. Should this personal data not be supplied, the Manager may be unable to administer or provide facilities or services requested by you. However, if you do not wish us to use your personal data for marketing purposes, please notify the Hong Kong Representative and we will remove your name from our mailing list for these purposes.

The Manager may also provide data to any agent, contractor or third party service provider which provides financial, administrative or other services to it in connection with the operation of its business, statutory, governmental or regulatory bodies or institutions as required by law and any other persons under a duty of confidentiality to it. You are entitled at any time to request access to information held by it about you and correct such information. Requests should be made in writing to The Privacy Officer, Principal Global Investors (Asia) Limited, 10th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.

Documents Available for Inspection

The following documents can be inspected free of charge at the offices of the Hong Kong Representative during normal business hours and copies of such documents (except those listed in the second bullet point) can be obtained from there at a reasonable charge :-

- the Trust Deed
- the Prospectus together with the Supplements and Simplified Prospectuses and Addenda
- the annual and half-yearly reports (available in English only) relating to the Unit Trust most recently prepared and published by the Manager
- the Regulations
- the UCITS notices issued by the Central Bank
- the Investment Advisers Agreement between the Manager and the Investment Adviser
- the Sub-Investment Advisers Agreement between the Investment Adviser and Spectrum Asset Management, Inc. in relation to the Preferred Securities Fund
- the Administration Agreement
- the Hong Kong Representative Agreement
- a list of past and current directorships held by each Director of the Manager over the last five years
- the Sub-Investment Advisors Agreement between the Investment Adviser and Principal Global Investors (Japan) Limited in relation to the Japanese Equity Fund

Internet Website

Further information about Principal Global Investors and the Principal Global Investors Funds can be found on the following website:

http://www.principal.com.hk[6]

[6] *This website has not been reviewed by the SFC.*

DEALING COMMISSION ARRANGEMENTS AND CASH REBATES

The Manager, Investment Adviser and any of their connected persons may effect transactions by or through another person with whom the Manager, Investment Adviser and any of their connected persons have any arrangement under which that party will from time to time provide to or procure for the Manager, Investment Adviser and any of their connected persons goods, services or other benefits ("**dealing commission arrangements**"). Such dealing commission arrangements may include research and advisory services; economic and political analysis; portfolio analysis, including valuation and performance measurement; market analysis, data and quotation services; computer hardware and software incidental to the above goods and services; clearing and custodian services and investment-related publications. However, dealing commission arrangements may not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries, or direct money payments. In any event, the execution of transaction will employ best execution standards, brokerage rates will not be in excess of customary institutional full service brokerage rates and such transactions will be in the best interests of investors in the Funds.

The Manager and Spectrum Asset Management, Inc. currently do not enter into dealing commission arrangements. However, Principal Global Investors LLC do enter such arrangements.

The Manager (and any of its connected persons) shall not retain the benefit of any cash commission or rebate (being cash commission repaid by a broker or a dealer) in respect of any business placed on behalf of the Funds. Any cash commission or rebate shall be held for the account of the relevant Fund.

To the extent services and other benefits are provided to Principal Global Investors (Europe) Limited, in its capacity as a Sub-Adviser to any Funds, as a result of trades placed by it, the arrangements will be consistent with the rules promulgated under MiFID II and MiFIR regarding the use of dealing commission.

TRANSACTIONS WITH CONNECTED PERSONS

The Investment Adviser may, but will be under no obligation to, make purchases, as agent on behalf of the Unit Trust, from Connected Persons of it. Any such transactions with a Connected Person will be effected in compliance with applicable law and at a price that reflects such person's normal mark-up or commission, which will be no less favourable to the Funds than the prices paid by other customers of such person.

The Investment Adviser also may, but will be under no obligation to, effect hedging and other risk-management contracts on behalf of the Unit Trust with the Trustee or Connected Persons of the Trustee. Any such contracts will be consistent with the Trustee's or the relevant Connected Person's established investment policies and guidelines and on terms no less advantageous to the relevant Fund than those obtainable on normal commercial terms negotiated in an arm's length transaction with an unconnected third party.

In addition, any cash of the Unit Trust may be deposited, subject to the provisions of the Central Bank Acts 1942 to 2015, with the Trustee or any Connected Person thereof or invested in certificates of deposit or banking instruments issued by the Trustee or any Connected Person thereof. Banking and similar transactions may also be undertaken with or through the Trustee or any Connected Person thereof.

