

Important: If you are in any doubt about the contents of this Addendum, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. This Addendum forms an integral part of and should be read in conjunction with the Prospectus dated 21 February 2014, as amended by the addenda dated 6 March 2014, 7 July 2014, 14 July 2014, 29 October 2014, 16 December 2014, 30 December 2014, 2 January 2015, 2 April 2015, 31 August 2015, 17 November 2015 and 29 April 2016 (together the “Prospectus”). Boserá Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate at the date hereof.

Bosera ETFs

Bosera FTSE China A50 Index ETF

*(A sub-fund of Bosera ETFs, a Hong Kong umbrella unit trust,
authorised under Section 104 of the Securities and Futures Ordinance
(Cap. 571) of Hong Kong)*

RMB Counter Stock Code: 82832

HKD Counter Stock Code: 02832

Addendum to the Prospectus

The Prospectus is hereby supplemented as follows:

Change of directors of the Manager

1. On page 59 of the Prospectus, the biography of CHENG Kam Wah Conrad under the section entitled “The Manager” of the MANAGEMENT OF THE TRUST section is deleted in its entirety and replaced with the following:

“FENG Jing

Mr. Feng is a director of the Manager. He graduated from the School of Economics of Renmin University of China with BA in Economics in 2000, and achieved MA, PhD in Economics from Graduate School of PBC in 2003 and 2010. From July 2003 to February 2005, Mr. Feng served as the manager of Galaxy Securities Company Limited. From March 2005 to August 2015, he served as Deputy Director of China Securities Regulatory Commission and from August 2015 served as Senior Consultant of Boserá Asset Management Co., Ltd.

LIAN Shaodong

Ms. Lian is a director of the Manager. She graduated from Huazhong Agricultural University with a bachelor degree in Microbiology and achieved a master degree in Economics from Guangdong Provincial Community Party College. Since 1992, Ms. Lian worked in Bank of China Pearl River Trust Company in Guangdong Province, ABN AMRO, Da Cheng Fund Management, DBS Vickers (Hong Kong) and Da Cheng International. Ms. Lian joined Boserá Asset Management Co., Ltd in May 2012 and served as Head of Product Development Department and Head of International Business Department, and from May 2016 served as General Manager of Marketing Department.”

Change of address of the Service Agent

2. On page iii of the Prospectus, the address of the Service Agent is deleted in its entirety and replaced with the following:

“1/F One & Two Exchange Square
8 Connaught Place
Central
Hong Kong”

Index constituents and information

3. On page 11 of the Prospectus, the third paragraph under the section “What are the Index’s characteristics?” is deleted in its entirety and replaced with the following:

“The Index was launched on 13 December 2003. As of 12 July 2016, it had a total market capitalisation of RMB 3,331.917 billion.”

4. On page 81 of the Prospectus, the third paragraph under the section “General information on the Index” is deleted in its entirety and replaced with the following:

“The Index was launched on 13 December 2003. As of 12 July 2016, it had a total market capitalisation of RMB 3,331.917 billion.”

5. On pages 82 to 83 of the Prospectus, the first paragraph and the table under the sub-heading “Top 10 constituents of the Index” are deleted in their entirety and replaced with the following:

“As at 12 July 2016, the 10 largest constituents of the Index, as listed below, represented about 51.46% of the Index.

Rank	Constituent Name	Weighting%
1	Ping An Insurance (Group) Co. of China	8.96
2	China Minsheng Banking Corp. Ltd.	6.80
3	Industrial Bank Co. Ltd.	6.33
4	China Merchants Bank Co. Ltd.	6.29
5	Shanghai Pudong Development Bank Co. Ltd.	4.97
6	Kweichow Moutai Co. Ltd.	4.41
7	CITIC Securities Co. Ltd.	3.95
8	Bank of Communications Co. Ltd.	3.53
9	Agricultural Bank of China Co. Ltd.	3.31
10	Haitong Securities Co. Ltd.	2.91

Bosera Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate as at the date of publication.

The Prospectus may only be distributed if accompanied by this Addendum.

Bosera Asset Management (International) Co., Limited
博時基金(國際)有限公司

Date: 15 July 2016

Important: If you are in any doubt about the contents of this Addendum, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. This Addendum forms an integral part of and should be read in conjunction with the Prospectus dated 21 February 2014, as amended by the addenda dated 6 March 2014, 7 July 2014, 14 July 2014, 29 October 2014, 16 December 2014, 30 December 2014, 2 January 2015, 2 April 2015, 31 August 2015 and 17 November 2015 (together the "Prospectus"). Boserá Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate at the date hereof.

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(Cap. 571) of Hong Kong)*

RMB Counter Stock Code: 82832

HKD Counter Stock Code: 02832

Addendum to the Prospectus

The Prospectus is hereby supplemented as follows:

Change of directors of the Manager

1. On page 59 of the Prospectus, the biography of Lo Kai-Yiu Anthony under the section entitled "The Manager" of the MANAGEMENT OF THE TRUST section is deleted in its entirety.

Index constituents and information

2. On page 11 of the Prospectus, the third paragraph under the section "What are the Index's characteristics?" is deleted in its entirety and replaced with the following:

"The Index was launched on 13 December 2003. As of 11 April 2016, it had a total market capitalisation of RMB 3,381.554 billion."

3. On page 81 of the Prospectus, the third paragraph under the section "General information on the Index" is deleted in its entirety and replaced with the following:

"The Index was launched on 13 December 2003. As of 11 April 2016, it had a total market capitalisation of RMB 3,381.554 billion."

4. On pages 82 to 83 of the Prospectus, the first paragraph and the table under the sub-heading "Top 10 constituents of the Index" are deleted in their entirety and replaced with the following:

"As at 11 April 2016, the 10 largest constituents of the Index, as listed below, represented about 51.36% of the Index."

Rank	Constituent Name	Weighting%
1	Ping An Insurance (Group) Co. of China	8.58
2	Industrial Bank Co. Ltd.	6.33
3	China Minsheng Banking Corp. Ltd.	6.22
4	China Vanke Co. Ltd.	6.01
5	China Merchants Bank Co. Ltd.	5.71
6	Shanghai Pudong Development Bank Co. Ltd.	5.17
7	CITIC Securities Co. Ltd.	4.00
8	Agricultural Bank of China Co. Ltd.	3.31
9	Kweichow Moutai Co. Ltd.	3.26
10	Bank of Communications Co. Ltd.	2.78

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The Prospectus may only be distributed if accompanied by this Addendum.

Bosera Asset Management (International) Co., Limited

博時基金(國際)有限公司

Date: 29 April 2016

Important: If you are in any doubt about the contents of this Addendum, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. This Addendum forms an integral part of and should be read in conjunction with the Prospectus dated 21 February 2014, as amended by the addenda dated 6 March 2014, 7 July 2014, 14 July 2014, 29 October 2014, 16 December 2014, 30 December 2014, 2 January 2015, 2 April 2015 and 31 August 2015 (together the “Prospectus”). Bosera Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate at the date hereof.

Bosera ETFs

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RMB Counter Stock Code: 82832
HKD Counter Stock Code: 02832

Addendum to the Prospectus

The following changes to the Prospectus shall apply with effect from 17 November 2015:

PRC withholding tax provisioning policy

1. The risk factor “PRC withholding taxation risk” under the section “Risk Factors” on pages 48-49 of the Prospectus is deleted in its entirety and replaced with the following:

“PRC withholding taxation risk

In order to meet the potential tax liability on capital gains arising from disposal of A-Shares, the Manager reserves the right to provide for withholding income tax (“WIT”) on such gains and withhold the tax for the account of the Bosera A50 ETF. The Manager does not make WIT provision on gross realised or unrealised capital gains derived from trading of A-Shares by the Bosera A50 ETF from 17 November 2014 onwards. Please refer to the sub-section “PRC taxation – *Capital gains*” in the section “Taxation” in this Prospectus for further details.

The PRC tax rules and practices in relation to RQFII are relatively new and may be subject to change. It should also be noted that the prevailing PRC tax regulations specified that the tax exemption on capital gains derived from the trading of A-Shares from 17 November 2014 onwards is temporary. There is a possibility of the PRC tax rules, regulations and practice being changed and taxes being applied retrospectively. There are risks and uncertainties associated with the current PRC tax laws, regulations and practice. As such, there is a risk that taxes may be levied in future on the Bosera A50 ETF for which no provision is made, which may potentially cause substantial loss to the Bosera A50 ETF.

Unitholders should note that the tax reporting and tax treaty application (detailed in the sub-section “PRC taxation – *Capital gains*” in the section “Taxation” in this Prospectus are made in accordance with the prevailing tax rules and practices of the Shanghai tax authority at the time of submission. The Net Asset Value of the Bosera A50 ETF may require further adjustment to take into account any retrospective application of new tax regulations and development, including change in interpretation of the relevant regulations by the PRC tax authorities. The Manager will closely

monitor any further guidance by the relevant PRC tax authorities and adjust the WIT provision policy of the Bosera A50 ETF if necessary. The Manager will act in the best interest of the Unitholders of the Bosera A50 ETF at all times.

Unitholders may be disadvantaged or advantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their Units. If no provision is made by the Manager in relation to all or part of the actual tax levied by the SAT in future, investors should note that the Net Asset Value of the Bosera A50 ETF may be lowered, as the Bosera A50 ETF will ultimately have to bear the full amount of tax liabilities. In this case, the additional tax liabilities will only impact Units in issue at the relevant time, and the then existing Unitholders and subsequent Unitholders will be disadvantaged as such Unitholders will bear, through the Bosera A50 ETF, a disproportionately higher amount of tax liabilities as compared to those borne at the time of investment in the Bosera A50 ETF. Please refer to “PRC taxation” under the section “Taxation” for further information in this regard.”

2. The section headed “PRC taxation” under “Taxation” on pages 74 to 77 of the Prospectus is deleted in its entirety and replaced with the following:

“PRC taxation

By investing in securities (including A-Shares) issued by PRC tax resident enterprises, irrespective of whether such securities are issued or distributed onshore (“onshore PRC securities”) or offshore (“offshore PRC securities”, and together with onshore PRC securities, the “PRC Securities”), the Bosera A50 ETF may be subject to PRC taxes.

Corporate Income Tax (“CIT”)

If the Trust or the Bosera A50 ETF is considered as a tax resident enterprise of the PRC, it will be subject to PRC CIT at 25% on its worldwide taxable income. If the Trust or the Bosera A50 ETF is considered as a non-tax resident enterprise with an establishment or place of business (“PE”) in the PRC, the profits and gains attributable to that PE would be subject to CIT at 25%.

The Manager intend to manage and operate the Trust and the Bosera A50 ETF in such a manner that the Trust and the Bosera A50 ETF should not be treated as tax resident enterprises of the PRC or non-tax resident enterprises with a PE in the PRC for CIT purposes, although this cannot be guaranteed.

Unless a specific exemption or reduction is available under current PRC tax laws and regulations or relevant tax treaties, non-tax resident enterprises without PE in the PRC are subject to CIT on a withholding basis (i.e. WIT), generally at a rate of 10%, to the extent it directly derives the PRC sourced passive income. PRC sourced passive income (such as dividend income or interest income) may arise from investments in the PRC Securities. The entity distributing such PRC sourced passive income is required to withhold WIT. Accordingly, the Trust or the Bosera A50 ETF may be subject to WIT and/or other PRC taxes on any cash dividends, distributions and interest it receives from its investment in PRC Securities.

Dividends

Under current regulations in the PRC, foreign investors (such as the Trust and the Bosera A50 ETF) may invest in onshore PRC securities, generally, only through a QFII or a RQFII (in this section and for the Bosera A50 ETF referred to as the “relevant RQFII”). Since only the relevant RQFII’s interests in onshore PRC securities are recognised under PRC laws, any tax liability would, if it arises, be payable by the relevant RQFII. However under the terms of the arrangement between the relevant RQFII and the Trust, the relevant RQFII will pass on any tax liability to the Trust for the account of the Bosera A50 ETF. As such, the Trust is the ultimate party which bears the risks relating to any PRC taxes which are so levied by the relevant PRC tax authority. Under current PRC tax laws and regulations, a relevant RQFII is subject to a WIT of 10% on cash dividends, distributions and interest from the PRC securities unless exempt or reduced under current PRC tax laws and regulations or relevant tax treaties.

Under the avoidance of double taxation arrangements between Mainland China and Hong Kong (the “China-HK Arrangement”), the tax charged on dividends received by the non-resident holders of shares issued by Chinese companies (including enterprises and individuals) will be 5% of the gross amount of the dividends, if Hong Kong tax residents are the beneficial owners and directly hold at least 25% of the equity of the company paying the dividends, subject to the approval of the PRC tax authorities. Due to the Bosera A50 ETF’s investment restriction, the Bosera A50 ETF will not hold more than 10% of any ordinary shares issued by any single issuer. In this connection, dividends derived from the PRC securities invested through RQFII will not be able to benefit from the reduced tax rate of 5% and the general tax rate of 10% will be applicable to the Bosera A50 ETF.

Interest

Under the PRC CIT Law, interest derived from government bonds issued by the in-charge Finance Bureau of the State Council shall be exempt from PRC income tax under the CIT Law.

Unless a specific exemption / reduction is applicable, for recipients that are non-tax residents without a PE in the PRC under the CIT Law, a WIT is levied on the payment of interests on debt instruments issued by PRC tax residents, including bonds issued by enterprises established within Mainland China. The general WIT rate applicable is 10%. Pursuant to the China-HK Arrangements, the tax charged on interest received by the non-resident holders of debt instruments (including enterprises and individuals) will be 7% of the gross amount of the interest, if Hong Kong tax residents are the beneficial owners under the China-HK Arrangements subject to the approval of the PRC tax authorities.

As the Bosera A50 ETF seeks to achieve its investment objective through investing directly in A-Shares included in the Index, it will not hold any debt instruments, and accordingly it does not expect to receive any interest income.

Capital gains

The “Notice on the temporary exemption of Corporate Income Tax on capital gains derived from the transfer of PRC equity investment assets such as PRC domestic stocks by QFII and RQFII” (Caishui [2014] No.79) promulgated by the MOF, the SAT and the CSRC on 14 November 2014 (the “Notice No. 79”) states that (i) PRC corporate income tax will be imposed on capital gains obtained by QFIIs and RQFIIs from the transfer of PRC equity investment assets (including PRC domestic stocks) realised prior to 17 November 2014 in accordance with laws; and (ii) QFIIs and RQFIIs, which do not have an establishment or place of business in the PRC or have an establishment or place in the PRC but the income so derived in China is not effectively connected with such establishment, will be temporarily exempt from corporate income tax on gains derived from the transfer of PRC equity investment assets (including A-Shares) effective from 17 November 2014.

Pursuant to the Notice No. 79, the Manager, having taken and considered independent professional tax advice, has determined not to make WIT provision for gross realised or unrealised capital gains derived from trading of A-Shares via RQFII from 17 November 2014 onwards.

It is noted that the Notice No. 79 states that the corporate income tax exemption effective from 17 November 2014 is temporary. As such, as and when the PRC authorities announce the expiry date of the exemption, the Bosera A50 ETF may in future need to make provision to reflect taxes payable, which may have a substantial negative impact on the NAV of the Bosera A50 ETF.

As for the gross realised capital gains derived from trading of A-Shares via RQFII before 17 November 2014, certain tax relief is applicable to Hong Kong tax residents under the China-HK Arrangement. One type of such relief under the China-HK Arrangement is that capital gains derived by a Hong Kong tax resident from transfer of shares of a PRC tax resident company would be taxed in the PRC only if:

- 50% or more of the PRC tax resident company’s assets are comprised, directly or indirectly, of immovable property situated in the PRC (an “immovable properties-rich company”) or

- The Hong Kong tax resident holds at least 25% of the shares of the PRC tax resident company at any time within the 12 months before the alienation.

Pursuant to the relevant PRC tax regulations, to enjoy relief under the China-HK Arrangement, a Hong Kong tax resident should submit to the relevant PRC tax authority a Hong Kong Tax Resident Certificate (a "HKTRC") issued by the Inland Revenue Department of Hong Kong (the "IRD").

The Manager applied to the IRD on behalf of the Bosera A50 ETF for the HKTRCs and obtained HKTRCs for the Bosera A50 ETF for each calendar year since the Bosera A50 ETF's inception date to the calendar year ended 31 December 2014.

At the request of the Shanghai tax authority, the Manager, as the RQFII, submitted the requested information and documents on behalf of the Bosera A50 ETF to the Shanghai tax authority in October 2015 to report the WIT payable on gross realised capital gains derived from trading of A shares issued by immovable properties-rich companies and apply for WIT exemption on gross realised capital gains derived from trading of A-Shares issued by non-immovable properties rich companies under the China-HK Arrangement. The documents submitted include the HKTRCs for the Bosera A50 ETF as described above, as part of the application for the Shanghai tax authority's approval for the eligibility of the Bosera A50 ETF to benefit from the China-HK Arrangement.

The Shanghai tax authority completed the review on the the Bosera A50 ETF's aforesaid tax reporting and tax treaty application and issued a document on its official web-site notifying the Bosera A50 ETF of the tax treaty application result. According to the document, the Shanghai tax authority indicated that it agreed to the Bosera A50 ETF's tax treaty application submitted. As such, gross realised capital gains derived by the Bosera A50 ETF from trading of A-Shares prior to 17 November 2014, except for A-Shares issued by immovable properties-rich companies, are eligible for WIT exemption under China-HK Arrangement. Subsequently the Bosera A50 ETF paid WIT on gross realised capital gains arising from the Bosera A50 ETF's disposal of A-Shares issued by immovable properties-rich companies for the period from the inception of the Bosera A50 ETF up to and including 16 November 2014. As at the date of this Prospectus, no further tax provision is made on capital gains arising from the the Bosera A50 ETF's disposal of A-Shares during such period.

Unitholders should note that the aforesaid tax reporting and tax treaty application are made in accordance with the prevailing tax rules and practices of the Shanghai tax authority at the time of submission. The Net Asset Value of the Bosera A50 ETF may require further adjustment to take into account any retrospective application of new tax regulations and development, including change in interpretation of the relevant regulations by the PRC tax authorities.

The PRC tax rules and practices in relation to RQFII are relatively new and maybe subject to change. It should also be noted that the prevailing PRC tax regulations specified that the tax exemption on capital gains derived from the trading of A-Shares from 17 November 2014 onwards is temporary. There is a possibility of the PRC tax rules, regulations and practice being changed and taxes being applied retrospectively. There are also risks and uncertainties associated with the current PRC tax laws, regulations and practice. As such, any WIT provision on capital gains made by the Manager in respect of the Bosera A50 ETF may be more or less than the Bosera A50 ETF's actual tax liabilities. If no provision is made by the Manager in relation to all or part of the actual tax levied by the SAT in future, investors should note that the Net Asset Value of the Bosera A50 ETF may be lowered, as the Bosera A50 ETF will ultimately have to bear the full amount of tax liabilities. In this case, the additional amount of tax liabilities will only impact Units in issue at the relevant time, and the then existing Unitholders and subsequent Unitholders will be disadvantaged as such Unitholders will bear, through the Bosera A50 ETF, a disproportionately higher amount of tax liabilities as compared to those borne before the actual tax liabilities are levied.

Please refer to the risk factor "PRC withholding taxation risk" for further information in this regard.

Business Tax ("BT") and other surtaxes

The revised PRC Provisional Regulations of Business Tax ("BT Law") which came into effect on 1 January 2009 stipulates that gains derived by taxpayers from the trading of marketable securities would be subject to BT at 5%.

Caishui [2005] 155 states that gains derived by QFIIs from the trading of PRC marketable Securities (including A-Shares and other PRC listed securities) are exempt from BT. The new PRC BT law which came into effect on 1 January 2009 has not changed this exemption treatment at the time of this Prospectus. Since both RQFIIs and QFIIs are qualified foreign institutional investors which are allowed to make investments in the PRC domestic capital markets, there should be a basis to apply the exemption treatment of Caishui [2005] 155 on RQFIIs. However, it is not clear whether a similar exemption would be extended to RQFIIs.

For PRC marketable Securities other than those trading under QFIIs (and RQFIIs), the new BT Law shall apply to levy BT at 5% on the difference between the selling and buying prices of those marketable securities. However, capital gains derived from trading of offshore PRC marketable securities (e.g. H-shares), are not subject to BT.

The new BT Law has not specifically exempt BT on interest earned by non-financial institutions. Hence, interest on both government and corporate bonds in theory should be subject to 5% BT. As such, 5% BT may apply on interest income derived on bond investments. However, in practice, there has not been actual enforcement of such BT collection.

Dividend income or profit distributions on equity investment derived from China are not included in the taxable scope of BT.

In addition, urban maintenance and construction tax (currently at the rate ranging from 1% to 7%), educational surcharge (currently at the rate of 3%) and local educational surcharge (currently at the rate of 2%) are imposed based on the BT liabilities.

Stamp duty

Stamp duty under the PRC laws generally applies to the execution and receipt of all taxable documents listed in the PRC's Provisional Rules on Stamp Duty. Stamp duty is levied on the execution or receipt in China of certain documents, including contracts for the sale of China A and B-Shares traded on the PRC stock exchanges. In the case of contracts for sale of China A and B-Shares, such stamp duty is currently imposed on the seller but not on the purchaser, at the rate of 0.1%.

General

It should also be noted that the actual applicable tax rates imposed by SAT may be different and may change from time to time. There is a possibility of the rules being changed and taxes being applied retrospectively. As such, any provision for taxation made by the Manager may be excessive or inadequate to meet final PRC tax liabilities. Consequently, Unitholders may be advantaged or disadvantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their Units.

If the actual applicable tax rate levied by SAT is higher than that provided for by the Manager so that there is a shortfall in the tax provision amount, investors should note that the Net Asset Value of the Boser A50 ETF may suffer more than the tax provision amount as the Boser A50 ETF will ultimately have to bear the additional tax liabilities. In this case, the then existing and new Unitholders will be disadvantaged. On the other hand, if the actual applicable tax rate levied by SAT is lower than that provided for by the Manager so that there is an excess in the tax provision amount, Unitholders who have redeemed their Units before SAT's ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the Manager's overprovision. In this case, the then existing and new Unitholders may benefit if the difference between the tax provision and the actual taxation liability under that lower tax rate can be returned to the account of the Boser A50 ETF as assets thereof. Notwithstanding the above provisions, Unitholders who have already redeemed their Units in the Boser A50 ETF before the return of any overprovision to the account of the Boser A50 ETF will not be entitled or have any right to claim any part of such overprovision.

Unitholders should seek their own tax advice on their tax position with regard to their investment in the Boser A50 ETF.

It is possible that the current tax laws, regulations and practice in the PRC will change, including the possibility of taxes being applied retrospectively, and that such changes may result in higher taxation on PRC investments than currently contemplated.”

Index constituents and information

3. On page 11 of the Prospectus, the third paragraph under the section “What are the Index’s characteristics?” is deleted in its entirety and replaced with the following:

“The Index was launched on 13 December 2003. As of 10 November 2015, it had a total market capitalisation of RMB 3,801.696 billion.”

4. On page 81 of the Prospectus, the third paragraph under the section “General information on the Index” is deleted in its entirety and replaced with the following:

“The Index was launched on 13 December 2003. As of 10 November 2015, it had a total market capitalisation of RMB 3,801.696 billion.”

5. On pages 82 to 83 of the Prospectus, the first paragraph and the table under the sub-heading “Top 10 constituents of the Index” are deleted in their entirety and replaced with the following:

“As at 10 November 2015, the 10 largest constituents of the Index, as listed below, represented about 47.08% of the Index.

Rank	Constituent Name	Weighting%
1	Ping An Insurance (Group) Co. of China	9.19
2	China Merchants bank Co. Ltd.	6.41
3	China Minsheng Banking Corp. Ltd.	5.55
4	Shanghai Pudong Development Bank Co. Ltd.	4.78
5	Industrial Bank Co. Ltd.	4.59
6	CITIC Securities Co. Ltd.	4.23
7	China Vanke Co. Ltd.	3.12
8	Bank of Communications Co. Ltd.	3.07
9	CRRC Corp. Ltd.	3.07
10	Agricultural Bank of China Co. Ltd.	3.05

Bosera Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate as at the date of publication.

The Prospectus may only be distributed if accompanied by this Addendum.

Bosera Asset Management (International) Co., Limited

博時基金(國際)有限公司

Date: 17 November 2015

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authorised under Section 104 of the Securities and Futures Ordinance
(Cap. 571) of Hong Kong)*

RMB Counter Stock Code: 82832
HKD Counter Stock Code: 02832

Addendum to the Prospectus

The Prospectus is hereby amended as follows:

Under the section entitled “The Manager” of the MANAGEMENT OF THE FUND on page 79 of the Prospectus, the biographies of HONG Xiaoyuan and WU Yaodong after “The directors of the Manager are as follows” are deleted in their entirety and replaced with the following:

“ZHANG Guanghua

Mr Zhang Guanghua is a director of the Manager. He started his career since September 1977. Since October 2008, he had been the Deputy Director of Wing Lung Bank; He also held the position of the Executive Director of China Merchant Bank since June 2007; He held the position of Vice President for China Merchant Bank as well as the Chairman for CIGNA & CMB Life Insurance Co. Ltd since August 2013. From 1986-1992, He served as the Deputy Director of the State Administration of Foreign Exchange (SAFE) Policy Research Department and Director of SAFE Planning Department; From 1992-2002, he served as the President Assistant at People's Bank of China (PBOC) Hainan Branch, Vice President of PBOC Hainan Branch and the Deputy Director of SAFE Hainan Branch, Vice President of PBOC Guangzhou Branch. From September 2002 to April 2007, he served as the President at China Guangfa Bank. From April 2007 to May 2013, he served as the Vice President at China Merchants Bank. From August 2013 to 9th July 2015, he served as the Chairman of Board at China Merchants Fund.

JIANG Xiangyang

Mr Jiang Xiangyang is the director of the Manager. He started his career since July 1990. From 1986-1990, Mr Jiang obtained a Bachelor Degree from the College of Resources Science & Technology at Beijing Normal University. During 1994-1997, He obtained a Master's Degree of Law from the Graduate School of China University of Political Science and Law. During 2003-2006, He studied at Nankai Institute of International Economics and obtained a Ph.D. in International Finance. Since January 2015, Mr Jiang has served as the Deputy General Manager of China Merchants Finance Group and the Deputy Secretary of the Party Committee of Bosera Asset Management Co.,

Ltd. Since July 2015, he has served as the General Manager at Bosera Asset Management Co., Ltd. Previously, He served as the Deputy Director of CSRC General Office, Deputy Director of CSRC Party Office and Director of the Information Office (Network Information Office); Deputy Inspector for CSRC Office; Director and Deputy Commissioner of CSRC Shenzhen Commissioner's Office; CSRC Futures Supervision Department Deputy Director and Director; Cadre of Chinese Agricultural Engineering Research and Design Institute.”

Bosera Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate as at the date of publication.

The Prospectus may only be distributed if accompanied by this Addendum.

Bosera Asset Management (International) Co., Limited
博時基金(國際)有限公司

Date: 31 August 2015

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Addendum to the Prospectus

The Prospectus is hereby amended as follows:

RMB Exchange Limit

1. The sentence “When investors open the RMB bank accounts for settling RMB payments or receiving RMB distributions, they should note that under the current regulations, the daily maximum exchange limit for RMB is RMB20,000 per Hong Kong resident individual.” in the fifth paragraph under the sub-section headed “Are there any special RMB payment or account procedures?” on page 11 of the Prospectus is removed in its entirety.
2. The ninth paragraph under the sub-section headed “Are there any special RMB payment or account procedures?” on page 12 of the Prospectus is removed in its entirety and replaced with the following:

“When an individual investor opens an RMB bank account or settle RMB payments, he or she will be subject to a number of restrictions, including the daily maximum remittance amount to the PRC of RMB80,000. A remittance service is only available to an RMB deposit account-holder who remits from his or her RMB deposit account to the PRC and provided that the account name of the account in the PRC is identical with that of the RMB bank account with the bank in Hong Kong.”
3. The sentence “and for Hong Kong resident individual customers of up to RMB20,000 per person per day” in the second paragraph under the risk factor headed “Offshore RMB (“CNH”) market risk” under the section “Risk Factors” on page 46 of the Prospectus is removed in its entirety.

FATCA

4. The following is inserted immediately before the risk factor headed “Valuation and accounting risk” under the section “Risk Factors” on page 57 of the Prospectus:

“Risks relating to FATCA

FATCA provides that a 30% withholding tax will be imposed on certain payments to FFIs, such as the Boser A50 ETF, including interests and dividends from securities of US issuers and gross proceeds from the sale of such securities, unless the Boser A50 ETF discloses the name, address and taxpayer identification number of certain US persons that own, directly or indirectly, an interest in the Boser A50 ETF, as well as certain other information relating to any such interest. The IRS has released regulations and other guidance that provide for the phased implementation of the foregoing withholding and reporting requirements. The United States Department of the Treasury and Hong Kong have on 13 November 2014 signed a Model 2 IGA (the “HK IGA”). The HK IGA modifies the foregoing requirements but generally requires similar information to be disclosed to the IRS. Under the HK IGA arrangements, FFIs in Hong Kong (such as the Boser A50 ETF) would register with the IRS to be subject to the terms of a FFI with the IRS and comply with the terms of such FFI Agreement. Otherwise, they will be subject to a 30% withholding tax on relevant US source payments to them.

The Boser A50 ETF has registered with the IRS, agreeing to be subject to and comply with the terms of a FFI Agreement and be treated as a Reporting Financial Institution under the HK IGA. Although the Boser A50 ETF will attempt to satisfy any obligations imposed on it to avoid the imposition of FATCA withholding tax, no assurance can be given that the Boser A50 ETF will be able to fully satisfy these obligations. If the Boser A50 ETF becomes subject to a withholding tax as a result of FATCA, the Net Asset Value of the Boser A50 ETF may be adversely affected and the Boser A50 ETF and its Unitholders may suffer material loss.

The Boser A50 ETF’s ability to comply with FATCA will depend on each Unitholder providing the Boser A50 ETF with information that the Boser A50 ETF requests concerning the Unitholder or its direct and indirect owners. If a Unitholder fails to provide the Boser A50 ETF with any information requested, the Boser A50 ETF may exercise its right to compulsorily redeem such Unitholder and/or apply withholdings to payments to such Unitholder. Any such compulsory redemption and/or withholding will be done in accordance with applicable laws and regulations, and the discretion to do so will be exercised by the Manager acting in good faith and on reasonable grounds.

Please also refer to the sub-section entitled “FATCA and compliance with US withholding requirements” under the section headed “TAXATION” in this Prospectus for further details on FATCA and related risks.

All prospective investors and Unitholders should consult with their own tax advisors regarding the possible implications of FATCA and the tax consequences on their investments in the Boser A50 ETF. Unitholders who hold their Units through intermediaries should also confirm the FATCA compliance status of those intermediaries.”

5. The first paragraph under the heading “TAXATION” on page 73 of the Prospectus is deleted in its entirety and replaced with the following:

“The following summary of Hong Kong and PRC taxation and implications of FATCA is of a general nature, for information purposes only, and is not intended to be an exhaustive list of all of the tax considerations that may be relevant to a decision to purchase, own, redeem or otherwise dispose of Units. This summary does not constitute legal or tax advice and does not purport to deal with the tax consequences applicable to all categories of investors. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, redeeming or disposing of Units both under the laws and practice of Hong Kong and the laws and practice of their respective jurisdictions. The information below is based on the law and practice in force in Hong Kong and the PRC and the information relating to FATCA available as at the date of this Prospectus. The relevant laws, rules, practice and information relating to tax are subject to change and amendment (and such changes may be made on a retrospective basis). As such, there can be no guarantee that the summary provided below will continue to be applicable after the date of this Prospectus. Furthermore, tax laws can be subject to different interpretations and no assurance can be given that relevant tax authorities will not take a contrary position to the tax treatments described below.”

6. The following is inserted on page 77 at the end of the current section headed "TAXATION":

"FATCA and compliance with US withholding requirements

The US Hiring Incentives to Restore Employment Act (the "HIRE Act") was signed into US law in March 2010 and includes provisions commonly referred to as the "Foreign Account Tax Compliance Act" or "FATCA". Broadly, the FATCA provisions are set out in sections 1471 to 1474 of the US Internal Revenue Code of 1986, as amended (the "Revenue Code"), which impose a new reporting regime with respect to certain payments to foreign financial institutions (each an "FFI"), such as the Boser A50 ETF, including interests and dividends from securities of US issuers and gross proceeds from the sale of such securities. All such payments may be subject to withholding at a rate of 30%, unless the recipient of the payment satisfies certain requirements intended to enable the US Internal Revenue Service (the "IRS") to identify United States persons (within the meaning of the Revenue Code) ("US persons") with interests in such FFIs. To avoid such withholding on payments made to it, FFIs (including banks, brokers, custodians and investment funds) located in jurisdictions that have not signed an intergovernmental agreement ("IGA") for implementation of FATCA, will be required to enter into a FFI agreement (a "FFI Agreement") with the IRS to be treated as a participating FFI ("Participating FFI"). Participating FFIs are required to identify all investors that are US persons and report certain information concerning such US persons to the IRS. The FFI Agreement will also generally require that a Participating FFI deduct and withhold 30% from certain payments made by the Participating FFI to investors who fail to cooperate with certain information requests made by the Participating FFI. Moreover, Participating FFIs are required to deduct and withhold such payments made to investors that are themselves FFIs but that have not entered into an FFI Agreement with the IRS or that are not otherwise deemed compliant with FATCA (i.e. a "non-compliant FFI").

FATCA withholding applies to (i) payments of US source income, including US source dividends and interest, made after 30 June 2014; and (ii) payments of gross proceeds of sale or other disposal of property that can produce US source income after 31 December 2016. The 30% withholding could also apply to payments otherwise attributable to US source income (also known as "foreign passthru payments") starting no earlier than 1 January 2017, though the US tax rules on "foreign passthru payments" are currently pending. Withholding agents (which may include Participating FFIs) will generally be required to begin withholding on certain withholdable payments made after 30 June 2014. The first reporting deadline for FFIs that have entered into the FFI Agreement will be 31 March 2015 with respect to information relating to the 2014 calendar year.

The United States and a number of other jurisdictions have entered into IGAs. The United States Department of the Treasury and Hong Kong have on 13 November 2014 signed a Model 2 IGA (the "HK IGA"). The HK IGA modifies the foregoing requirements but generally requires similar information to be disclosed to the IRS. Under the HK IGA, FFIs in Hong Kong (such as the Boser A50 ETF) would register with the IRS to be subject to the terms of a FFI Agreement with the IRS and comply with the terms of such FFI Agreement. Otherwise they will be subject to a 30% withholding tax on relevant US source payments to them.

Under the HK IGA, it is expected that FFIs in Hong Kong (such as the Boser A50 ETF) complying with an FFI Agreement will generally not be required to withhold tax on withholdable payments to recalcitrant accounts (i.e. certain accounts of which the holders do not consent to FATCA reporting and disclosure to the IRS) or close such recalcitrant accounts (provided that information regarding the recalcitrant accounts is reported to the IRS according to the terms of the HK IGA), but may be required to withhold tax on payments made to non-compliant FFIs.

Even though the HK IGA has now been signed between Hong Kong and the United States, withholding may apply to withholdable payments covered by FATCA if a sub-fund cannot satisfy the applicable requirements and is determined to be non-FATCA compliant or if the Hong Kong government is found in breach of the terms of the agreed IGA.