There is no prohibition on transactions with the Trust and the Manager, the Trustee, the Administrator, the Investment Adviser, their delegates or sub-delegates and any associated or group company of any of them and none of them shall have any obligation to account to the Holders for any benefits so arising and any such benefits may be retained by the relevant party PROVIDED THAT any such transaction is made on terms no less favourable to the Unit Trust than could reasonably have been obtained by the Unit Trust if the transaction had been effected on normal commercial terms negotiated at arm's length and, in the case of a sale or purchase of investments, is in the best interests of Holders and:

(a) a certificate has been obtained by the Manager, from a person approved by the Trustee as being independent and competent to give such certificate, to the effect that the terms of the transaction are no less favourable to the Unit Trust than could reasonably have been obtained by the Unit Trust if the transaction had been effected on normal commercial terms negotiated at arm's length; or

(b) such transaction has been executed on an organised investment exchange on the best terms reasonably obtainable; or

(c) where (a) and (b) are not practical such transaction has been executed on the terms which the Trustee (or in the case of any such transaction entered into by the Trustee, the Manager) is satisfied confirm with the principle that such transaction be carried out as if effected on normal commercial terms negotiated at arm's length

PROVIDED FURTHER that where the Manager, the Trustee, the Investment Adviser, the Administrator, their delegates or sub-delegates and any associated or group company of any of them acts as agent for the Unit Trust in respect of any such sale or purchase it shall only be entitled to receive from the Unit Trust such compensation or other benefit as it would be usual to receive for such transaction had it been carried out on normal commercial terms negotiated at arm's length.

The Trustee (or in the case of a transaction involving the Trustee, the Directors) shall document how it complied with paragraphs (a), (b) and (c) above and where transactions are conducted in accordance with paragraph (c), the Trustee (or in the case of a transaction involving the Trustee, the Directors), must document the rationale for being satisfied that the transaction conformed to the principles outlined above.

Potential conflicts of interest may arise from time to time from the provision by the Trustee and/or its affiliates of other services to the Unit Trust and/or other parties. For example, the Trustee and/or its affiliates may act as the depositary, trustee, custodian and/or administrator of other funds. It is therefore possible that the Trustee (or any of its affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of the Unit Trust and/or other funds for which the Trustee (or any of its affiliates) act.

Where a conflict or potential conflict of interest arises, the Trustee will have regard to its obligations to the Unit Trust and will treat the Unit Trust and the other funds for which it acts fairly and such that, so far as is practicable, any transactions are effected on terms which are not materially less favourable to the Unit Trust than if the conflict or potential conflict had not existed. Such potential conflicts of interest are identified, managed and monitored in various other ways including, without limitation, the hierarchical and functional separation of the Trustee's functions from its other potentially conflicting tasks and by the Trustee adhering to its "Conflicts of Interest Policy" (a copy of which can be obtained on request from the head of compliance for the Trustee).

Subject to compliance with any relevant law or regulation the Manager is entitled, but is under no obligation, to deal as principal in Units of the Unit Trust. Requests to subscribe or redeem Units may be executed as sales or, as the case may be, purchases by the Manager provided that the prices quoted by the Manager are not less favourable to the investor or redeeming Holder than would otherwise be the case.

Connected Persons

Connected Persons in relation to a company means:

(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 of that company; or

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

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

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

INVESTMENT RESTRICTIONS

Investments may only be made as permitted by the Prospectus and the Regulations and subject to any restrictions and limits set out in the Prospectus and the Regulations. These restrictions include the following provisions:

1. Permitted Investments

Investments of each Fund are confined to:

1.1 Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in an Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in an Member State or non-Member State (and which in each case is listed in Appendix A).

1.2 Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.

1.3 Money market instruments other than those dealt on a regulated market.

1.4 Units of UCITS.

1.5 Units of non-UCITS.

1.6 Deposits with credit institutions.

1.7 FDI.

2. Investment Limits

2.1 A Fund may invest no more than 10% of its Net Asset Value in transferable securities and money market instruments other than those referred to in paragraph 1.

2.2 A Fund may invest no more than 10% of its Net Asset Value in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by each Fund in certain U.S. securities known as Rule 144A securities provided that:

- The securities are issued with an undertaking to register with the U.S. Securities and Exchanges Commission within one year of issue; and

- the securities are not illiquid securities i.e. they may be realised by each Fund within seven days at the price, or approximately at the price, at which they are valued by the Fund.

2.3 A Fund may invest no more than 10% of its Net Asset Value in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.

2.4 Subject to the prior approval of the Central Bank, the limit of 10% in 2.3 is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a Fund invests more than 5% of its Net Asset Value in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the Net Asset Value of the Fund.

2.5 The limit of 10% in 2.3 is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.

2.6 The transferable securities and money market instruments referred to in 2.4 and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.

2.7 A Fund may not invest more than 20% of its Net Asset Value in deposits made with the same institution. Deposits with any one credit institution, other than with Relevant Institutions, held as ancillary liquidity, must not exceed 10% of the Net Asset Value of a Fund. This limit may be raised to 20% in the case of deposits made with the Trustee.

2.8 The risk exposure of each Fund to a counterparty to an OTC derivative may not exceed 5% of its Net Asset Value. This limit is raised to 10% in the case of Relevant Institutions.

2.9 Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of the Net Asset Value of a Fund:

- investments in transferable securities or money market instruments;

- deposits, and/or

- counterparty risk exposures arising from OTC derivative transactions.

2.10 The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of the Net Asset Value of a Fund.

2.11 Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of the Net Asset Value of a Fund may be applied to investment in transferable securities and money market instruments within the same group.