Each sub-fund intends to register with the IRS, agreeing to be subject to and comply with a FFI Agreement and be treated as a Reporting Financial Institution under the HK IGA. After obtaining and considering tax advice, the Manager is of the view that the Trust is not required to be registered with the IRS independently from the sub-funds. In order to protect Unitholders and avoid being subject to withholding under FATCA, it is the Manager's intention to endeavour to satisfy the

requirements imposed under FATCA. Hence it is possible that this may require a sub-fund (through its agents or service providers) as far as legally permitted, to report information on the holdings or investment returns of any Unitholder to the IRS or the local authorities pursuant to the terms of the HK IGA. It is also possible that a sub-fund may be required to compulsorily redeem and/or apply withholdings to payments to Unitholders who fail to provide the information and documents required to identify their status, or who are non-compliant FFIs or who fall within other categories specified in the FATCA provisions and regulations. Any such compulsory redemption and/or withholding will be done in accordance with applicable laws and regulations, and the discretion to do so will be exercised by the Manager acting in good faith and on reasonable grounds.

Although the sub-funds will attempt to satisfy any obligations imposed on them to avoid the imposition of FATCA withholding tax, no assurance can be given that the sub-funds will be able to fully satisfy these obligations. If any sub-fund becomes subject to a withholding tax as a result of FATCA, the Net Asset Value of such sub-fund may be adversely affected and such sub-fund and its Unitholders may suffer material loss.

The FATCA provisions are complex and their application is uncertain at this time. The above description is based in part on regulations, official guidance and the HK IGA, all of which are subject to change or may be implemented in a materially different form. Nothing in this section constitutes or purports to constitute tax advice and Unitholders should not rely on any information set out in this section for the purposes of making any investment decision, tax decision or otherwise. All Unitholders should therefore consult their own tax and professional advisors regarding the FATCA requirements, possible implications and related tax consequences with respect to their own situation. In particular, Unitholders who hold their Units through intermediaries should confirm the FATCA compliance status of those intermediaries to ensure that they do not suffer the above mentioned withholding tax on their investment returns.”

Stamp Duty

7. On page 73 of the Prospectus, the second paragraph under the sub-section “Stamp duty” is deleted in its entirety and replaced with the following:

“Pursuant to the Stamp Duty (Amendment) Ordinance 2014, effective 13 February 2015, stamp duty payable in respect of any contract notes or instruments of transfer relating to transactions in the shares or units of an exchange traded fund (as defined in Part 1 to Schedule 8 of the Stamp Duty Ordinance) on the SEHK is not payable. Accordingly transfers of Units do not attract stamp duty and no stamp duty is payable by Unitholders on any transfer.”

Index constituents and information

8. On page 11 of the Prospectus, the third paragraph under the section “What are the Index’s characteristics?” is deleted in its entirety and replaced with the following:

“The Index was launched on 13 December 2003. As of 31 March 2015, it had a total market capitalisation of RMB 3,825.217 billion.”

9. On page 81 of the Prospectus, the third paragraph under the section “General information on the Index” is deleted in its entirety and replaced with the following:

“The Index was launched on 13 December 2003. As of 31 March 2015, it had a total market capitalisation of RMB 3,825.217 billion.”

10. On pages 82 to 83 of the Prospectus, the first paragraph and the table under the sub-heading “Top 10 constituents of the Index” are deleted in their entirety and replaced with the following:

“As at 31 March 2015, the 10 largest constituents of the Index, as listed below, represented about 46.79% of the Index.

Rank	Constituent Name	Weighting%
1	Ping An Insurance (Group) Co. of China	9.20
2	CITIC Securities Co. Ltd.	6.33
3	China Merchants Bank Co. Ltd.	5.32
4	China Minsheng Banking Corp. Ltd.	5.09
5	Industrial Bank Co. Ltd.	4.39
6	Shanghai Pudong Development Bank Co. Ltd.	4.08
7	Haitong Securities Co. Ltd	3.47
8	Industrial and Commercial Bank of China Ltd.	3.08
9	China Vanke Co. Ltd.	3.01
10	Bank of Communications Co. Ltd.	2.82

Bosera Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate as at the date of publication.

The Prospectus may only be distributed if accompanied by this Addendum.

Bosera Asset Management (International) Co., Limited

博時基金(國際)有限公司

Date: 2 April 2015

Important: If you are in any doubt about the contents of this Addendum, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. This Addendum forms an integral part of and should be read in conjunction with the Prospectus dated 21 February 2014, as amended by the addenda dated 6 March 2014, 7 July 2014, 14 July 2014, 29 October 2014, 16 December 2014 and 30 December 2014 (together the "Prospectus"). Boserá Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate at the date hereof.

Bosera ETFs

Bosera FTSE China A50 Index ETF

*(A sub-fund of Bosera ETFs, a Hong Kong umbrella unit trust,
authorised under Section 104 of the Securities and Futures Ordinance
(Cap. 571) of Hong Kong)*

RMB Counter Stock Code: 82832
HKD Counter Stock Code: 02832

Addendum to the Prospectus

The Prospectus is hereby amended as follows:

Total expense ratio

1. On page 8, in the table under the sub-heading "Key information", the row relating to "Total Expense Ratio (including the Management Fee)*" and the note under the table "* *The estimated Total Expense Ratio does not represent the estimated tracking error.*" are deleted in their entirety.
2. On page 41, the sub-section headed "*Total expense ratio*" is deleted in its entirety.

Transaction levy

3. On page 39, all references to the amount of Transaction Levy (in the last line of that page and in Footnote 6 in the footer of that page) are changed from "0.003%" to "0.0027%".

Bosera Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate as at the date of publication.

The Prospectus may only be distributed if accompanied by this Addendum.

Bosera Asset Management (International) Co., Limited

博時基金(國際)有限公司

Date: 2 January 2015

Important: If you are in any doubt about the contents of this Addendum, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. This Addendum forms an integral part of and should be read in conjunction with the Prospectus dated 21 February 2014, as amended by the addenda dated 6 March 2014, 7 July 2014, 14 July 2014, 29 October 2014 and 16 December 2014 (together the “Prospectus”). Boser Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate at the date hereof.

Bosera ETFs

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(Cap. 571) of Hong Kong)*

RMB Counter Stock Code: 82832
HKD Counter Stock Code: 02832

Addendum to the Prospectus

The Prospectus is hereby amended as follows:

Under the section entitled “**The Manager**” of the **MANAGEMENT OF THE FUND** on page 79 of the Prospectus, the biographies of LIAN Shaodong and YANG Kun after “The directors of the Manager are as follows” are deleted in their entirety and replaced with the following:

“HONG Xiaoyuan

Mr. Hong is a director of the Manager. He is the Chairman and the legal representative of Bosera Asset Management Co., Ltd, the Assistant General Manager of China Merchants Group Co., Ltd, the General Manager of China Merchants Finance Holdings Co., Ltd, the Chairman of China Merchants Group China Investment Management Co., Ltd, the Chairman of the Risk Management Committee and the Director of China Merchants Securities Co., Ltd and the Chairman of the Risk and Capital Management Committee and Director of China Merchants Bank Co., Ltd.

Mr. Hong joined Bosera Asset Management Co., Ltd in November 2014. He began his asset management career in the late 80’s with the Comprehensive Programming Office of The People’s Republic of China National Committee for the economic reform system. Mr. Hong then became the General Manager of Shenzhen Long Fan industrial Co., Ltd, the Assistant General Manager of China Merchants Shekou Industrial Zone Co., Ltd, the General Manager of China Merchants Property Development Co., Ltd, the General Manager of China Merchants Technology Holdings Co., Ltd and the Deputy General Manager of China Merchants Shekou Industrial Zone Co., Ltd, the Director of China Credit Trust Co., Ltd, the Director of Morgan Stanley Huaxin Funds, the Director of Great Wall Securities, the Chairman of China Merchants Kunlun Capital, the Chairman of China Merchants Holder Insurance Brokers Ltd and the Chairman of China Merchants Insurance Co., Ltd.

Mr. Hong holds a bachelor’s degree in Economic Geography and a master’s degree in Economics from Peking University. He also holds a master’s degree in Science from The Australian National University.

SUN Qiqing

Ms. Sun is a director of the Manager. She is currently Chief Compliance Officer of Bosera Asset Management Co., Limited, overseeing the compliance function. Her first position in Bosera was legal consultant in 2002. Prior to Bosera, Ms. Sun was a lawyer in Guangdong Shengang Law Firm for 10 years.

Ms. Sun is a graduate of Shenzhen University with a degree in law, and she holds a Master of Commercial Laws from Université Paris 1 Panthéon Sorbonne.

CHENG Kam Wah Conrad

Mr. Cheng is a director of the Manager. He is currently Deputy Chief Executive Officer of Bosera Asset Management (International) Co., Limited, the Hong Kong subsidiary of Bosera Asset Management Co., Limited, one of the first five fund management companies established in China.

Mr. Cheng joined Bosera International in March 2014. He has 27 years of experience and began his asset management career in the mid 80's with the AMP in Australia. His first position in Asia was as an actuarial analyst specializing in pension and asset consulting. In the mid 90's, Mr. Cheng worked at Schroders as an institutional fund manager managing charitable and retirement schemes. Subsequently, he joined Standard Chartered Bank as an Actuarial & Investment Manager to manage their Guaranteed Fund and develop their Mandatory Provident Fund product. Mr. Cheng gained regional exposure through his role at Fidelity as an Investment Director in Hong Kong, Taiwan, Korea and Singapore. Later in 2008, Mr. Cheng joined State Street Global Advisors (SSgA) as a Portfolio Engineer. Prior to Bosera, Mr. Cheng was Chief Investment Officer at Lippo Investments where he was the architect for establishing the first sector ETF in Hong Kong (i.e. 2824) using fundamental indexing.

Mr. Cheng was a Science graduate of the University of Western Australia and received his postgraduate Diploma in Finance Mathematics (Actuarial Science) in New Zealand. He is currently a Fellow of the Financial Service Institute of Australia (F. FIN)."

Bosera Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate as at the date of publication.

The Prospectus may only be distributed if accompanied by this Addendum.

Bosera Asset Management (International) Co., Limited
博時基金(國際)有限公司

Date: 30 December 2014

Important: If you are in any doubt about the contents of this Addendum, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. This Addendum forms an integral part of and should be read in conjunction with the Prospectus dated 21 February 2014, as amended by the addenda dated 6 March 2014, 7 July 2014, 14 July 2014 and 29 October 2014 (together the "Prospectus"). Bosera Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate at the date hereof.

Bosera ETFs

Bosera FTSE China A50 Index ETF

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authorised under Section 104 of the Securities and Futures Ordinance
(Cap. 571) of Hong Kong)*

RMB Counter Stock Code: 82832

HKD Counter Stock Code: 02832

Addendum to the Prospectus

The Prospectus is hereby amended as follows:

Index methodology

1. On page 85 of the Prospectus, the existing subparagraphs (E) and (F) under the sub-heading "Eligible Securities" are re-numbered (F) and (G) respectively, and the following is inserted immediately below the existing sub-paragraph (D):

"(E) For companies with foreign headroom of less than 10%:

FTSE defines "foreign headroom" as the percentage of shares available to foreign investors as a proportion of the underlying investability weight to foreign investors.

- (1) Where the foreign headroom of an existing constituent falls below 10%, its investability weight will be equal to the lesser of the foreign ownership limit and the free float. The adjustment will be carried out in four steps, i.e. the next four consecutive quarterly reviews, in equal proportion. The reduction will not be reversed in the case that the foreign headroom rises above 10% eventually.

If the free float decreases to a level lower than the investability weight during the transition period, the free float change will be reflected in the next review. If the free float increases during the transition period, the investability weight will be kept at its existing level.

- (2) Where the foreign headroom of an existing constituent falls below 10% at or after the fourth review, its investability weight will be reduced by 10% at the same quarterly review. The investability weight will continue to be reduced at subsequent quarterly reviews in increments of 10% until the headroom level increases above 10%. Should the investability weight fall to 15% or below under this process the company will be subject to treatment highlighted in paragraph (D) above.

- (3) The investability weight of an existing constituent which has been subject to foreign headroom adjustments will have its most recent 10% adjustment reversed at quarterly reviews subject to the condition that either the company's foreign ownership is no longer flagged by the stock exchanges or when the remaining headroom rises to above 20.00%. The adjustment will continue until its investability weight reaches the investability weight for foreign investors.
- (4) Foreign headroom will be reviewed on a quarterly basis coinciding with the regular index reviews."

Index constituents and information

2. On page 11 of the Prospectus, the third paragraph under the section "What are the Index's characteristics?" is deleted in its entirety and replaced with the following:

"The Index was launched on 13 December 2003. As of 10 December 2014, it had a total market capitalisation of RMB 2,975.948 billion."

3. On page 81 of the Prospectus, the third paragraph under the section "General information on the Index" is deleted in its entirety and replaced with the following:

"The Index was launched on 13 December 2003. As of 10 December 2014, it had a total market capitalisation of RMB 2,975.948 billion."

4. On pages 82 to 83 of the Prospectus, the first paragraph and the table under the sub-heading "Top 10 constituents of the Index" are deleted in their entirety and replaced with the following:

"As at 10 December 2014, the 10 largest constituents of the Index, as listed below, represented about 48.61% of the Index."

Rank	Constituent Name	Weighting%
1	Ping An Insurance (Group) Co. of China	7.96
2	CITIC Securities Co. Ltd.	6.76
3	China Merchants Bank Co. Ltd.	6.21
4	China Minsheng Banking Corp. Ltd.	5.82
5	Shanghai Pudong Development Bank Co. Ltd.	4.37
6	Haitong Securities Co. Ltd	4.14
7	Industrial Bank Co. Ltd.	4.09
8	China Vanke Co. Ltd.	3.34
9	Bank of Communications Co. Ltd.	3.27
10	Industrial and Commercial Bank of China Ltd.	2.65

Bosera Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate as at the date of publication.

The Prospectus may only be distributed if accompanied by this Addendum.

Bosera Asset Management (International) Co., Limited

博時基金(國際)有限公司

Date: 16 December 2014

Important: If you are in any doubt about the contents of this Addendum, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. This Addendum forms an integral part of and should be read in conjunction with the Prospectus dated 21 February 2014, as amended by the addenda dated 6 March 2014, 7 July 2014 and 14 July 2014 (together the “Prospectus”). Boserá Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate at the date hereof.

Bosera ETFs

Bosera FTSE China A50 Index ETF

*(A sub-fund of Bosera ETFs, a Hong Kong umbrella unit trust,
authorised under Section 104 of the Securities and Futures Ordinance
(Cap. 571) of Hong Kong)*

RMB Counter Stock Code: 82832

HKD Counter Stock Code: 02832

Addendum to the Prospectus

The Prospectus is hereby amended as follows:

1. On page 7 of the Prospectus, in the tenth row entitled “Dividend Policy” of the table under the sub-heading “Key Information”, the words “(usually in December)” are deleted in their entirety.
2. On page 68 of the Prospectus, in the first paragraph below the sub-heading “Distribution Policy”, the words “(usually in December)” are deleted in their entirety.
3. On page 11 of the Prospectus, the third paragraph under the section “What are the Index’s characteristics?” is deleted in its entirety and replaced with the following:
“The Index was launched on 13 December 2003. As of 24 October 2014, it had a total market capitalisation of RMB2,132.87 billion.”
4. On page 81 of the Prospectus, the third paragraph under the section “General information on the Index” is deleted in its entirety and replaced with the following:
“The Index was launched on 13 December 2003. As of 24 October 2014, it had a total market capitalisation of RMB2,132.87 billion.”
5. On pages 82 to 83 of the Prospectus, the first paragraph and the table under the sub-heading “Top 10 constituents of the Index” are deleted in their entirety and replaced with the following:
“As at 24 October 2014, the 10 largest constituents of the Index, as listed below, represented about 46.07% of the Index.

Rank	Constituent Name	Weighting%
1	Ping An Insurance (Group) Co. of China	7.65
2	China Merchants Bank Co. Ltd.	6.35
3	China Minsheng Banking Corp. Ltd.	5.84

4	Shanghai Pudong Development Bank Co. Ltd.	4.49
5	Industrial Bank Co. Ltd.	4.39
6	CITIC Securities Co. Ltd.	4.39
7	China Vanke Co. Ltd.	3.55
8	Bank of Communications Co. Ltd.	3.32
9	Kweichow Moutai Co. Ltd.	3.06
10	Industrial and Commercial Bank of China Ltd.	3.03

Bosera Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate as at the date of publication.

The Prospectus may only be distributed if accompanied by this Addendum.

Bosera Asset Management (International) Co., Limited

博時基金(國際)有限公司

Date: 29 October 2014

Important: If you are in any doubt about the contents of this Addendum, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. This Addendum forms an integral part of and should be read in conjunction with the Prospectus dated 21 February 2014, as amended by the addenda dated 6 March 2014 and 7 July 2014 (together the “Prospectus”). Bosera Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate at the date hereof.

Bosera ETFs

Bosera FTSE China A50 Index ETF

*(A sub-fund of Bosera ETFs, a Hong Kong umbrella unit trust,
authorised under Section 104 of the Securities and Futures Ordinance
(Cap. 571) of Hong Kong)*

RMB Counter Stock Code: 82832

HKD Counter Stock Code: 02832

Addendum to the Prospectus

The Prospectus is hereby supplemented as follows:

1. The risk factor “PRC withholding taxation risk” under the section “Risk Factors” on pages 48-49 of the Prospectus is deleted in its entirety and replaced with the following:

“In light of the uncertainty on the income tax treatment on capital gains and in order to meet this potential tax liability for capital gains, the Manager reserves the right to provide for withholding income tax (“WIT”) on such gains or income and withhold the tax for the account of the Bosera A50 ETF. After careful consideration of the Manager’s assessment and having taken and considered independent professional tax advice relating to the Bosera A50 ETF’s eligibility to benefit from the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (the “China-HK Arrangement”), and in accordance with such advice, the Manager holds a view that the Bosera A50 ETF should be regarded as a Hong Kong tax resident for the purpose of the China-HK Arrangement and should be able to enjoy the WIT exemption on capital gains derived from the alienation of the A-Shares of non-immovable properties-rich companies (as defined below) under the China-HK Arrangement. As such, there is a change in tax provision with respect to the Bosera A50 ETF effective from 14 July 2014.

Pursuant to the relevant PRC tax regulations, approval by the relevant PRC tax authority should be obtained with respect to the Bosera A50 ETF’s eligibility to benefit from the aforesaid exemption. Before a Hong Kong tax resident can enjoy the relief under the China-HK Arrangement, a Hong Kong Tax Resident Certificate (“HKTRC”) issued by the Inland Revenue Department (the “IRD”) should be submitted to the relevant PRC tax authority for this purpose. As at the date of this Addendum, the Bosera A50 ETF has not yet obtained the HKTRC from the IRD. If the PRC tax authorities enforce the collection of WIT on capital gains and require the Bosera A50 ETF to provide a HKTRC in order to obtain the WIT exemption, the Manager will apply for a HKTRC on behalf of the Bosera A50 ETF.

In this connection, the Manager, having taken and considered independent professional tax advice and in accordance with such advice, has determined that no WIT provision will be made on the

gross realised and unrealised capital gains derived from trading of PRC Securities, except for those capital gains derived from trading of A-Shares issued by PRC tax resident companies which are “immovable properties-rich companies” (i.e. PRC companies in which 50% or more of their assets are comprised, directly or indirectly, of immovable property situated in the PRC). A 10% provision for WIT will continue to be provided for the gross realised and unrealised capital gains derived by the Boser A50 ETF from trading of A-Shares issued by PRC tax resident companies which are immovable properties-rich companies. The methodology adopted by the Manager in identifying whether or not PRC tax resident companies are immovable properties-rich companies has been agreed and accepted by the Manager’s independent tax adviser. The Manager will continue to make a WIT provision of 10% for the account of the Boser A50 ETF on dividend and interest if the WIT is not withheld at source (where WIT is already withheld at source, no further provision will be made). The amount of provision in relation to capital gains, dividend and/or interest income will be disclosed in the financial statements of the Boser A50 ETF.

It should be noted that there are certain uncertainties regarding the aforesaid WIT provisioning approach:

- The China-HK Arrangement may be changed in the future and the Boser A50 ETF may ultimately be required to pay WIT on capital gains.
- As at the date of this Addendum, the Boser A50 ETF has not yet obtained the HKTRC from the IRD. If the PRC tax authorities enforce the collection of WIT on capital gains and require the Boser A50 ETF to provide a HKTRC in order to obtain the WIT exemption, the Manager will apply for a HKTRC on behalf of the Boser A50 ETF. Whether the Manager is able to obtain a HKTRC on behalf of the Boser A50 ETF is subject to prevailing practice of Hong Kong and/or PRC tax authorities. The Boser A50 ETF may need to apply to the IRD for a HKTRC on an annual basis, which is subject to the assessment of the IRD. There is a risk that the Manager will not be able to obtain a HKTRC on behalf of the Boser A50 ETF.
- To date, the PRC tax authorities have not sought to enforce WIT collection on capital gains derived by RQFIIIs such as the Manager for the Boser A50 ETF. If the PRC tax authorities start to enforce WIT collection on capital gains, the relief under the China-HK Arrangement is still subject to the final approval of the PRC tax authorities and the Manager is not aware of any successful cases for tax treaty capital gain exemption approval for RQFIIIs. Even if the Manager, in accordance with independent professional tax advice, believes that the Boser A50 ETF should be eligible for such relief, the PRC tax authorities may ultimately hold a different view.
- Due to the limitation to the availability of the public information in the PRC (e.g. in determining whether ownership of an associate company will constitute an immovable properties-rich investment), the information to be adopted by the PRC tax authorities in assessing immovable properties-rich companies may be different from the information used by the Manager in assessing immovable properties-rich companies which may result in different conclusion by the Manager for some A-Share companies to those of the PRC tax authorities.

It should be noted that there is a possibility of the PRC tax rules, regulations and practice being changed and taxes being applied retrospectively. As discussed above, from 14 July 2014, no provision will be made by the Boser A50 ETF on the gross unrealised and realised capital gains derived from trading of PRC Securities, except for those capital gains derived from trading of A-Shares issued by immovable properties-rich companies. In view of the above uncertainties, investors should be noted that the level of provision may be inadequate to meet the actual PRC tax liabilities on the investments made by the Boser A50 ETF.

In the event that actual tax is collected by the State Administration of Taxation (“SAT”) to make payments reflecting tax liabilities for which no provisions has been made, the Net Asset Value of the Boser A50 ETF may be adversely affected, as the Boser A50 ETF will ultimately have to bear the full amount of tax liabilities. In this case, the additional tax liabilities will only impact Units in issue at the relevant time, and the then existing Unitholders and subsequent Unitholders will be disadvantaged as such Unitholders will bear, through the Boser A50 ETF, a disproportionately higher amount of tax liabilities as compared to that borne at the time of investment in the Boser A

A50 ETF.

On the other hand, if the actual applicable tax rate levied by SAT is lower than that provided for by the Manager so that there is an excess in the tax provision amount, Unitholders who have redeemed their Units before SAT's ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the Manager's overprovision. In this case, the then existing and new Unitholders may benefit if the difference between the tax provision and the actual taxation liability under that lower tax rate can be returned to the account of the Boser A50 ETF as assets thereof. Notwithstanding the above provisions, Unitholders who have already redeemed their Units in the Boser A50 ETF before the return of any overprovision to the account of the Boser A50 ETF will not be entitled or have any right to claim any part of such overprovision.

As a result, investors may be advantaged or disadvantaged depending on the final rules of the relevant PRC tax authorities, level of provision and when they subscribed and/or redeemed their Units. Upon any future resolution of the above-mentioned tax exemption or further changes to tax law or policies, the Manager will, as soon as practicable, make relevant adjustments to the tax provision policy as it considers necessary. Please refer to "PRC taxation" under the section "Taxation" for further information in this regard."

2. Paragraphs 3 to 6 on page 75 of the Prospectus (under the sub-section "PRC taxation – *Capital gains*" in the section "Taxation") are deleted in their entirety and replaced with the following:

"*Capital gains* – Specific rules governing taxes on capital gains derived by QFIs or RQFIs from the trading of PRC Securities (including A-Shares) have yet to be announced. It is possible that the relevant tax authorities may in the future clarify the tax position on capital gains realised by the Boser A50 ETF dealing in PRC Securities or by a RQFII from dealing in onshore PRC securities. In the absence of such specific rules, the PRC income tax treatment should be governed by the general tax provisions of the CIT Law. For an enterprise that is not a tax resident enterprise and has no PE in the PRC for PRC CIT purposes, a 10% WIT shall apply to capital gains derived from the disposal of PRC Securities, unless exempt or reduced under current PRC tax laws and regulations or relevant tax treaties.

Under the China-HK Arrangement, certain relief is applicable to Hong Kong tax residents. One type of such relief under the China-HK Arrangement is that capital gains derived by a Hong Kong tax resident from transfer of shares of a PRC tax resident company would be taxed in the PRC only if:

- 50% or more of the PRC tax resident company's assets are comprised, directly or indirectly, of immovable property situated in the PRC (an "immovable properties-rich company"); or
- the Hong Kong tax resident holds has a participation of at least 25% of the shares of the that PRC tax resident company at any time within 12 months before the alienation.

The Boser A50 ETF will invest in A-Shares through the Manager's RQFII quota. Due to the Boser A50 ETF's investment restrictions, the Boser A50 ETF cannot hold more than 10% of any ordinary shares issued by any single issuer. In such a case, the capital gains derived from alienation of the A-Shares of non-immovable properties-rich companies may be exempted from the PRC WIT, subject to the approval of the PRC tax authorities

The aforesaid capital gain tax exemption will only apply if approval is obtained from the PRC tax authorities. Before a Hong Kong tax resident can enjoy relief under the China-HK Arrangement, a Hong Kong Tax Resident Certificate ("HKTRC") issued by the Inland Revenue Department ("IRD") should be submitted to the relevant PRC tax authority for this purpose.

The Manager assesses the WIT provisioning of the Boser A50 ETF on an on-going basis. In light of the uncertainty on the income tax treatment on capital gains and in order to meet this potential tax liability for capital gains, the Manager reserves the right to provide for WIT on such gains or income and withhold the tax for the account of the Boser A50 ETF. Given the fast development of the RQFII regime together with the Manager's accumulated knowledge about WIT, the Manager reassesses the WIT provisioning approach. After careful consideration of the Manager's reassessment and having taken and considered independent professional tax advice relating to the Boser A50 ETF's eligibility to benefit from the China-HK Arrangement, and in accordance with such advice, the Manager considers that the Boser A50 ETF is a Hong Kong tax resident for the purpose of the China-HK Arrangement and should be able to enjoy a WIT exemption on capital gains derived from the disposal of PRC Securities (except capital gains derived from the alienation of the shares of immovable properties-rich companies) under the China-HK Arrangement. As such, there is a change in tax provision with respect to the Boser A50 ETF effective from 14 July 2014.

In this connection, the Manager, having taken and considered independent professional tax advice, and in accordance with such advice, has determined that no WIT provision will be made on the gross realised and unrealised capital gains derived from trading of PRC Securities, except for those capital gains derived from trading of A-Shares issued by PRC tax resident companies which are immovable properties-rich companies. A 10% provision for WIT will continue to be provided for the gross realised and unrealised capital gains derived by the Boser A50 ETF from trading of A-Shares issued by PRC tax resident companies which are immovable properties-rich companies. The methodology adopted by the Manager in identifying whether or not PRC tax resident companies are immovable properties-rich companies has been agreed and accepted by the Manager's independent tax adviser. The Manager will continue to make a WIT provision of 10% for the account of the Boser A50 ETF on dividend and interest if the WIT is not withheld at source. The amount of provision in relation to capital gains, dividend and/or interest income will be disclosed in the financial statements of the Boser A50 ETF.

It should be noted that there are certain uncertainties regarding the aforesaid WIT provisioning approach:

- The China-HK Arrangement may be changed in the future and the Boser A50 ETF may ultimately be required to pay WIT on capital gains.
- As at the date of this Addendum, the Boser A50 ETF has not yet obtained the HKTRC from the IRD. If the PRC tax authorities enforce the collection of WIT on capital gains and require the Boser A50 ETF to provide a HKTRC in order to obtain the WIT exemption, the Manager will apply for a HKTRC on behalf of the Boser A50 ETF. Whether the Manager is able to obtain a HKTRC on behalf of the Boser A50 ETF is subject to prevailing practice of Hong Kong and/or PRC tax authorities. The Boser A50 ETF may need to apply to the IRD for a HKTRC on an annual basis, which is subject to the assessment of the IRD. There is a risk that the Manager will not be able to obtain a HKTRC on behalf of the Boser A50 ETF.
- To date, the PRC tax authorities have not sought to enforce WIT collection on capital gains derived by RQFIIs such as the Manager for the Boser A50 ETF. If the PRC tax authorities start to enforce WIT collection on capital gains, the relief under the China-HK Arrangement is still subject to the final approval of the PRC tax authorities and the Manager is not aware of any successful cases for tax treaty capital gain exemption approval for RQFIIs. Even if the Manager, in accordance with independent professional tax advice, believes that the Boser A50 ETF should be eligible for such relief, the PRC tax authorities may ultimately hold a different view.
- Due to the limitation to the availability of the public information in the PRC (e.g. in determining whether ownership of an associate company will constitute an immovable properties-rich investment), the information to be adopted by the PRC tax authorities in assessing immovable properties-rich companies may be different from the information used by the Manager in assessing immovable properties-rich companies which may result in different conclusion by the Manager for some A-Share companies to those of the PRC tax authorities.

It should be noted that there is a possibility of the PRC tax rules, regulations and practice being changed and taxes being applied retrospectively. As discussed above, no provision will be made by the Bosera A50 ETF on the gross unrealised and realised capital gains derived from trading of PRC Securities, except for those capital gains derived from trading of A-Shares issued by immovable properties-rich companies. In view of the above uncertainties, investors should be noted that the level of provision may be inadequate to meet the actual PRC tax liabilities on the investments made by the Bosera A50 ETF.

In the event that actual tax is collected by the State Administration of Taxation (“SAT”) to make payments reflecting tax liabilities for which no provisions has been made, the Net Asset Value of the Bosera A50 ETF may be adversely affected, as the Bosera A50 ETF will ultimately have to bear the full amount of tax liabilities. In this case, the additional tax liabilities will only impact Units in issue at the relevant time, and the then existing Unitholders and subsequent Unitholders will be disadvantaged as such Unitholders will bear, through the Bosera A50 ETF, a disproportionately higher amount of tax liabilities as compared to that borne at the time of investment in the Bosera A50 ETF.

On the other hand, if the actual applicable tax rate levied by SAT is lower than that provided for by the Manager so that there is an excess in the tax provision amount, Unitholders who have redeemed their Units before SAT’s ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the Manager’s overprovision. In this case, the then existing and new Unitholders may benefit if the difference between the tax provision and the actual taxation liability under that lower tax rate can be returned to the account of the Bosera A50 ETF as assets thereof. Notwithstanding the above provisions, Unitholders who have already redeemed their Units in the Bosera A50 ETF before the return of any overprovision to the account of the Bosera A50 ETF will not be entitled or have any right to claim any part of such overprovision.

As a result, investors may be advantaged or disadvantaged depending on the final rules of the relevant PRC tax authorities, level of provision and when they subscribed and/or redeemed their Units.

Upon any future resolution of the above-mentioned tax exemption or further changes to tax law or policies, the Manager will, as soon as practicable, make relevant adjustments to the tax provision policy as it considers necessary.”

Bosera Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate as at the date of publication.

The Prospectus may only be distributed if accompanied by this Addendum.

Bosera Asset Management (International) Co., Limited

博時基金(國際)有限公司

Date: 14 July 2014

Important: If you are in any doubt about the contents of this Addendum, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. This Addendum forms an integral part of and should be read in conjunction with the Prospectus dated 21 February 2014, as amended by the addendum dated 6 March 2014 (together the “Prospectus”). Boserá Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate at the date hereof.

Bosera ETFs

Bosera FTSE China A50 Index ETF

*(A sub-fund of Bosera ETFs, a Hong Kong umbrella unit trust,
authorised under Section 104 of the Securities and Futures Ordinance
(Cap. 571) of Hong Kong)*

RMB Counter Stock Code: 82832

HKD Counter Stock Code: 02832

Addendum to the Prospectus

The Prospectus is hereby supplemented as follows:

1. The fourth paragraph of the sub-section “What is the RQFII regime?” on page 9 of the Prospectus is deleted in its entirety and replaced with the following:

“The Manager has obtained RQFII status and has been granted RQFII quota pursuant to the RQFII Regulations.”
2. The first and second sentences of the fourth paragraph under the risk factor “*RQFII systems risk*” on page 43 of the Prospectus are deleted.
3. The first three sentences of the paragraph headed “*RQFII quota risk*” on page 44 of the Prospectus are deleted and replaced with the following:

“The Bosera A50 ETF utilises RQFII Quota granted by SAFE to the Manager. The total amount of RQFII Quota available to the Manager for use by public fund products under the Manager’s management is limited at any given time. The Manager has the flexibility to allocate such RQFII Quota across different public fund products under the Manager’s management from time to time. As such the Bosera A50 ETF does not have exclusive use of and must rely on the Manager’s management and allocation of such RQFII Quota. There can be no assurance that the Manager can obtain or allocate sufficient RQFII Quota to the Bosera A50 ETF to fully satisfy subscription requests. This may result in a need for the Manager to close the Bosera A50 ETF to further subscriptions.”
4. The third paragraph under the section “What are the Index’s characteristics?” on page 11 of the Prospectus is deleted in its entirety and replaced with the following:

“The Index was launched on 13 December 2003. As of 20 June 2014, it had a total market capitalisation of RMB2,031.340 billion.”

5. The third paragraph under the section “General information on the Index” on page 81 of the Prospectus is deleted in its entirety and replaced with the following:

“The Index was launched on 13 December 2003. As of 20 June 2014, it had a total market capitalisation of RMB2,031.340 billion.”

6. The first paragraph and the table under the section of “Top 10 Constituents of the Index” in Schedule 2 “Index and Disclaimer” on page 82 of the Prospectus are deleted in their entirety and replaced with the following:

“As at 20 June 2014, the 10 largest constituents of the Index, as listed below, represented about 46.71% of the Index.

Rank	Constituent Name	Weighting%
1	Ping An Insurance (Group) Co. of China	7.83
2	China Merchants Bank Co. Ltd.	6.58
3	China Minsheng Banking Corp. Ltd.	6.34
4	Shanghai Pudong Development Bank Co. Ltd.	4.72
5	Industrial Bank Co. Ltd.	4.49
6	CITIC Securities Co. Ltd.	4.10
7	China Vanke Co. Ltd.	3.33
8	Bank of Communications Co. Ltd.	3.19
9	Industrial and Commercial Bank of China Ltd.	3.12
10	Gree Electric Appliances	3.01”

Bosera Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate as at the date of publication.

The Prospectus may only be distributed if accompanied by this Addendum.

Bosera Asset Management (International) Co., Limited

博時基金(國際)有限公司

Date: 7 July 2014

Important: If you are in any doubt about the contents of this Addendum, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. This Addendum forms an integral part of and should be read in conjunction with the Prospectus dated 21 February 2014 (the “Prospectus”). Boserá Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate at the date hereof.