2.12 A Fund may invest up to 100% of its Net Asset Value in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, Non-Member States or public international bodies of which one or more Member States are members or any of the following:

OECD Governments (provided the relevant issues are investment grade), Government of the People's Republic of China, Government of Brazil (provided the issues are investment grade), Government of India (provided the issues are investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development, (the World Bank), The Inter-American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC and Export-Import Bank.

Where a Fund invests in accordance with this provision, the Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of its Net Asset Value.

3. Investment in Collective Investment Schemes

3.1 A Fund may not invest in aggregate more than 10% of its Net Asset Value in other open-ended CIS.

3.2 The CIS are prohibited from investing more than 10% of net assets in other open-ended CIS.

3.3 When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the Manager, or by any other company with which the Manager, is linked by common management or control, or by a substantial direct or indirect holding, neither the Manager, nor that other company may charge subscription, conversion or redemption fees on account of that Fund’s investment in the units of such other CIS.

3.4 Where a commission (including a rebated commission) is received by the Manager or investment manager by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Fund.

3.5 A Fund established as a feeder fund pursuant to the UCITS Directive must invest at least 85 per cent of its assets in the units of the master fund.

4. Index Tracking UCITS

4.1 A Fund may invest up to 20% of its Net Asset Value in shares and/or debt securities issued by the same body where the investment policy of the Fund is to replicate an index which satisfies the criteria set out in the Central Bank Requirements and is recognised by the Central Bank.

4.2 The limit in 4.1 may be raised to 35% of the Net Asset Value of the Fund, and applied to a single issuer, where this is justified by exceptional market conditions.

5. General Provisions

5.1 The Manager acting in connection with all of the CISs it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

5.2 Each Fund may acquire no more than:

(i) 10% of the non-voting shares of any single issuing body;

(ii) 10% of the debt securities of any single issuing body;

(iii) 25% of the units of any single CIS;

(iv) 10% of the money market instruments of any single issuing body.

NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.

5.3 5.1 and 5.2 shall not be applicable to:

(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;

(ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;

(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;

(iv) shares held by each Fund in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, 5.5 and 5.6 are observed;

(v) shares held by a Fund in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the redemption of Units at Unitholders' request exclusively on their behalf.

5.4 A Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.

5.5 The Central Bank may allow a recently authorised Fund to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 5.1 and 5.2 for six months following the date of its authorisation, provided it observes the principle of risk spreading.

5.6 If the limits laid down herein are exceeded for reasons beyond the control of a Fund, or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its unitholders.

5.7 A Fund may not carry out uncovered sales of: transferable securities; money market instruments; units of CIS; or FDI. A Fund may hold ancillary liquid assets.

6. **Financial Derivative Instruments (FDIs)**

6.1 A Fund's global exposure relating to FDI must not exceed its total Net Asset Value (this may not be applied to Funds that calculate their global exposures using the VaR methodology as disclosed in the relevant Supplement).

6.2 Position exposure to the underlyings of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank Requirements. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank Requirements.)

6.3 A Fund may invest in OTC derivatives provided that the counterparties to OTC derivatives are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

6.4 Investment in FDI is subject to the conditions and limits laid down by the Central Bank.

Permitted Markets

With the exception of permitted investment in unlisted investments and over-the-counter FDI, investments by the Funds will be restricted to securities and FDI listed or traded on permitted markets as set out in Appendix A. Accordingly, each Fund may invest up to 10% of its Net Asset Value in unlisted securities/securities listed on markets other than those set out in Appendix A provided this is consistent with its investment objective.

Collateral Policy

In the context of efficient portfolio management techniques and/or the use of derivatives for hedging or investment purposes, collateral may be received from a counterparty for the benefit of a Fund or posted to a counterparty by or on behalf of a Fund.

Any receipt or posting of collateral by a Fund will be conducted in accordance with the Central Bank Requirements and the terms of the collateral policy for the Unit Trust outlined below.

Collateral received by a Fund

Collateral posted by a counterparty for the benefit of a Fund may be taken into account as reducing the exposure to such counterparty. The relevant Fund will require receipt of the necessary level of collateral to cover daily variation margin calculations as required under EMIR and to ensure counterparty exposure limits are not breached. Counterparty risk may be reduced to the extent that the value of the collateral received corresponds with the value of the amount exposed to counterparty risk at any given time.

Risks linked to the management of collateral, such as operational and legal risks, shall be identified, managed and mitigated by the Manager's risk management processes. A Fund receiving collateral for at least 30% of its assets will have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Fund to assess the liquidity risk attached to the collateral. The liquidity stress testing policy will at least prescribe the components set out in Regulation 24 paragraph (8) of the Central Bank Requirements.

For the purpose of providing margin or collateral in respect of transactions in techniques and instruments, the Fund may transfer, mortgage, pledge, charge or encumber any assets or cash forming part of the Fund in accordance with normal market practice (including the transfer of daily variation margins) and the requirements outlined in the Central Bank Requirements.

Collateral received by a Fund from a counterparty on a title transfer basis shall be held by the Trustee or a duly appointed sub-depositary.