Bosera ETFs

Bosera FTSE China A50 Index ETF

*(A sub-fund of Bosera ETFs, a Hong Kong umbrella unit trust,
authorised under Section 104 of the Securities and Futures Ordinance
(Cap. 571) of Hong Kong)*

RMB Counter Stock Code: 82832

HKD Counter Stock Code: 02832

Addendum to the Prospectus

The Prospectus is hereby supplemented as follows:

Under the section entitled “**The Manager**” of the **MANAGEMENT OF THE TRUST** on page 59 of the Prospectus, the biography of ZHANG Qiang after “The directors of the Manager are as follows” is deleted in its entirety and replaced with the following:

LIAN Shaodong

Ms Lian is a director of the Manager. Since 1992, Ms Lian worked in Bank of China Pearl River Trust Company in Guangdong Province, ABN, Da Cheng Fund Management, DBS Vickers (Hong Kong) and Da Cheng International. Ms Lian joined Boserá Asset Management Co., Limited in May 2012 as Head of Product Development Department.

Ms Lian has a bachelor degree in Microbiology from Huazhong Agricultural University and graduated from Guangdong Provincial Community Party College with a master degree in Economics.

DONG Lianghong

Mr Dong is a director of the Manager. Since 1993, Mr Dong worked in China National Technical Import and Export Corporation, CNTIEC Investment Company, Rongtong Fund Management Company and Great Wall Fund Management Company. Mr Dong joined Boserá Asset Management Co., Limited in February 2005 and is currently Executive Vice President, overseeing the equity investment of the company.

Mr Dong holds a master degree in Business Administration from Stern School of Business of New York University and a bachelor degree in Accounting from Xiamen University.

SHAO Kai

Mr Shao is a director of the Manager. Since 1997, Mr Shao worked in Hebei Province Economic Development Investment Corporation. During his services in Bosera Asset Management Co., Limited since August 2000, Mr Shao worked as Assistant Portfolio Manager, Portfolio Manager, Deputy General Manager, and General Manager in Fixed Income Department. His current position is Executive Vice President of Bosera Asset Management Co., Limited, overseeing the fixed income investment of the company.

Mr Shao received a master degree in Economics from University of Reading in United Kingdom.

Bosera Asset Management (International) Co., Limited accepts responsibility for the information contained in this Addendum as being accurate as at the date of publication.

The Prospectus may only be distributed if accompanied by this Addendum.

Bosera Asset Management (International) Co., Limited

Date: 6 March 2014

IMPORTANT: If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser for independent financial advice.

Bosera ETFs

Bosera FTSE China A50 Index ETF

*(A sub-fund of Bosera ETFs, a Hong Kong umbrella unit trust,
authorised under Section 104 of the Securities and Futures Ordinance
(Cap. 571) of Hong Kong)*

RMB Counter Stock Code: 82832

HKD Counter Stock Code: 02832

PROSPECTUS

Manager

Bosera Asset Management (International) Co., Limited

Listing Agent

**China International Capital Corporation
Hong Kong Securities Limited**

21 February 2014

The Stock Exchange of Hong Kong Limited, Hong Kong Exchanges and Clearing Limited, Hong Kong Securities Clearing Company Limited and the Hong Kong Securities and Futures Commission (the "SFC") take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus. The Trust and the Bosera A50 ETF have each been authorised as collective investment schemes by the SFC. SFC authorisation 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.

IMPORTANT INFORMATION

This Prospectus relates to the offer in Hong Kong of units (the “Units”) in the BoserA FTSE China A50 Index ETF (the “BoserA A50 ETF”), a sub-fund of BoserA ETFs (the “Trust”), an umbrella unit trust established under Hong Kong law by a trust deed dated 30 September 2013 (the “Trust Deed”) between BoserA Asset Management (International) Co., Limited (the “Manager”) and HSBC Institutional Trust Services (Asia) Limited (the “Trustee”). The BoserA A50 ETF is a physical exchange traded fund investing directly in underlying A-Shares.

The information contained in this Prospectus has been prepared to assist potential investors in making an informed decision in relation to investing in the BoserA A50 ETF. It contains important facts about the BoserA A50 ETF whose Units are offered in accordance with this Prospectus. A product key facts statement which contains the key features and risks of the BoserA A50 ETF is also issued by the Manager and such product key facts statement shall form part of this Prospectus, and shall be read, in conjunction with, this Prospectus.

The Manager accepts full responsibility for the accuracy of the information contained in this Prospectus and confirms having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading. The Manager also confirms that this Prospectus includes particulars given in compliance with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Code on Unit Trusts and Mutual Funds (the “Code”) and the “Overarching Principles” of the SFC Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structured Investment Products for the purposes of giving information with regard to the Units of the BoserA A50 ETF. The Trustee is not responsible for the preparation of this Prospectus and shall not be held liable to any person for any information disclosed in this Prospectus, except for the information regarding the Trustee itself under the paragraph headed “The Trustee and Registrar” in the section on “Management of the Trust”.

The BoserA A50 ETF is a fund falling within Chapter 8.6 and Appendix I of the Code. The Trust and the BoserA A50 ETF are authorised by the SFC in Hong Kong under Section 104 of the Securities and Futures Ordinance. The SFC takes no responsibility for the financial soundness of the Trust, the BoserA A50 ETF or for the correctness of any statements made or opinions expressed in this Prospectus. SFC authorisation 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.

You should consult your financial adviser, consult your tax advisers and take legal advice as appropriate as to whether any governmental or other consents are required, or other formalities need to be observed, to enable you to acquire Units as to whether any taxation effects, foreign exchange restrictions or exchange control requirements are applicable and to determine whether any investment in the BoserA A50 ETF is appropriate for you.

Dealings in the Units on The Stock Exchange of Hong Kong Limited (the “SEHK”) have already commenced. The Units have been accepted as eligible securities by Hong Kong Securities Clearing Company Limited (“HKSCC”) for deposit, clearance and settlement in the Central Clearing and Settlement System (“CCASS”). All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

No action has been taken to permit an offering of Units or the distribution of this Prospectus in any jurisdiction other than Hong Kong and, accordingly, the Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such offer or solicitation. The Units have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any other United States Federal or State law and, except in a transaction which does not violate the U.S. Securities Act, may not be directly or indirectly offered to or sold in the United States of America or any of its territories or for the benefit of a US Person (as defined in Regulation S of the U.S. Securities Act). The Trust and the BoserA A50 ETFs have not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended. Units may not be acquired or owned by (i) an employee benefit plan, as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), that is subject to Title I of ERISA, (ii) a plan, as defined in Section 4975(e)(1) of the U.S. Internal Revenue Code of 1986, as amended (the “IRS Code”), that is subject to Section 4975 of the IRS Code, (iii) a plan that is subject to any other law, regulation, rule or restriction that is substantially similar to ERISA or Section 4975 of the IRS Code (“Similar Law”) or (iii) an entity whose assets are deemed to include the assets of such an employee benefit plan or plan for purposes of ERISA, Section 4975 of the IRS Code or Similar Law, unless the purchase, holding and disposition of units will not constitute a violation under ERISA, Section 4975 of the IRS Code and any applicable Similar Law.

Furthermore, distribution of this Prospectus shall not be permitted unless it is accompanied by a copy of the latest annual report and accounts of the BoserA A50 ETF (where existing) and, if later, its most recent interim report.

You should note that any amendment or addendum to this Prospectus will only be posted on the Manager’s website (www.bosera.com.hk/A50etf). This Prospectus may refer to information and materials included in websites.

Such information and materials do not form part of the Prospectus and they have not been reviewed by the SFC or any regulatory body. Investors should note that the information provided in websites may be updated and changed periodically without any notice to any person.

Questions and complaints

Investors may raise any questions on or make any complaints about the Trust (including the Boser A50 ETF) by contacting the Manager at its address as set out in the Directory of this Prospectus, by telephone at its telephone number: (852) 2537 6658 or by facsimile at its facsimile number: (852) 2537 1249.

DIRECTORY

Manager and RQFII Holder
Bosera Asset Management (International) Co., Limited
Suite 4109, Jardine House
One Connaught Place
Central
Hong Kong

Investment Adviser
Bosera Asset Management Co., Limited
29/F, China Merchants Bank
No. 7088 Shennan Road
Futian District
Shenzhen 518040
China

Trustee and Registrar
HSBC Institutional Trust Services (Asia) Limited C3(b)
1 Queen's Road Central C3(g)
Hong Kong

Custodian
The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

PRC Custodian
HSBC Bank (China) Company Limited
33/F, HSBC Building
Shanghai IFC
8 Century Avenue
Pudong
Shanghai 200120
China

Service Agent
HK Conversion Agency Services Limited
2/F, Infinitus Plaza
199 Des Voeux Road
Central
Hong Kong

Participating Dealers
ABN AMRO Clearing Hong Kong Limited
Level 70, International Commerce Centre,
1 Austin Road West
Kowloon,
Hong Kong

RMB Counter Market Makers
Bluefin HK Limited
7/F, Two Exchange Square
8 Connaught Place
Central
Hong Kong

BNP Paribas Securities Services
21/F, PCCW Tower
Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

BNP Paribas Securities (Asia) Limited
63/F, Two International Finance Centre
8 Finance Street
Central
Hong Kong

BOCI Securities Limited
20/F, Bank of China Tower
1 Garden Road,
Hong Kong

BOCI Securities Limited
20/F, Bank of China Tower
1 Garden Road
Hong Kong

**China International Capital Corporation
Hong Kong Securities Limited**
29/F, One International Finance Centre
1 Harbour View Street
Hong Kong

**China International Capital Corporation
Hong Kong Securities Limited**
29/F, One International Finance Centre
1 Harbour View Street
Hong Kong

China Merchants Securities (HK) Co., Limited
45/F, One Exchange Square
Central
Hong Kong

China Merchants Securities (HK) Co., Limited
45/F, One Exchange Square
Central
Hong Kong

Goldman Sachs (Asia) Securities Limited
68/F, Cheung Kong Centre
2 Queen's Road Central
Hong Kong

Haitong International Securities Company Limited
22/F Li Po Chun Chambers
189 Des Voeux road Central
Central

Haitong International Securities Company Limited
22/F Li Po Chun Chambers
189 Des Voeux road Central
Central

Nomura International (Hong Kong) Limited
30/F, Two International Finance Centre
8 Finance Street
Central
Hong Kong

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

UBS Securities Hong Kong Limited
42/F, Two International Finance Centre
8 Finance Street,
Central
Hong Kong

Morgan Stanley Hong Kong Securities Limited
46/F International Commerce Centre
1 Austin Road West
Hong Kong

HKD Counter Market Makers
Bluefin HK Limited
7/F, Two Exchange Square
8 Connaught Place
Central
Hong Kong

Nomura International (Hong Kong) Limited
30/F, Two International Finance Centre
8 Finance Street
Central
Hong Kong

BNP Paribas Securities (Asia) Limited
63/F, Two International Finance Centre
8 Finance Street
Central
Hong Kong

UBS Securities Hong Kong Limited
42/F, 8 Connaught Place
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Hong Kong

BOCI Securities Limited
20/F, Bank of China Tower
1 Garden Road
Hong Kong

Listing Agent
China International Capital Corporation Hong Kong Securities Limited
29/F, One International Finance Centre
1 Harbour View Street
Hong Kong

China International Capital Corporation Hong Kong Securities Limited
29/F, One International Finance Centre
1 Harbour View Street
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CONTENTS

DEFINITIONS	1
SUMMARY	7
THE OFFSHORE RMB MARKET AND THE A-SHARES MARKET	13
THE OFFERING PHASES	20
CREATIONS AND REDEMPTIONS (PRIMARY MARKET)	23
EXCHANGE LISTING AND TRADING (SECONDARY MARKET)	35
DETERMINATION OF NET ASSET VALUE	37
FEES AND EXPENSES	39
RISK FACTORS	43
MANAGEMENT OF THE TRUST	59
STATUTORY AND GENERAL INFORMATION	66
TAXATION	73
SCHEDULE 1 INVESTMENT RESTRICTIONS, SECURITY LENDING AND BORROWING	78
SCHEDULE 2 INDEX AND DISCLAIMER	81

DEFINITIONS

In this Prospectus, unless the context requires otherwise, the following expressions have the meanings set out below. Other capitalised terms used, but not defined, have the meaning given to those terms in the Trust Deed.

“A-Shares” means shares issued by companies incorporated in the PRC and listed on the Shanghai Stock Exchange or the Shenzhen Stock Exchange, traded in RMB and available for investment by domestic investors, QFIIs and RQFIIs.

“Application” means an application by a Participating Dealer for the creation or redemption of Units, in accordance with the procedures for creation and redemption of Units set out in the Operating Guidelines, the relevant Participation Agreement and the terms of the Trust Deed.

“Application Unit” means such number of Units or whole multiples thereof as specified in this Prospectus or such other whole multiple of Units determined by the Manager, approved by the Trustee and notified to the Participating Dealers.

“Bosera A50 ETF” means the Bosera FTSE China A50 Index ETF, a sub-fund of the Trust

“Business Day” in respect of the Bosera A50 ETF, means, unless the Manager and the Trustee otherwise agree, a day on which (a)(i) the SEHK is open for normal trading; and (ii) the relevant securities market on which Securities comprised in the Index are traded is open for normal trading or (iii) if there are more than one such securities market, the securities market designated by the Manager is open for normal trading, and (b) the Index is compiled and published, or such other day or days as the Manager and the Trustee may agree from time to time provided that if on any such day, the period during which the relevant securities market is open for normal trading is reduced as a result of a Number 8 Typhoon Signal, Black Rainstorm warning or other similar event, such day shall not be a Business Day unless the Manager and the Trustee otherwise agree.

“Cancellation Compensation” means an amount payable for the account of the Bosera A50 ETF by a Participating Dealer in respect of a Default, as set out in the Trust Deed, the Participation Agreement and/or in the Operating Guidelines applicable at the time the relevant Creation Application or Redemption Application is made.

“CCASS” means the Central Clearing and Settlement System established and operated by HKSCC or any successor system operated by HKSCC or its successors.

“CCASS Settlement Day” means the term “Settlement Day” as defined in the General Rules of CCASS.

“Code” means the Code on Unit Trusts and Mutual Funds issued by the SFC (as amended or replaced, from time to time).

“Connected Person” has the meaning as set out in the Code which at the date of this Prospectus means in relation to a company:

- (a) any person or company beneficially owning, directly or indirectly, 20% or more of the ordinary share capital of that company or able to exercise directly or indirectly, 20% or more of the total votes in that company; 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 of any of its connected persons as defined in (a), (b) or (c).

“Creation Application” means an application by a Participating Dealer for the creation and issue of Units in an Application Unit size (or whole multiples thereof) in accordance with the Operating Guidelines and the Trust Deed.

“CSDCC” means the China Securities Depository and Clearing Co., Ltd.

“CSRC” means the China Securities Regulatory Commission.

“Custodian” means The Hongkong and Shanghai Banking Corporation Limited, appointed as custodian of Boser A50 ETF pursuant to the PRC Custodian Agreement.

“Dealing Day” means each Business Day during the continuance of Boser A50 ETF, and/or such other day or days as the Manager may from time to time determine with the approval of the Trustee.

“Dealing Deadline” in relation to any particular place and any particular Dealing Day, means the time on each Dealing Day specified in the “The Offering Phases” section of this Prospectus or such other time or day as the Manager may from time to time determine with the approval of the Trustee.

“Default” means a failure by a Participating Dealer in respect of:

- (a) a Creation Application to deliver the relevant cash amount; or
- (b) a Redemption Application to deliver the Units the subject of the Redemption Application and/or relevant cash amount.

“Deposited Property” means, in respect of the Boser A50 ETF, all the assets (including cash), received or receivable by the Trustee, for the time being held or deemed to be held upon the trusts and subject to the terms of the Trust Deed for the account of the Boser A50 ETF excluding (i) the Income Property and (ii) any other amount for the time being standing to the credit of the distribution account of the Boser A50 ETF.

“Dual Counter” means the facility by which the Units traded in RMB and traded in HKD are each assigned separate stock codes on the SEHK and are accepted for deposit, clearing and settlement in CCASS in more than one eligible currency (RMB or HKD) as described in this Prospectus.

“Duties and Charges” means, in relation to any particular transaction or dealing, all stamp and other duties, taxes, government charges, brokerage, bank charges, transfer fees, registration fees, transaction levies and other duties and charges whether in connection with the constitution of the Deposited Property or the increase or decrease of the Deposited Property or the creation, issue, transfer, cancellation or redemption of Units or the acquisition or disposal of Securities or otherwise which may have become or may be payable in respect of, and whether prior to, upon or after the occasion of, such transaction or dealing and including but not limited to, in relation to an issue of Units or redemption of Units, a charge (if any) of such amount or at such rate as is determined by the Manager or the Trustee to be made for the purpose of compensating or reimbursing the Trust for the difference between (a) the prices used when valuing the Securities in the Trust Fund for the purpose of such issue or redemption of Units and (b) (in the case of an issue of Units) the prices which would be used when acquiring the same Securities if they were acquired by the Trust with the amount of cash received by the Trust upon such issue of Units and (in the case of a redemption of Units) the prices which would be used when selling the same Securities if they were sold by the Trust in order to realise the amount of cash required to be paid out of the Trust Fund upon such redemption of Units.

“Encumbrance” means any mortgage, charge, pledge, lien, third party right or interest, any other encumbrance or security interest of any kind or another type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect.

“Extension Fee” means the fee payable to the Trustee on each occasion the Manager, upon a Participating Dealer’s request, grants the Participation Dealer an extended settlement in respect of

a Creation Application or Redemption Application.

“HKD” means Hong Kong dollars, the lawful currency of Hong Kong.

“HKSCC” means the Hong Kong Securities Clearing Company Limited or its successors.

“IFRS” means International Financial Reporting Standards.

“Income Property” means, in respect of the Boser A50 ETF, (a) all interest, dividends and other sums deemed by the Trustee, (after consulting the auditors either on a general or case by case basis), to be in the nature of income (including taxation repayments, if any) received or receivable by the Trustee in respect of the Deposited Property of the Boser A50 ETF (whether in cash or, without limitation, by warrant, cheque, money, credit or otherwise or the proceeds of sale or transfer of any Income Property received in a form other than cash); (b) all interest and other sums received or receivable by the Trustee in respect of (a), (c) or (d) of this definition; (c) all cash payments received or receivable by the Trustee for the account of the Boser A50 ETF in respect of an Application; and (d) all Cancellation Compensation received by the Trustee for the account of the Boser A50 ETF; (e) any payments to be received or are receivable by the Trustee under any contractual agreements in the nature of investments for the benefit of the Boser A50 ETF but excluding (i) other Deposited Property; (ii) any amount for the time being standing to the credit of the distribution account for the account of the Boser A50 ETF or previously distributed to Unitholders; (iii) gains for the account of the Boser A50 ETF arising from the realisation of Securities; and (iv) any sums applied towards payment of the fees, costs and expenses payable by the Trust from the Income Property of the Boser A50 ETF;

“Index” means the FTSE China A50 Index, the index against which the Boser A50 ETF is benchmarked.

“Index Provider” means FTSE International Limited.

“Insolvency Event” occurs in relation to a person where (i) an order has been made or an effective resolution passed for the liquidation or bankruptcy of the person; (ii) a receiver or similar officer has been appointed in respect of the person or of any of the person’s assets or the person becomes subject to an administration order; (iii) the person enters into an arrangement with one or more of its creditors or is deemed to be unable to pay its debts; (iv) the person ceases or threatens to cease to carry on its business or substantially the whole of its business or makes or threatens to make any material alteration to the nature of its business; or (v) the Manager in good faith believes that any of the above is likely to occur.

“Issue Price” means the price at which Units may be issued, determined in accordance with the Trust Deed.

“Listing Agent” means China International Capital Corporation Hong Kong Securities Limited.

“Listing Date” means the date, 9 December 2013, on which the Units are first listed and from which dealings therein are permitted to take place on SEHK.

“Manager” means Boser Asset Management (International) Co., Limited or such other person or persons for the time being duly appointed manager or managers of the Trust in succession thereto being approved by the SFC as qualified to act as such for the purposes of the Code.

“Market” means in any part of the world:

- (a) in relation to any Security: the SEHK or such other stock exchange from time to time determined by the Manager; and
- (b) in relation to any futures contract: the Hong Kong Futures Exchange or such other futures exchange from time to time determined by the Manager.

“Market Maker” means a broker or dealer permitted by the SEHK to act as such by making a market for the Units in the secondary market on the SEHK.

“Net Asset Value” means the net asset value of the Boser A50 ETF or, as the context may require, the net asset value of a Unit calculated under the Trust Deed.

“Operating Guidelines” means the guidelines for the creation and redemption of Units of a class as set out in the schedule to the Participation Agreement as amended from time to time by the Manager with the approval of the Trustee and following consultation, to the extent reasonably practicable, with the Participating Dealers, and as notified in writing by the Manager in advance to the Participating Dealers, including without limitation, the procedures for creation and redemption of Units. Unless otherwise specified, references to the Operating Guidelines shall be to the Operating Guidelines for the Boser A50 ETF applicable at the time of the relevant Application.

“Participating Dealer” means any licensed broker or dealer and who has entered into a Participation Agreement in form and substance acceptable to the Manager and the Trustee.

“Participation Agreement” means an agreement entered into between the Trustee, the Manager and a Participating Dealer setting out, (amongst other things), the arrangements in respect of the issue of Units and the redemption and cancellation of Units.

“PBOC” means the People’s Bank of China.

“PRC” means the People’s Republic of China, excluding for the purposes of interpretation of this Prospectus only, Hong Kong, Macau and Taiwan.

“PRC Custodian” means HSBC Bank (China) Company Limited or such other person appointed as PRC custodian of the Boser A50 ETF.

“PRC Custodian Agreement” means the custodian agreement entered into between the Trustee, the Manager, the Custodian and the PRC Custodian, as amended from time to time.

“PRC Participation Agreement” means the participation agreement entered into between the Trustee, the Manager, the Custodian and the PRC Custodian, as amended from time to time.

“QFII” means a qualified foreign institutional investor approved pursuant to the relevant PRC regulations (as amended from time to time).

“Recognised Futures Exchange” means an international futures exchange which is recognised by the SFC or which is approved by the Manager.

“Recognised Stock Exchange” means an international stock exchange which is recognised by the SFC or which is approved by the Manager.

“Redemption Application” means an application by a Participating Dealer for the redemption of Units in Application Unit size (or whole multiples thereof) in accordance with the Operating Guidelines and the Trust Deed.

“Redemption Value” means, in respect of a Unit, the price per Unit at which such Unit is redeemed, calculated in accordance with the Trust Deed.

“Registrar” means the HSBC Institutional Trust Services (Asia) Limited or such other person appointed as registrar of the Boser A50 ETF to keep the register of the Unitholders of the Boser A50 ETF.

“RMB” or “Renminbi” means Renminbi Yuan, the lawful currency of the PRC.

“RQFII” means a Renminbi qualified foreign institutional investor approved pursuant to the relevant PRC regulations (as amended from time to time).

“RQFII Regulations” is as defined on page 9 of this Prospectus.

“SAFE” means the State Administration of Foreign Exchange of the PRC.

“SAT” means the State Administration of Taxation of the PRC.

“Securities” means any shares, stocks, debentures, loan stocks, bonds, securities, commercial paper, acceptances, trade bills, warrants, participation notes, certificates, structured products, treasury bills, instruments or notes of, or issued by or under the guarantee of, any body, whether incorporated or unincorporated, and whether listed or unlisted, or of any government or local government authority or supranational body, whether paying interest or dividends or not and whether fully-paid, partly paid or nil paid and includes (without prejudice to the generality of the foregoing):

- (a) any right, option or interest (howsoever described) in or in respect of any of the foregoing, including units in any Unit Trust (as defined in the Trust Deed);
- (b) any certificate of interest or participation in, or temporary or interim certificate for, receipt for or warrant to subscribe or purchase, any of the foregoing;
- (c) any instrument commonly known or recognised as a security;
- (d) any receipt or other certificate or document evidencing the deposit of a sum of money, or any rights or interests arising under any such receipt, certificate or document; and
- (e) any bill of exchange and any promissory note.

“SEHK” means The Stock Exchange of Hong Kong Limited or its successors.

“Service Agent” means HK Conversion Agency Services Limited or such other person as may from time to time be appointed to act as service agent in relation to the BoserA A50 ETF.

“Service Agent’s Fee” means the fee which may be charged for the benefit of the Service Agent to each Participating Dealer on each Creation Application or Redemption Application made by the relevant Participating Dealer, the maximum level of which shall be determined by the Service Agent and set out in this Prospectus.

“Service Agreement” means each agreement by which the Service Agent agrees with the Manager and the Trustee to provide its services entered amongst the Trustee, the Manager, the Participating Dealer, the Service Agent and Hong Kong Securities Clearing Company Limited.

“Settlement Day” means the Business Day which is two (2) Business Days after the relevant Dealing Day (or such Business Day as is permitted in relation to such Dealing Day pursuant to the Operating Guidelines) or such other number of Business Days after the relevant Dealing Day (if any) as determined by the Manager in consultation with the Trustee from time to time and notified to the relevant Participating Dealers.

“SFC” means the Securities and Futures Commission of Hong Kong or its successors.

“SFO” means the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong.

“Transaction Fee” means the fee, in respect of the BoserA A50 ETF, which may be charged for the benefit of the Service Agent, the Registrar and/or the Trustee to each Participating Dealer on each Dealing Day upon which an Application has been or Applications have been made by the relevant Participating Dealer.

“Trust” means the umbrella Unit Trust constituted by the Trust Deed and called BoserA ETFs or such other name as the Manager may from time to time determine, upon prior notice to the Trustee.

“Trust Deed” means the trust deed dated 30 September 2013 between the Manager and the Trustee constituting the Trust (as amended from time to time).

“Trust Fund” means all the property held or deemed to be held by the Trustee in respect of the Bosera A50 ETF, including the Deposited Property and Income Property attributable to the Bosera A50 ETF, except for any amounts to be distributed, in accordance with the Trust Deed.

“Trustee” means HSBC Institutional Trust Services (Asia) Limited or such other person or persons for the time being duly appointed as trustee or trustees hereof in succession thereto in accordance with the Trust Deed.

“Unit” means a unit representing an undivided share in the Bosera A50 ETF.

“Unitholder” means a person for the time being entered on the register of holders as the holder of Units including, where the context so admits, persons jointly registered.

“Valuation Point” means, in respect of the Bosera A50 ETF, the official close of trading on the Market on which the Securities constituting the Index are listed on each Dealing Day and if more than one, the official close of trading on the last relevant Market to close or such other time or times as determined by the Manager in consultation with the Trustee from time to time provided that there shall always be a Valuation Point on each Dealing Day other than where there is a suspension of the creation and redemption of Units.

SUMMARY

Key information

Set out below is a summary of key information in respect of the Bosera A50 ETF which should be read together with the full text of this Prospectus.

Index	FTSE China A50 Index
Type of index	Price return, i.e. the performance of the Index is calculated on the basis that dividends are not reinvested.
Listing Date (SEHK)	9 December 2013
Exchange Listing	SEHK – Main Board
Short Stock Name	BOSERA FA50–R – RMB Counter BOSERA FA50 – HKD Counter
Stock Code	82832 – RMB Counter 02832 – HKD Counter
Trading Board Lot Size	100 Units – RMB Counter 100 Units – HKD Counter
Base Currency	Renminbi (RMB)
Trading Currency	Renminbi (RMB) – RMB Counter Hong Kong Dollar (HKD) – HKD Counter
Dividend Policy	The Manager intends to distribute dividends to Unitholders at least annually (usually in December) having regard to the Bosera A50 ETF's net income after fees and costs. The Bosera A50 ETF may, however, pay dividends out of capital (including where the Bosera A50 ETF pays dividends out of gross income and charges/pays all or part of the fees and expenses to/out of capital). Where dividends are distributed out of capital or effectively out of capital, this may result in an immediate reduction in the Net Asset Value per Unit. All Units (whether RMB or HKD traded Units) will receive distributions in RMB only.[#]
Creation/Redemption Policy	Cash (RMB) only
Application Unit size (only by or	Minimum 1,500,000 Units (or multiples thereof) or such

through Participating Dealers)	other number of Units as the Manager may determine
Total Expense Ratio (including the Management Fee)*	Estimated to be 1.19% per year of the Net Asset Value
Management Fee	Currently 0.99% per year of the Net Asset Value.
Investment Strategy	The Manager will use a full replication strategy. The Manager may also use a representative sampling strategy in exceptional circumstances. Please refer to the section on “What is the investment strategy?” below
Financial Year End	31 December
Website	www.bosera.com.hk/A50etf

Both HKD traded Units and RMB traded Units will receive distributions in RMB only. In the event that the relevant Unitholder has no RMB account, the Unitholder may have to bear the fees and charges associated with the conversion of such dividend from RMB into HKD or any other currency. Unitholders are advised to check with their brokers for arrangements concerning distributions and to consider the risk factor entitled “RMB distributions risk” below.

* The estimated Total Expense Ratio does not represent the estimated tracking error.

What is the investment objective?

The investment objective of the Boser A50 ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the Index. There can be no assurance that the Boser A50 ETF will achieve its investment objective.

What is the investment strategy?

In seeking to achieve the Boser A50 ETF’s investment objective, the Manager will use a full replication strategy through investing directly in A-Shares included in the Index in substantially the same weightings in which such A-Shares are included in the Index, through the RQFII investment quota granted to the Manager by the SAFE (as explained in the section on “What is the RQFII regime” below). The Manager will not use a representative sampling strategy other than in exceptional circumstances.

Under exceptional circumstances (i.e. due to restrictions, suspensions of trading or limited availability of certain Index A-Shares), the Manager may also use a representative sampling strategy where:

- it is not feasible to acquire certain A-Shares which are constituents of the Index due to restrictions or limited availability. The Manager may invest in a representative sample whose performance is closely correlated with the Index, but whose constituents may or may not themselves be constituents of the Index; and/or
- it is not cost efficient, by reference to the Boser A50 ETF’s Net Asset Value, to use a full replication strategy. In such exceptional event the Manager will invest in a representative sample of A-Shares constituting the Index, which collectively has an investment profile that reflects the profile of the Index.

If any non-constituent of the Index is held in the portfolio, for reasons other than Index rebalancing and Index related corporate action, to enhance transparency the Manager will disclose the name

and weighting of such non-constituent (which will only be a listed A-Shares) on the Manager's website immediately after the purchase and it will be reported at least monthly until its disposal.

The BoserA A50 ETF may not hold more than 5% of its Net Asset Value in money market funds and in cash deposits for cash management purposes.

Currently the Manager has no intention to invest the BoserA A50 ETF in any financial derivative instruments (including structured products or instruments) for hedging or non-hedging (i.e. investment) purposes. The Manager will seek the prior approval of the SFC and provide at least one month's prior notice to Unitholders before the Manager engages in any such investments.

The investment strategy of the BoserA A50 ETF is subject to the investment and borrowing restrictions set out in Schedule 1.

What is the RQFII regime?

Under current regulations in the PRC, foreign investors can invest only in the domestic securities market through certain foreign institutional investors that have obtained status as a QFII or a RQFII from the CSRC and have been granted quota by the SAFE to remit foreign freely convertible currencies (in the case of a QFII) and RMB (in the case of a RQFII) into the PRC for the purpose of investing in the PRC's domestic securities markets.

The RQFII regime was introduced on 16 December 2011 by the "Pilot Scheme for Domestic Securities Investment through Renminbi Qualified Foreign Institutional Investors which are Asset Management Companies or Securities Companies" (基金管理公司證券公司人民幣合格境外機構投資者境內證券投資試點辦法) issued by the CSRC, the PBOC and the SAFE, which was repealed effective 1 March 2013.

The RQFII regime is currently governed by (i) the "Pilot Scheme for Domestic Securities Investment through Renminbi Qualified Foreign Institutional Investors" issued by the CSRC, the PBOC and the SAFE and effective from 1 March 2013 (人民幣合格境外機構投資者境內證券投資試點辦法); (ii) the "Implementation Rules for the Pilot Scheme for Domestic Securities Investment through Renminbi Qualified Foreign Institutional Investors" issued by the CSRC and effective from 6 March 2013 (關於實施《人民幣合格境外機構投資者境內證券投資試點辦法》的規定); (iii) the "Circular on Issues Related to the Pilot Scheme for Domestic Securities Investment through Renminbi Qualified Foreign Institutional Investors", Huifa 2013 No. 42 (國家外匯管理局關於人民幣合格境外機構投資者境內證券投資試點有關問題的通知, 匯發[2013]42號) issued by SAFE and effective from 21 March 2013; (iv) the "Notice of the People's Bank of China on the Relevant Matters concerning the Implementation of the Pilot Scheme for Domestic Securities Investment through Renminbi Qualified Foreign Institutional Investors", issued by the PBOC and effective from 2 May 2013 (中國人民銀行關於實施《人民幣合格境外機構投資者境內證券投資試點辦法》有關事項的通知); and (v) any other applicable regulations promulgated by the relevant authorities (collectively, the "RQFII Regulations").

The Manager has obtained RQFII status and has been granted, on behalf of the BoserA A50 ETF, a RQFII quota of RMB4 billion. To the extent that the Manager has, on behalf of the BoserA A50 ETF, utilised its entire RQFII quota, the Manager may, subject to any applicable regulations, apply for an increase in its RQFII quota and will make an announcement on its website of its application for additional quota and upon receiving additional quota.

All of the BoserA A50 ETF's assets in the PRC (including onshore PRC cash deposits and its onshore A-Shares portfolio) will be held by the Custodian (through the PRC Custodian) in accordance with the terms of the PRC Custodian Agreement and PRC Participation Agreement. A Securities account shall be opened with CSDCC in the joint names of the Manager (as the RQFII holder) and the BoserA A50 ETF. An RMB special deposit account shall also be established and maintained with the PRC Custodian in the joint names of the Manager (as the

RQFII holder) and the Boser A50 ETF. The PRC Custodian shall, in turn, have a cash clearing account with CSDCC for trade settlement according to applicable regulations.

The Manager has obtained a legal opinion confirming that, as a matter of PRC law:

- (a) Securities account(s) with the CSDCC and maintained by the PRC Custodian and RMB special deposit account(s) with the PRC Custodian (respectively, the “Securities Account” and the “Cash Account”) have been opened in the joint names of the Manager (as RQFII holder) and the Boser A50 ETF in accordance with all applicable laws and regulations of the PRC and with approval from all competent authorities in the PRC;
- (b) the assets held/credited in the Securities Account(s) (i) belong solely to the Boser A50 ETF, and (ii) are segregated and independent from the proprietary assets of the Manager (as RQFII holder), the Custodian, the PRC Custodian and any broker appointed by the Manager to execute transactions for the Boser A50 ETF in the PRC (a “PRC Broker”), and from the assets of other clients of the Manager (as RQFII holder), the Custodian, the PRC Custodian, and any PRC Broker;
- (c) the assets held/credited in the Cash Accounts (i) become an unsecured debt owing from the PRC Custodian to the Boser A50 ETF, and (ii) are segregated and independent from the proprietary assets of the Manager (as RQFII holder) and any PRC Broker, and from the assets of other clients of the Manager (as RQFII holder) and any PRC Broker;
- (d) the Trustee, for and on behalf of the Boser A50 ETF, is the only entity which has a valid claim of ownership over the assets in the Securities Account(s) and the debt in the amount deposited in the Cash Accounts of the Boser A50 ETF;
- (e) if the Manager or any PRC Broker(s) is liquidated, the assets contained in the Securities Account(s) and Cash Accounts of the Boser A50 ETF will not form part of the liquidation assets of the Manager or such PRC Broker in liquidation in the PRC; and
- (f) if the PRC Custodian is liquidated, (i) the assets contained in the Securities Account(s) of the Boser A50 ETF will not form part of the liquidation assets of the PRC Custodian in liquidation in the PRC, and (ii) the assets contained in the Cash Accounts of the Boser A50 ETF will form part of the liquidation assets of the PRC Custodian in liquidation in the PRC and the Boser A50 ETF will become an unsecured creditor for the amount deposited in the Cash Accounts.