Collateral provided by a Fund on a title transfer basis shall no longer belong to the Fund and shall pass outside the custodial network. The counterparty may use those assets at its absolute discretion. Assets provided to a counterparty other than on a title transfer basis shall be held by the Trustee or a duly appointed sub-depositary. Investors' attention is drawn to the relevant risk disclosures in this respect set out in this Summary Prospectus under the headings Credit Risk and Counterparty Risk and Collateral Risk.

Acceptable collateral

Collateral received from a counterparty for the benefit of the Fund may be in the form of cash or non-cash assets and non-cash assets must, at all times, meet with the specific criteria outlined in the Central Bank Requirements in relation to (i) liquidity; (ii) valuation; (iii) issuer credit quality; (iv) correlation; (v) diversification (asset concentration); and (vi) immediate availability:

(i) Liquidity: Collateral received other than cash should 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. Collateral received should also comply with the provisions of Regulation 74 of the Regulations.

(ii) Valuation: Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts (as referred to below) are in place.

(iii) Issuer credit quality: Collateral received should be of high quality.

(iv) Correlation: Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty.

(v) Diversification (asset concentration): Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Fund's Net Asset Value. When the Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer.

(vi) Immediate availability: Collateral received should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

There are no restrictions on maturity provided the collateral is sufficiently liquid.

Where appropriate, non-cash collateral held for the benefit of a Fund shall be valued in accordance with the valuation policies and principles applicable to the Unit Trust. Subject to any agreement on valuation made with the counterparty, collateral posted to a recipient counterparty will be valued daily at mark-to-market value.

The Investment Adviser shall apply suitably conservative haircuts to assets received as collateral where appropriate on the basis of an assessment of the characteristics of the assets such as the credit standing, the price volatility, and, where relevant, the outcome of any stress tests, in accordance with the requirements of EMIR. EMIR does not require the application of a haircut for cash variation margin. Accordingly any haircut applied to cover currency risk will be as agreed with the relevant counterparty. The Investment Adviser has determined that generally if issuer or issue credit quality of the collateral is not of the necessary quality or the collateral carries a significant level of price volatility with regard to residual maturity or other factors, a conservative haircut must be applied in accordance with more specific guidelines as will be maintained in writing by the Investment Adviser on an ongoing basis. To the extent that a Fund avails of the increased issuer exposure facility in section 5(ii) of Schedule 3 of the Central Bank Requirements, such increased issuer exposure may be to any of the issuers listed in section 2.12 under the section headed "Investment Restrictions" of this Summary Prospectus.

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

Cash collateral may not be invested other than in the following:

(i) deposits with Relevant Institutions;

(ii) high-quality government bonds;

(iii) reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on an accrued basis;

(iv) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049).

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral. Cash collateral may not be placed on deposit with the relevant counterparty or a related entity. Exposure created through the reinvestment of collateral must be taken into account in determining risk exposures to a counterparty. Re-investment of cash collateral in accordance with the provisions above can still present additional risk for the Fund. Investors' attention is drawn to the paragraph headed Reinvestment of Cash Collateral Risk in section entitled "Special Investment Considerations and Risks" for more details.

Collateral posted by a Fund

Collateral posted to a counterparty by or on behalf of a Fund must be taken into account when calculating counterparty risk exposure other than where it is protected by client money rules or similar arrangements. Collateral posted to a counterparty and collateral received by such counterparty may be taken into account on a net basis provided the relevant Fund is able to legally enforce netting arrangements with the counterparty.

Collateral posted to a counterparty by or on behalf of a Fund will consist of such collateral as is agreed with the counterparty from time to time and may include any types of assets held by the Fund.

Collateral posted in relation to Unit Class Currency Hedging

Currency hedging activity at Unit class level may expose each Unit class in the relevant Fund to cross-contamination risk, as it may not be possible to ensure (contractually or otherwise) that a counterparty's recourse in any such arrangements is limited to the assets of the relevant class. Although the costs, gains and losses of the currency hedging transactions will accrue solely to the relevant Unit class, investors are nonetheless exposed to the risk that currency hedging transactions undertaken in one class may impact negatively on another class, particularly where (pursuant to EMIR) such currency hedging transactions require the relevant Fund to post collateral (i.e. initial or variation margin). Any such collateral is posted by the relevant Fund at the Fund's risk (rather than by the class and at the risk of the class only because the class does not represent a segregated portion of the Fund's assets), thus exposing investors in other classes to a proportion of this risk. Investors' attention is drawn to the relevant risk disclosures in this respect set out in this Summary Prospectus under the headings Credit Risk and Counterparty Risk and Collateral Risk.

Borrowings

Each Fund may borrow up to 10% of its net assets on a temporary basis.

Efficient Portfolio Management

The types of transactions (including derivatives) which may be entered into for the efficient portfolio management of the Funds are subject to the Central Bank's requirements. The financial derivatives entered into for this purpose may include options, futures, options on futures, and other over the counter derivative instruments (including swaps). You may contact the Hong Kong Representative for further details.

Asset Replication Strategy

In respect of certain Funds the Manager, on the recommendation of the Investment Adviser, may decide to pursue an Asset Replication Strategy in accordance with the investment restrictions, conditions and limits laid down by the Central Bank. The relevant Fund's "Investment Objectives and Policies" section on pages [6 to 12] will disclose if that Fund is to utilise the Asset Replication Strategy. In such cases, the techniques and instruments of efficient portfolio management available to the Manager shall be expanded to also include, the following additional provisions.

(i) The Fund may use techniques and instruments, including derivatives, 'when issued' [7] and 'forward commitment' [8] securities (which securities are taken into account when calculating the limits in the investment restrictions set out on pages [45 to 47]), for the purpose of efficient portfolio management. In particular, the Fund may enter into repurchase, reverse repurchase, sale and buyback agreements (together "**Repo Agreements**") and stock lending agreements, credit

[7] Generally referring to a transaction conditional on a security which has been authorized but not yet issued.

[8] Generally understood to refer to a sale or purchase of a security at a specified price, with delivery and cash settlement to occur at a specified future date.

default swaps and total return swaps and may enter into forward currency contracts to alter the currency exposure characteristics of portfolio investments.

At the date of this Summary Prospectus, the Manager has no intention to enter into stock lending and no stock lending has taken place for the Principal Global Investors Funds.

(ii) Repo Agreements are instruments where one party sells a security and simultaneously agrees to repurchase the securities at a particular time at a specified price. The price is equal to the sale proceeds plus repo interest. The proceeds from the repoed security can be reinvested in another investment with a yield which is greater than the repo rate and this should enable the Fund to obtain a return which is greater than that which the security alone can generate. A credit default swap (CDS) is a type of over-the-counter traded derivative contract which allows one party to buy protection from another party in respect of potential losses arising from the default of a specified reference credit or credits. A CDS provides the Fund with an alternative to investing in assets themselves for a potentially higher return with the same risk. CDSs may be used to obtain exposure to assets which the Fund could not otherwise acquire due to illiquidity in the relevant market. The Fund receives the total return of a reference asset or asset class for a specific period of time in return for a cost of financing. If the investment return is greater than the cost of financing the TRS, the Fund should receive an enhanced return which is greater than that which the underlying asset alone could generate.

The reference asset or asset class of any CDS or TRS will always comprise assets which the Fund itself is permitted to invest in directly under its current investment policy. Any such transaction cannot subject the Fund to a potential loss greater than that which it could obtain in the cash market and may only be carried out in accordance with the requirements of the Central Bank.

(iii) The Fund may also enter into currency forward contracts which may be used to alter the currency exposure characteristics of certain assets held by the Fund but will never be used for speculative purposes. Such contracts will generally be utilised to gain exposure to a currency in which the Fund may invest directly rather than to purchase the cash assets in that currency.

The use of the Asset Replication Strategy entails additional considerations for investors and these are disclosed in the relevant sub-section of the section of this Summary Prospectus headed “Special Investment Considerations and Risks” on page [12].

The Fund uses a risk management process which enables it to accurately measure, monitor and manage the various risks associated with the derivative instruments it uses.

GLOSSARY

For the purposes of this document the following expressions shall have the following meanings:

"**A Class Units**" and "**A Class Unitholders**" means those Units referred to on page [30] as A Class Units and their respective Unitholders.

Administrator means BNY Mellon Fund Services (Ireland) Limited or any successor thereto duly appointed administrator in succession to the said BNY Mellon Fund Services (Ireland) Limited in accordance with the requirements of the Central Bank.

Application Form means the form used to establish an account for purchases, redemptions and switches of Units issued in respect of the Unit Trust from time to time.

Base Currency means the US dollar for each of the Funds.

Business Day means any day, other than a Saturday or Sunday, on which banks in Ireland are open for business.

Central Bank means the Central Bank of Ireland or any successor regulatory authority with responsibility for authorizing and supervising the Unit Trust.

Central Bank Requirements means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 and any other statutory instrument, regulations, rules, conditions, notices, requirements or guidance of the Central Bank issued from time to time applicable to the Unit Trust, the Manager on behalf of the Trust and/or the Trustee.

CIS means an open-ended collective investment scheme within the meaning of Regulation 68(1)(e) of the Regulations and which is prohibited from investing more than 10% of its assets in other such collective investment schemes.

Contingent Convertible Securities ("CoCos") means a form of convertible debt security that are intended to automatically and permanently convert into equity securities of the issuing entity upon the occurrence of certain 'triggers' linked to regulatory capital thresholds or where the continued viability of the entity as a going-concern is in question. CoCos will have unique conversion features which are tailored to the issuing entity and its regulatory requirements.

Connected Persons has the meaning attributed to it in section headed "TRANSACTIONS WITH CONNECTED PERSONS"

"D Class Units" and **"D Class Unitholders"** means those Units referred to on page [30] as D Class Units and their respective Unitholders.

"**D2 Class Units**" and "**D2 Class Unitholders**" means those Units referred to on page [30] as D2 Class Units and their respective Unitholders.

Dealing Day means a Business Day and/or such other day or days as the Manager may with prior notification to the Unitholders determine provided that there shall be at least one per fortnight.

Dealing Deadline means, until further notice, 5:00 p.m. Hong Kong time on the relevant Dealing Day.