Repatriations in RMB conducted by the Manager as RQFII on behalf of the Boser A50 ETF are permitted daily and are not subject to any lock-up periods or prior approval.

There are specific risks associated with the RQFII regime and investors’ attention is drawn to the risk factors under “Risks associated with the RQFII regime” in the section on “Risk Factors” below.

What are the Index’s characteristics?

The Index of the Boser A50 ETF is the FTSE China A50 Index. The Index is a free float-adjusted market capitalisation-weighted index compiled and published by the Index Provider. The Manager (and each of its Connected Persons) is independent of the Index Provider. The Index is a real-time, tradable index comprising the largest 50 A-Share companies by full market capitalisation of the FTSE China A All-Share Index and is a subset of the FTSE China A 200 Index. The Index offers the optimal balance between representativeness and tradability for China’s A-Share market and includes stocks listed on the Shanghai and Shenzhen Stock Exchanges.

The Index is a price return index which means that the performance of the Index is calculated on the basis that any dividends from Securities comprising the Index are not re-invested. The Index is denominated and quoted in RMB.

The Index was launched on 13 December 2003. As of 20 February 2014, it had a total market capitalisation of RMB2,072.716 billion.

Are there any special RMB payment or account procedures?

Investors may, unless otherwise agreed by the relevant Participating Dealer, apply for Units through Participating Dealers only if they have sufficient RMB to pay the application monies and the related fees. Investors should note that RMB is the only official currency of the PRC. While both onshore RMB (“CNY”) and offshore RMB (“CNH”) are the same currency, they are traded in different and separated markets. Since the two RMB markets operate independently where the flow between them is highly restricted, CNY and CNH are traded at different rates and their movement may not be in the same direction. Although there is a significant amount of RMB held offshore (i.e. outside the PRC), CNH cannot be freely remitted into the PRC and is subject to certain restrictions, and vice versa. As such whilst CNH and CNY are both the same currency, certain special restrictions do apply to RMB outside the PRC. The liquidity and trading price of the Boser A50 ETF may be adversely affected by the limited availability of, and restrictions applicable to, RMB outside the PRC.

Application monies from Participating Dealers to the Boser A50 ETF will be paid in RMB only. Accordingly a Participating Dealer may require you (as its client) to pay RMB to it. Payment details will be set out in the relevant Participating Dealer’s documentation such as the application form for its clients. As such, you may need to have opened a bank account (for settlement) and a securities dealing account if a Participating Dealer is to subscribe for Units on your behalf as you will need to have accumulated sufficient RMB to pay at least the aggregate Issue Price and related costs, to the Participating Dealer or if an application to the Participating Dealer is not successful or is successful only in part, the whole or appropriate portion of the monies paid will need to be returned to you by the Participating Dealer by crediting such amount into your RMB bank account. Similarly, if you wish to buy and sell Units in the secondary market on the SEHK, you may need to open a securities dealing account with your broker. You will need to check with the relevant Participating Dealer and/or your broker for payment details and account procedures.

If any investors wish to buy or sell Units on the secondary market, they should contact their brokers and they are reminded to confirm with their brokers in respect of Units traded in RMB such brokers’ readiness for dealing and/or clearing transactions in RMB securities and to check other relevant information published by the SEHK regarding readiness of its participants for dealing in RMB securities from time to time. CCASS Investor Participants who wish to settle the payment in relation to their trades in the Units traded in RMB using their CCASS Investor Participant account or to receive distributions in RMB should make sure that they have set up an RMB designated bank account with CCASS.

Investors intending to purchase Units traded in RMB from the secondary market should consult their stockbrokers as to the RMB funding requirement and settlement method for such purchase. Investors may need to open and maintain securities dealing accounts with the stockbroker first before any dealing in Units traded in either HKD or RMB can be effected.

Investors should ensure they have sufficient RMB to settle trades of Units traded in RMB. When investors open the RMB bank accounts for settling RMB payments or receiving RMB distributions, they should note that under the current regulations, the daily maximum exchange limit for RMB is RMB20,000 per Hong Kong resident individual. Investors should consult the banks for the account opening procedures as well as terms and conditions of the RMB bank account. Some banks may impose restrictions on their RMB cheque account and fund transfers to third party accounts. For non-bank financial institutions (e.g. brokers), however, such restriction may not be applicable and investors should consult their brokers as to the currency exchange service arrangement if required.

The transaction costs of dealings in the Units on the SEHK include the SEHK trading fee and SFC transaction levy. All these secondary trading related fees and charges will be collected in Hong Kong dollars and, in respect of Units traded in RMB, calculated based on an exchange rate as determined by the Hong Kong Monetary Authority on the date of the trade which will be published on HKEx’s website by 11:00 a.m. or earlier on each trading day.

Investors should consult their own brokers or custodians as to how and in what currency the trading related fees and charges and brokerage commission should be paid by the investors.

Where payment in RMB is to be made by cheque investors are advised to consult the bank at which their respective RMB bank accounts are opened in advance whether there are any specific requirements in relation to the issue of RMB cheques. In particular, investors should note that some banks have imposed an internal limits (usually RMB80,000) on the balance of RMB cheque account of their clients or the amount of cheques that their clients can issue in a day and such limit may affect an investor's arrangement of funding for an application (through a Participating Dealer) for the creation of Units.

When an individual investor opens an RMB bank account or settle RMB payments, he or she will be subject to a number of restrictions, including:

- (a) in respect of Hong Kong residents, the existing permitted conversions in relation to personal customers are up to RMB20,000 conducted through RMB bank accounts per person per day or up to RMB20,000 per transaction per person in bank notes for walk-in personal customers; and
- (b) the daily maximum remittance amount to the PRC is RMB80,000 and a remittance service is only available to an RMB deposit account-holder who remits from his or her RMB deposit account to the PRC and provided that the account name of the account in the PRC is identical with that of the RMB bank account with the bank in Hong Kong.

Please also refer to the section entitled "Risks associated with RMB currency" in the section on Risk Factors for further details.

Umbrella fund

The Trust is an umbrella unit trust created by the Trust Deed made under Hong Kong law between the Manager and the Trustee. The Manager and the Trustee shall create and establish separate and distinct sub-trusts within the Trust, each of which is a sub-fund, and units relating to any sub-fund may be issued in one or more classes.

The Bosera A50 ETF is a sub-fund of the Trust.

The Manager and the Trustee reserve the right to establish other sub-funds and/or issue further classes of units relating to the Bosera A50 ETF or any of the sub-funds in the future in accordance with the provisions of the Trust Deed.

THE OFFSHORE RMB MARKET AND THE A-SHARES MARKET

The offshore RMB market

What led to RMB internationalisation?

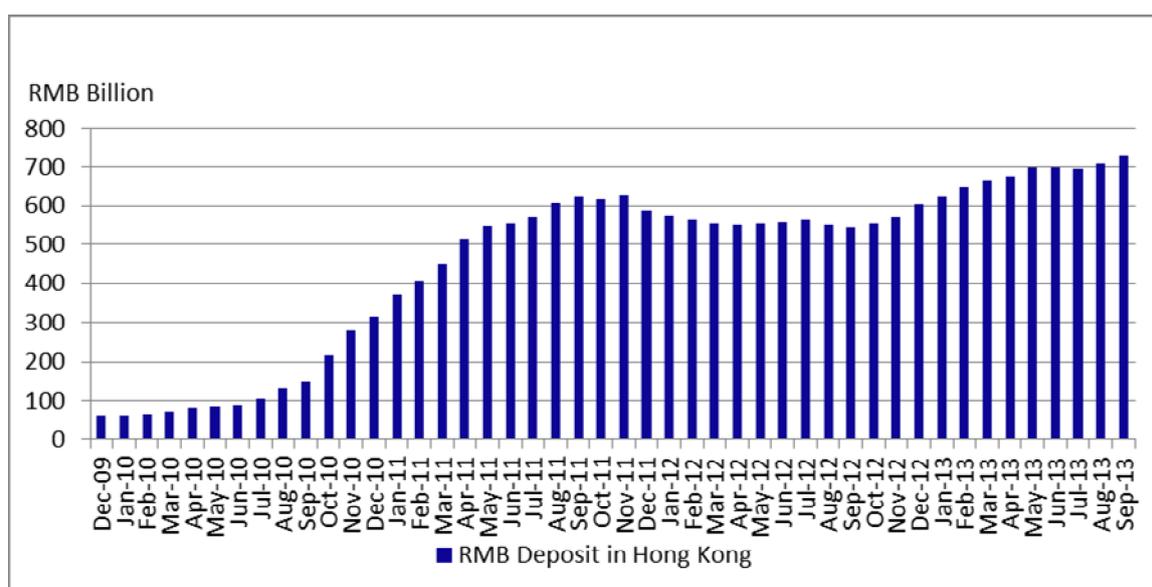
RMB is the lawful currency of the PRC. RMB is not a freely convertible currency and it is subject to foreign exchange control policies of and repatriation restrictions imposed by the PRC government. Since July 2005, the PRC government began to implement a controlled floating exchange rate system based on the supply and demand in the market and adjusted with reference to a portfolio of currencies. The exchange rate of RMB is no longer pegged to US dollars, resulting in a more flexible RMB exchange rate system.

Over the past two decades, the PRC's economy grew rapidly at an average annual rate of 10%. This enables it to overtake Japan to become the second largest economy and trading country in the world. The International Monetary Fund has projected that the PRC will contribute to more than one-third of global growth by 2015. As the PRC's economy becomes increasingly integrated with the rest of the world, it is a natural trend for its currency – the RMB, to become more widely used in the trade and investment activities.

Accelerating the pace of RMB internationalisation

The PRC has been taking gradual steps to increase the use of RMB outside its borders by setting up various pilot programmes in Hong Kong and neighbouring areas in recent years. For instance, banks in Hong Kong were the first permitted to provide RMB deposits, exchange, remittance and credit card services to personal customers in 2004. Further relaxation occurred in 2007 when the authorities allowed PRC financial institutions to issue RMB bonds in Hong Kong. As of 30 September 2013, there are one hundred and forty-three (143) banks in Hong Kong engaging in RMB business, with RMB deposits amounting to about RMB730.0 billion, as compared to about RMB63 billion in December 2009. At the end of October 2013, the value of RMB debt securities outstanding on record in the Central Moneymarkets Unit maintained by the Hong Kong Monetary Authority stood at RMB366.5 billion.

Chart 1: RMB deposits in Hong Kong

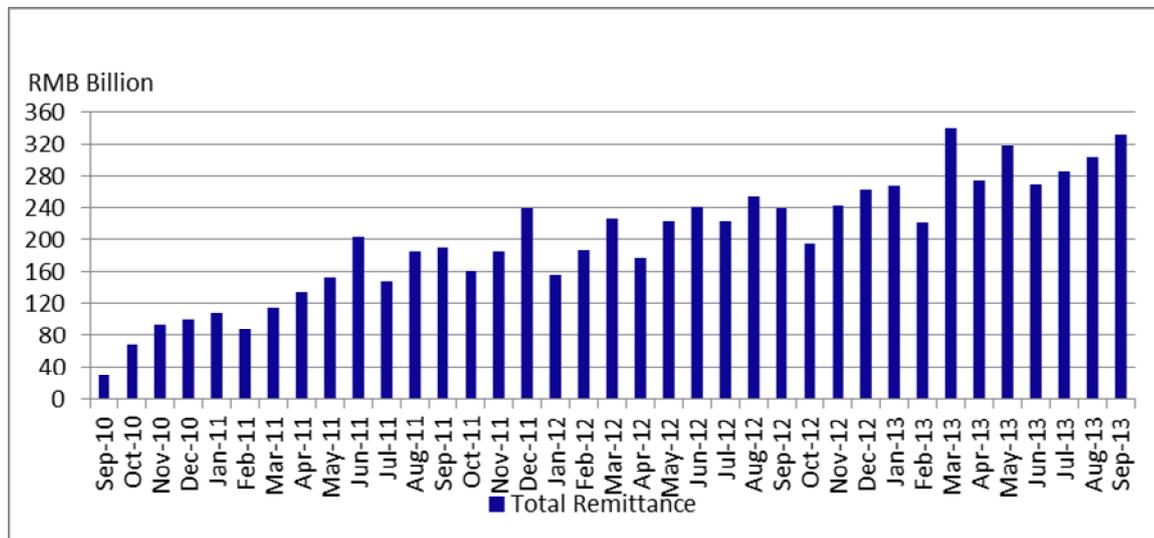


Source: Hong Kong Monetary Authority. Data as of 30 September 2013.

The pace of RMB internationalisation has accelerated since 2009 when the PRC authorities permitted cross-border trade between Hong Kong / Macau and Shanghai / four Guangdong cities, and between Association of Southeast Asian Nations (ASEAN) and Yunnan/Guangxi, to be settled in RMB. In June 2010, the arrangement was expanded to twenty (20) provinces / municipalities

on the PRC and to all countries / regions overseas. In August 2011, the PRC authorities released the “Notice on Expansion of the List of Regions for Cross-border RMB settlement” that announced the extension of coverage of cross-border RMB trade settlement to all provinces / municipalities of the PRC. As of 30 September 2013, nearly RMB331.7 billion worth of cross-border trade was settled in Hong Kong with RMB.

Chart 2: Total RMB remittances settled in Hong Kong



Source: Hong Kong Monetary Authority. Data as of 30 September 2013.

Onshore versus offshore RMB market

Following a series of policies introduced by the PRC authorities, a RMB market outside the PRC has gradually developed and started to expand rapidly since 2009. RMB traded outside the PRC is often referred as “offshore RMB” with the denotation “CNH”, which distinguishes it from the “onshore RMB” or “CNY”.

Both onshore and offshore RMB are the same currency but are traded in different markets. Since the two RMB markets operate independently where the flow between them is highly restricted, onshore and offshore RMB are traded at different rates and their movement may not be in the same direction. Due to the strong demand for offshore RMB, CNH used to be traded at a premium to onshore RMB, although occasional discount may also be observed. The relative strength of onshore and offshore RMB may change significantly, and such change may occur within a very short period of time.

Notwithstanding that the offshore RMB market showed a meaningful growth during the past two (2) years, it is still at an early stage of the development and is relatively sensitive to negative factors or market uncertainties. For instance, the value of offshore RMB had once dropped by 2% against the US dollars in the last week of September 2011 amidst the heavy sell off of the equities market. In general, the offshore RMB market is more volatile than the onshore one due to its relatively thin liquidity.

It is widely expected that the onshore and offshore RMB markets would remain two (2) segregated, but highly related, markets for the next few years.

Recent measures

More measures to relax the conduct of offshore RMB business were announced in 2010. On 19 July 2010, with respect to the lifting of restrictions on interbank transfer of RMB funds and, as well as granting permission for companies in Hong Kong to exchange foreign currencies for RMB without limit. One month later, the PRC authorities announced the partial opening up of PRC’s

interbank bond market for foreign central banks, RMB clearing banks in Hong Kong and Macau and other foreign banks participating in the RMB offshore settlement programme.

The National Twelfth Five-Year Plan adopted in March 2011 explicitly supports the development of Hong Kong as an offshore RMB business centre. In August 2011, PRC Vice-Premier Li Keqiang has announced more new initiatives during his visit, such as allowing investments on the PRC equity market through the RMB Qualified Foreign Institutional Investor scheme and the launch of an exchange-traded fund with Hong Kong stocks as the underlying constituents in the PRC. Also the PRC Government has given approval for the first non-financial PRC firm to issue RMB-denominated bonds in Hong Kong.

RMB internationalisation is a long-term goal

Given the PRC's economic size and growing influence, RMB has the potential to become an international currency in the same ranks as US dollars and euro. But the PRC has to first accelerate the development of its financial markets and gradually make RMB fully convertible on the capital account. Although the internationalisation of RMB will bring benefits such as increasing political influence and reduced exchange rate risks, it also entails risks including rising volatility of RMB exchange rate.

The process of RMB internationalisation is a long and gradual one. It took US dollars many decades to replace the British pound to become a dominant reserve currency. It will also take time for RMB to gain importance in coming years. RMB will not be in a position to challenge the US dollar's main reserve currency status for some time to come.