Directors means the directors of the Manager or any duly authorised committee or delegate thereof, each a **Director**.

EEA means the European Economic Area.

EMIR means Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories

Euro, cent and **€** (where the context permits) refer to the lawful currency of the Republic of Ireland.

Extraordinary Resolution means a resolution proposed at a properly convened meeting of Unitholders (or Class of Unitholders) and passed by a majority of 75% of the total votes cast.

"F Class Units" and **"F Class Unitholders"** means those Units referred to on page [30] as F Class Units and their respective Unitholders.

FDI means a financial derivative instrument.

Fund means any sub-fund of the Principal Global Investors Funds established as a separate trust within the Unit Trust from time to time.

Gross Asset Value of a Fund for any Dealing Day means the gross value of the assets of the relevant Fund.

Group Companies means companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with international accounting rules.

Hedged Units means those Units referred to on page [28] as Hedged

Units.

HK dollars and **HK$** refers to the currency of Hong Kong.

Hong Kong Representative means Principal Investment & Retirement Services Limited.

"**I Class Units**" and "**I Class Unitholders**" means those Units referred to on page [30] as I Class Units and their respective Unitholders.

Investment Adviser means Principal Global Investors, LLC.

Investor Money Regulations means the Central Bank (Supervision and Enforcement) Act 2013 (section 48(1)) Investor Money

Regulations 2015 for Fund Service Providers, as may be amended from time to time.

Manager means Principal Global Investors (Ireland) Limited.

Member State means any member state of the European Union.

MiFID II means the Markets in Financial Instruments Directive (recast) (Directive 2014/65/EU).

Money Market Instruments means instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time.

Net Asset Value of a Fund for any Dealing Day means the value of the assets of the relevant Fund, less its liabilities.

Net Asset Value per Unit for any Dealing Day is calculated by dividing the assets of the relevant Fund, less its liabilities, by the total number of Units of the relevant class in issue at the Valuation Point on that Dealing Day (adjusted to reflect the proportion of the Net Asset Value of the relevant Fund attributable to Units of the relevant class in that Fund).

Prospectus means UCITS prospectus dated 14 December 2012 as amended by the addendum dated 9 October 2014 and, where the context so requires the Supplements in relation to each of the Funds. This will change once the UCITS V revisions under consideration are approved by the Irish regulator.

Regulations means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352) as may be amended, supplemented or consolidated from time to time, and includes any conditions that may from time to time be imposed thereunder by the Central Bank affecting the Unit Trust.

Regulators means the Central Bank and the SFC.

Relevant Institution means any EU credit institution, any bank authorised in a member state of the EEA (Norway, Iceland, Lichtenstein) and any bank authorised by a signatory state, other than a Member State, or a member state of the EEA, to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan or the United States).

SFC means the Securities and Futures Commission of Hong Kong.

Sub-Adviser means any person for the time being duly appointed by the Investment Adviser as sub-adviser of a

Fund.

Subscriptions/Redemptions Account means the account in the name of the Unit Trust through which subscription

monies and redemption proceeds and dividend income (if any) for each Fund are channelled, the details of which are specified in the Application Form.

Summary Prospectus means this document.

Transferable Securities shall have the meaning prescribed to it in the Regulations..

Trustee means BNY Mellon Trust Company (Ireland) Limited or any successor thereto duly appointed with the prior approval of the Central Bank as the trustee and depositary of the Unit Trust.

Trust Deed means a trust deed dated 9 October 1992, (made between the then manager and the then trustee), as amended and restated on 18 March 2016, between the Manager and the Trustee for the Unit Trust. **UCITS** means an undertaking for collective investment in transferable securities pursuant to the UCITS Directive.

UCITS Directive means 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 investment in transferable securities as amended by Directive 2014/911/EU of the European Parliament and of the Council of 23 July 2014 and as may be further amended from time to time and including any supplementing European Commission delegated regulations in force from time to time.

UCITS V means Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as regards depositary functions, remuneration and sanctions as amended from time to time and including any supplementing European Commission delegated regulations in force from time to time

Unhedged Units means those Units referred to on page [28] as Unhedged Units.

Unit means an undivided share in each class (whether Accumulation Unit or Income Unit) of units in a Fund and includes any fraction of a unit in a Fund.

Unitholder means any holder of Units in a Fund.

Unit Trust means the Principal Global Investors Funds.

United States or **US** means the United States of America, its territories, possessions and all area subject to its jurisdiction including the Commonwealth of Puerto Rico.

United States person or **US person** means any citizen or resident of the United States, any corporation, trust, partnership or other entity created or organised in or under the laws of the United States or any state thereof or any estate or trust the income of which is subject to United States Federal Income Tax regardless of source.

US dollar, cent and US$ (where the context permits) refer to the currency of the United States of America.

Valuation Point means 10:00 a.m. (Dublin time) in respect of each Fund (except for the High Yield Fund) on the applicable Dealing Day. In respect of the High Yield Fund, its Valuation Point means 2:00 p.m. (Dublin time) on the applicable Dealing Day.

APPENDIX A: MARKETS

With the exception of permitted investments in unlisted securities and derivative instruments, investments will be restricted to the following stock exchanges and markets listed below in accordance with the Central Bank Requirements. For the purposes of this Appendix, reference to "unlisted securities" may include securities that are listed on a market or exchange where such exchange is not set out in the below list in accordance with Regulation 68(1)(c) and 68(2)(a) of the Regulations. The Central Bank does not issue a list of approved stock exchanges or markets.

Stock Exchanges

(i) any stock exchange which is:

- located in any Member State; or
- located in any of the following countries:-

  - Canada
  - Japan
  - New Zealand
  - Norway
  - Liechtenstein
  - Switzerland
  - United States of America; or

(ii) any stock exchange included in the following list:-

Argentina	-	the stock exchange in Buenos Aires;
Australia	-	the Australian Stock Exchange;
Bermuda	-	the Bermuda Stock Exchange Limited;
Botswana	-	the stock exchange in Botswana;
Brazil	-	the stock exchanges in Sao Paulo and Rio de Janeiro;
Cayman Islands	-	the Cayman Islands Stock Exchange;
Chile	-	the stock exchange in Santiago;
China	-	the stock exchanges in Shanghai and Shenzhen;
Colombia	-	the stock exchanges in Bogota, Medellin and Cali;
Croatia	-	the Zagreb Stock and Commodities Exchange;
Egypt	-	the stock exchanges in Cairo and Alexandria;
Ghana	-	the stock exchange in Ghana;
Hong Kong	-	the stock exchange in Hong Kong;
Hungary	-	the stock exchange in Budapest;
Iceland	-	the stock exchange in Reykjavik;
India	-	the stock exchanges in Bombay, Madras, Delhi, Ahmedabab, Bangalore, Cochin, Gauhati, Magadh, Pune, Hyderabad, Ludhiana, Uttar Pradesh and Calcutta;
Indonesia	-	the stock exchanges in Jakarta and Surabaya;
Israel	-	the stock exchange in Tel Aviv;
Jordan	-	the stock exchange in Amman;
Kuwait	-	the Kuwait Stock Exchange;

Malaysia	-	the stock exchanges in Kuala Lumpur and Bumiputra;
Mexico	-	the stock exchange in Mexico City;
Morocco	-	the stock exchange in Casablanca;

Nigeria	-	the stock exchanges in Lagos, Kaduna and Port Harcourt;
Pakistan	-	the stock exchanges in Karachi, Lahore and Islamabad;
Peru	-	the stock exchange in Lima;
Philippines	-	the stock exchanges in Manila and Makati;
Qatar	-	the Qatar Exchange;
Russia	-	RTS Stock Exchange and MICEX;
Saudi Arabia	-	the Saudi Stock Exchange;
Singapore	-	the stock exchange in Singapore;
South Africa	-	the stock exchange in Johannesburg;
South Korea	-	the stock exchange in Seoul;
Sri Lanka	-	the stock exchange in Colombo;
Taiwan	-	the stock exchange in Taipei;
Thailand	-	the stock exchange in Bangkok;
Tunisia	-	the Tunisia Stock Exchange;
Turkey	-	the stock exchange in Istanbul;
United Arab Emirates	-	the Abu Dhabi Securities Exchange, Dubai Financial Market and NASDAQ Dubai;
Uruguay	-	the stock exchange in Montevideo;
Venezuela	-	the stock exchanges in Caracas and Maracaibo;
Zimbabwe	-	the Zimbabwe Stock Exchange.

(iii) Markets

The market organised by the International Capital Market Association;

The (i) market conducted by banks and other institutions regulated by the Financial Services Authority (FSA); and (ii) market in non-investment products which is subject to the guidance contained in the Non-Investment Products Code drawn up by the participants in the London market, including the FSA and the Bank of England;

The market in U.S. government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York and the US Securities and Exchange Commission;

The over-the-counter market in the United States regulated by the Financial Industry Regulatory Authority Inc. ("**FINRA**"), also described as the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchanges Commission and by FINRA (and by banking institutions regulated by the U.S. Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

NASDAQ;

The over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;

AIM – the Alternative Investment Market in the United Kingdom which is regulated and operated by the London Stock Exchange;

The French market for Titres de Creance Negotiable (over-the-counter market in negotiable debt instruments);

The over-the-counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada.

(iv) In relation to any exchange traded financial derivative contract, any stock exchange on which such contract may be acquired or sold and which is regulated, operates regularly, is recognised and open to the public and which is (a) located in any jurisdiction listed in (i) above, (b) listed in (ii) or (iii) above, or included in the following list:

Bourse de Montreal;

The Channel Islands Stock Exchange;

The Chicago Board of Trade;

The Chicago Mercantile Exchange;

The Chicago Board Options Exchange;

EDX London;

New York Board of Trade;

New York Mercantile Exchange;

New Zealand Futures and Options

Exchange;

Hong Kong Futures Exchange;

Osaka Securities Exchange;

Singapore Commodity Exchange;

Tokyo International Financial Futures

Exchange.

APPENDIX B: VALUATION TECHNIQUES

The Net Asset Value of the Funds shall be calculated by or on behalf of the Manager on each Dealing Day by ascertaining the value of the assets of the Funds at the Valuation Point on such Dealing Day and deducting from such amount the liabilities of the Funds on such Dealing Day.

The assets of the Funds will be valued as follows:-

(a) assets listed or traded on a stock exchange or over-the-counter market (other than those referred to at (e) and (h) below) for which market quotations are readily available shall be valued at the mid-price or, if unavailable or unrepresentative, the last quoted trade price on the principal exchange or market for such investment at the Valuation Point provided that the value of any investment listed on a stock exchange or over-the-counter market but acquired or traded at a premium or at a discount outside or off the relevant stock exchange or on an over-the-counter market may, with the approval of the Trustee, be valued taking into account the level of premium or discount as at the date of valuation of the investment.

If for specific assets the mid-prices or the last quoted trade prices do not, in the opinion of the Administrator, reflect their fair value, or are not available the value of the security is its probable realisation value which must be estimated in care and good faith. The asset may be valued by the Manager or alternatively valued by a competent person appointed by the Manager and approved for the purpose by the Trustee, or alternatively to that, the asset can be valued by any other means provided that the value is approved by the Trustee.

(b) if the assets are listed or traded on several stock exchanges or over-the-counter markets, the mid-price on the stock exchange or over-the-counter market which, in the opinion of the Administrator, constitutes the main market for such assets will be used;

(c) in the event that any of the investments are not listed or traded on any stock exchange or over-the-counter market, such securities shall be valued at their probable realisation value which must be estimated in care and good faith. The asset may be valued by the Manager or alternatively valued by a competent person appointed by the Manager and approved for the purpose by the Trustee, or alternatively to that, the asset can be valued by any other means provided that the value is approved by the Trustee. Such probable realisation value will be determined:

(i) by using the original purchase price;

(ii) where there have been subsequent trades with substantial volumes, by using the last traded price provided the Administrator in consultation with the Investment Adviser considers such trades to be at arm's length;

(iii) where the Administrator in consultation with the Investment Adviser believes the investment has suffered a diminution in value, by using the original purchase price which shall be discounted to reflect such a diminution;

(iv) if the Administrator in consultation with the Investment Adviser believes a mid-quotation from a broker is reliable, by using such a mid-quotation or, if unavailable, a bid quotation.

Due to the nature of such unquoted securities and the difficulty in obtaining a valuation from other sources, such competent professional may be related to the Investment Adviser;

(d) cash and other liquid assets will be valued at their face value with interest accrued, where applicable;

(e) units or shares in open-ended collective investment schemes will be valued at the latest available net asset value; units or shares in other collective investment schemes will, if listed or traded on a stock exchange or over the counter market, be valued at a mid-quotation from a broker (or if unavailable, a bid quotation, or, if unavailable, the latest quoted trade price,) or, if unavailable or unrepresentative, (as determined by the Administrator in its absolute discretion,) the latest available net asset value as deemed relevant to the collective investment scheme;

(f) listed securities which are traded at a premium or discount on an over-the-counter market shall be valued, with the approval of the Trustee, by taking such premia/discounts thereon which shall be provided by an independent broker or market maker. However, the Manager or the Administrator may adjust the value of such investments if it considers such adjustment is required to reflect the fair value thereof;

(g) any value expressed otherwise than in the Base Currency of the Fund (whether of an investment or cash) and any non-Base Currency borrowing shall be converted into the Base Currency at the rate (whether official or otherwise) which the Administrator deems appropriate in the circumstances;

(h) exchange traded derivative instruments will be valued at the settlement price for such instruments on such market; if such price is not available such value shall be the probable realisation value estimated with care and in good faith by the Manager or alternatively valued by a competent person appointed by the Manager and approved for the purpose by the Trustee, or alternatively to that, the security can be valued by any other means provided that the value is approved by the Trustee. Forward foreign exchange contracts shall be valued with reference to the prevailing market maker quotations, namely, the price at which a new forward contract of the same maturity could be undertaken, or, if unavailable, at the settlement price provided by the counterparty;

(i) over-the-counter derivative instruments will be valued daily at the settlement price as provided by the counterparty and verified at least weekly by the Investment Adviser, approved for such purpose by the Trustee. Alternatively, the value of any over-the counter derivative instruments may be the quotation from an independent pricing vendor or the Manager and shall also be valued daily. Where this alternative valuation is used, the Manager must follow international best practice and adhere to the principles on the valuation of OTC instruments established by bodies such as IOSCO and AIMA, the alternative valuation is that provided by a competent person appointed by the Manager and approved for the purpose by the Trustee, or a valuation by any other means provided that the value is approved by the Trustee and the alternative valuation must be reconciled to the counterparty valuation on a monthly basis. Where significant differences arise these must be promptly investigated and explained.

In the event of it being impossible or incorrect to carry out a valuation of a specific investment in accordance with the valuation rules set out in paragraphs (a) to (i) above, or if such valuation is not representative of the securities fair market value, the Administrator is entitled to use other generally recognised valuation methods approved by the Trustee in order to reach a proper valuation of that specific investment.