The A-Share market

Introduction

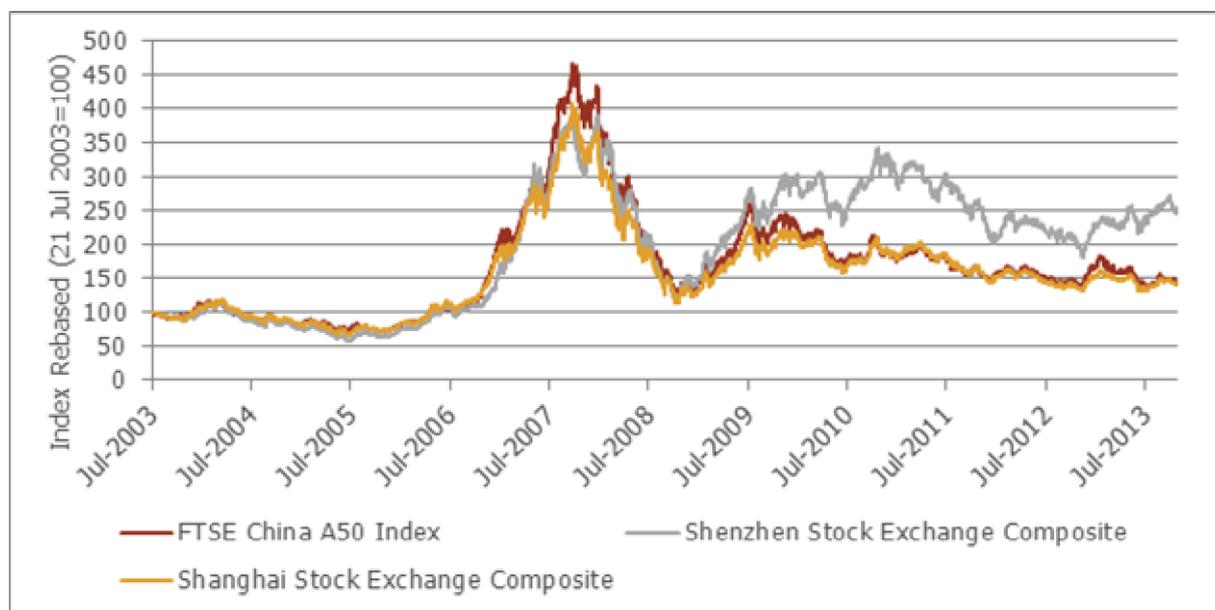
China's A-Share market commenced in 1990 with two (2) exchanges, the Shanghai Stock Exchange and Shenzhen Stock Exchange. The Shanghai Stock Exchange was established on 26 November 1990 and stocks are further divided into class A-Shares and class B-Shares, with A-Shares limited to domestic investors as well as QFIIs and RQFIIs only and B Shares available to both domestic and foreign investors. As of 31 October 2013, there are nine hundred and forty-three (943) A-Share listed companies in the Shanghai Stock Exchange with total market capitalization of RMB15.12 trillion and free float market capitalization of RMB13.66 trillion. The Shanghai Stock Exchange's products cover equities, mutual funds and bonds. The product lines include A-Shares, B-Shares, indices, mutual funds (including exchange traded funds and listed open-end funds), fixed income products, and diversified derivative financial products (including warrants and repurchases).

The Shenzhen Stock Exchange was founded on 1 December 1990 and stocks are further divided into class A-Shares and class B-Shares, with A-Shares limited to domestic investors as well as QFIIs and RQFIIs only and B-Shares available to both domestic and foreign investors. As of 31 October 2013, there were one thousand five hundred and thirty-six (1,536) A-Share listed companies in Shenzhen Stock Exchange, four hundred and eighty (480) of which are listed on the Shenzhen Stock Exchange main board with total market capitalisation of RMB3.54 trillion and free float market capitalisation of RMB2.88 trillion, seven hundred and one (701) of which are listed on the SME board (Small and Medium Enterprise Board) with total market capitalisation of RMB3.51 trillion and free float market capitalisation of RMB2.35 trillion, and three hundred and fifty-five (355) of which are listed on the ChiNext (the board mainly for hi-tech companies) with total market capitalisation of RMB1.38 trillion and free float market capitalisation of RMB0.73 trillion. Shenzhen Stock Exchange's products cover equities, mutual funds and bonds. The product lines include A-Shares, B-Shares, indices, mutual funds (including exchange traded funds and listed open-end funds), fixed income products, and diversified derivative financial products (including warrants and repurchases).

The A-Share market has grown significantly in the past twenty (20) years, with the latest total market capitalisation reaching RMB23.55 trillion comprising two thousand four hundred and seventy-nine (2,479) A-Share listed companies by 31 October 2013.

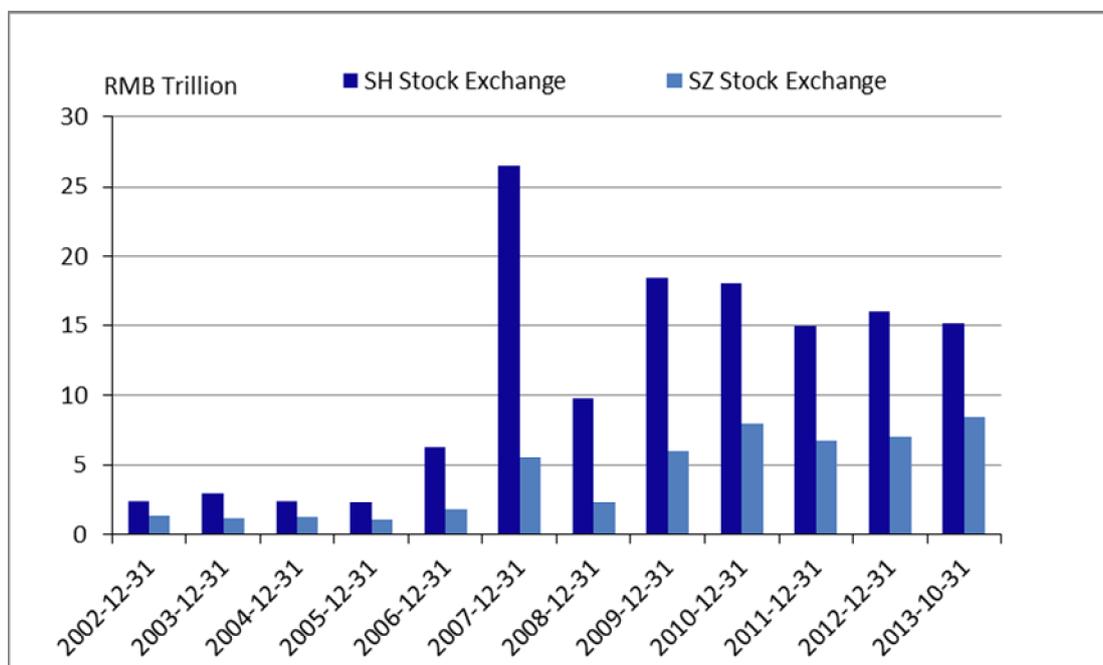
In terms of investor breakdown, there is an increasing number of institutional investors participating in the A-Shares market since the inception, which include securities investment funds, social pension funds, qualified foreign institutional investors, insurance companies, ordinary investment institutions. However, on a daily basis, retail investors still make up for the majority of the trading volume.

Chart 1: Shanghai and Shenzhen Composite Index Price/FTSE China A50 Index Price



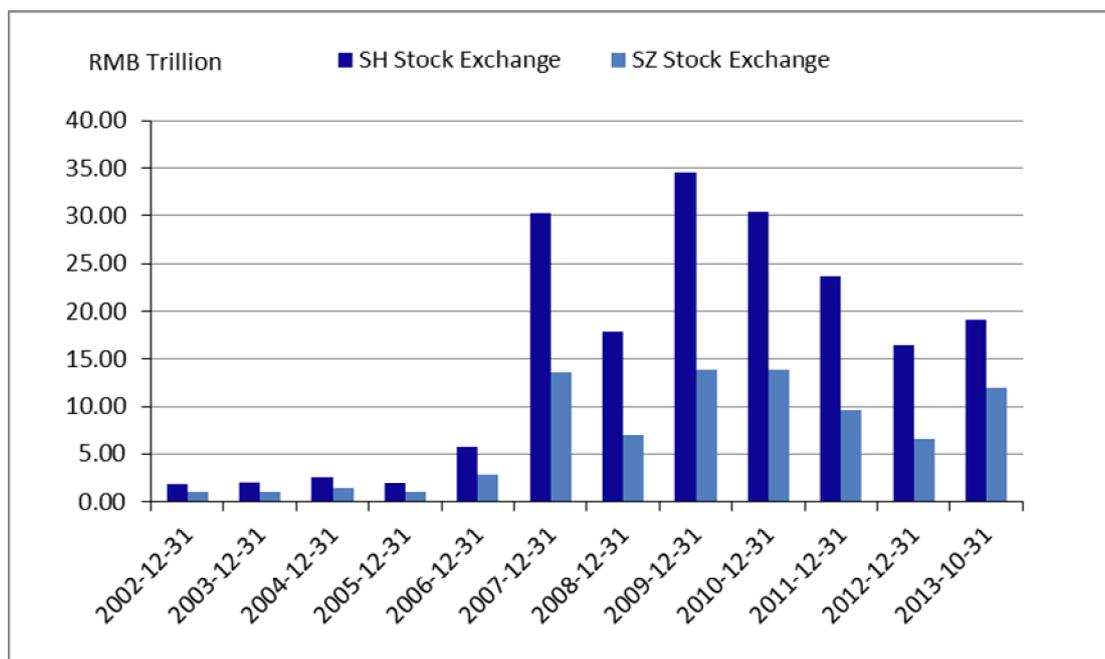
Data source: FTSE Group and Datastream; as of 15 November 2013

Chart 2: A-Share total market capitalization of both the Shanghai Stock Exchange and Shenzhen Stock Exchange



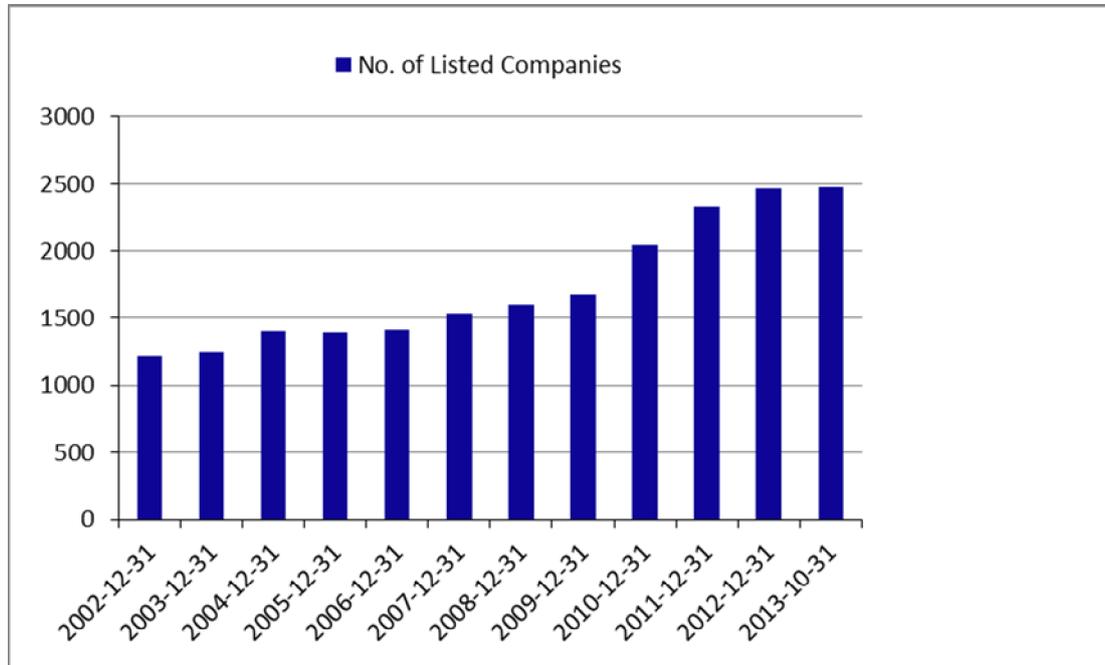
Data source: Shanghai and Shenzhen Stock Exchanges; as of 31 October 2013

Chart 3: A-Share annual trading volumes (turnover) of both the Shanghai Stock Exchange and Main Board of Shenzhen Stock Exchange



Data source: Shanghai and Shenzhen Stock Exchanges; as of 31 October 2013

Chart 4: Number of A-Share companies listed on both the Shanghai Stock Exchange and Shenzhen Stock Exchange



Data source: Shanghai and Shenzhen Stock Exchanges; as of 31 October 2013

Differences with Hong Kong's stock market

The following table summarises the differences between the Hong Kong and A-Share markets:

	PRC	Hong Kong
Key indexes	SHCOMP / SZCOMP	HSI / HSCEI
Trading band limits	10% (5% for ST/S stocks*)	No Limit
Trading lots	One hundred (100) shares for BUY / one (1) share for SELL	Each stock has its own individual board lot size (an online broker will usually display this along with the stock price when you get a quote); purchases in amounts which are not multiples of the board lot size are done in a separate "odd lot market".
Trading hours	pre-open: 0915-0925 morning session: 0930-1130 afternoon session: 1300-1500 (1457-1500 is closing auction for the Shenzhen Stock Exchange)	pre-open order input: 0900-0915 pre-order matching 0915-0920 order matching: 0920-0928 morning session: 0930-1200 afternoon session: 1300-1600
Settlement	T+1	T+2
Earnings reporting requirements	Annual report: <ul style="list-style-type: none"> • Full annual report must be disclosed within four (4) months after the reporting period. Interim report: <ul style="list-style-type: none"> • Full report must be disclosed within two (2) months after the reporting period. Quarterly report: <ul style="list-style-type: none"> • Full report must be disclosed within one (1) month after the reporting period. The first quarterly report cannot be disclosed before last year's annual report. 	Annual report: <ul style="list-style-type: none"> • Earnings must be disclosed within three (3) months after the reporting period; • Full annual report must be disclosed within four (4) months after the reporting period. Interim report: <ul style="list-style-type: none"> • Earnings must be disclosed within two (2) months after the reporting period; • Full report must be

		disclosed within three (3) months after the reporting period.
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Note:

** 1) ST stocks refer to special treatment stocks, which means special treatment for companies with financial problems (consecutive two (2) fiscal years loss or audited net assets per share less than par value in most recent fiscal year), effective date starting from 22 April 1998. Stocks with ST usually means they have delisting risk.*

2) S stocks refer to those stocks has not yet performed the "split share structure reform".

*** Purchasing in odd lot is not allowed while selling in odd lot is allowed in the A-Share market, with no price difference between odd lot and round lot trading.*

THE OFFERING PHASES

Creation

Dealings in the Units on the SEHK commenced on 9 December 2013.

You can acquire or dispose the Units in either of the following two ways:

- (a) buy and sell Units on the SEHK; or
- (b) apply for cash creation and cash redemption of Units through Participating Dealers.

Buying and selling of Units on the SEHK

All investors can buy and sell Units in Trading Board Lot Size (as described in the section “Summary”) or whole multiples thereof like ordinary listed stocks through an intermediary such as a stockbroker or through any of the share dealing services offered by banks or other financial advisers at any time the SEHK is open. The Trading Board Lot Size is currently one hundred (100) Units.

However, please note that transactions in the secondary market on the SEHK will occur at market prices which may vary throughout the day and may differ from Net Asset Value per Unit due to market demand and supply, liquidity and scale of trading spread for the Units in the secondary market. As a result, the market price of the Units in the secondary market may be higher or lower than Net Asset Value per Unit.

Please refer to the section on “Exchange Listing and Trading (Secondary Market)” for further information in respect of buying and selling of Units on the SEHK.

Creations and redemptions through Participating Dealers

Units will continue to be created by cash creation (in RMB only) and redeemed by cash redemption (in RMB only) at the Issue Price and Redemption Value respectively through Participating Dealers in Application Unit size or multiples thereof. The Application Unit size is currently 1,500,000 Units.

To be dealt with on a Dealing Day, the relevant Participating Dealer must submit a Creation Application to the Registrar (with a copy to the Manager and the Trustee) before the Dealing Deadline on the relevant Dealing Day. The current Dealing Deadline is 10:45 a.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK, the Shanghai Stock Exchange or the Shenzhen Stock Exchange are changed. If a Creation Application is received on a day which is not a Dealing Day or is received after the relevant Dealing Deadline on a Dealing Day, that Creation Application shall be treated as having been received at the opening of business on the next following Dealing Day, which shall be the relevant Dealing Day for the purposes of that Creation Application. Participating Dealers are under no obligation to create or redeem generally or for their clients and may charge their clients such fee or fees as such Participating Dealers determine.

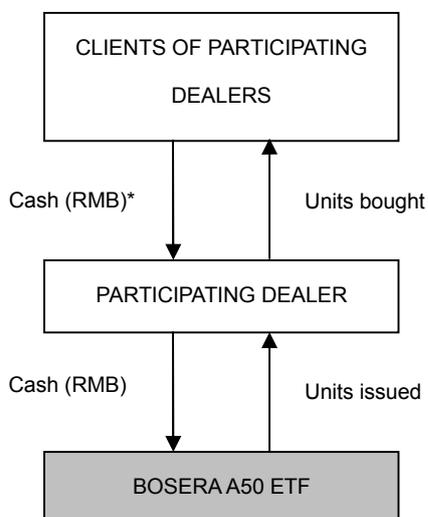
Settlement in cash for subscribing Units is due by such time as agreed in the Operating Guidelines on the relevant Dealing Day or for redeeming Units is due two (2) Business Days after the Dealing Day, unless the Manager agrees with the relevant Participating Dealer to accept later settlement generally or in any particular case. Notwithstanding the Dual Counter for Units, all settlement for creation and redemption of Units shall be in RMB only.

All Units will be registered in the name of HKSCC Nominees Limited on the register of the Trust. The register of the Trust is the evidence of ownership of Units. The beneficial interests in Units of any client of the Participating Dealers shall be established through such client’s account with the relevant Participating Dealer or with any other CCASS participants if the client is buying from the secondary market.

Diagrammatic illustration of investment in the Bosera A50 ETF

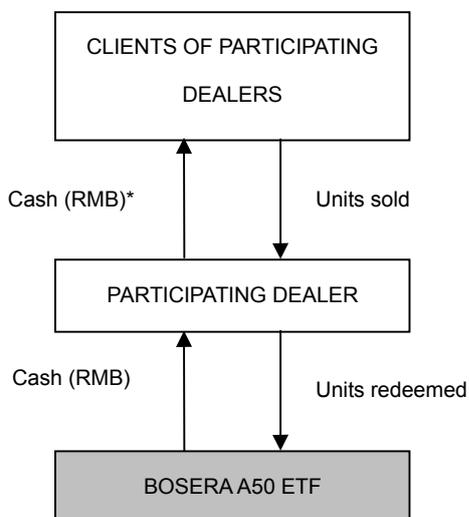
The diagrams below illustrate the issue or redemption and the buying or selling of Units:

(a) Issue and buying of Units in the primary market



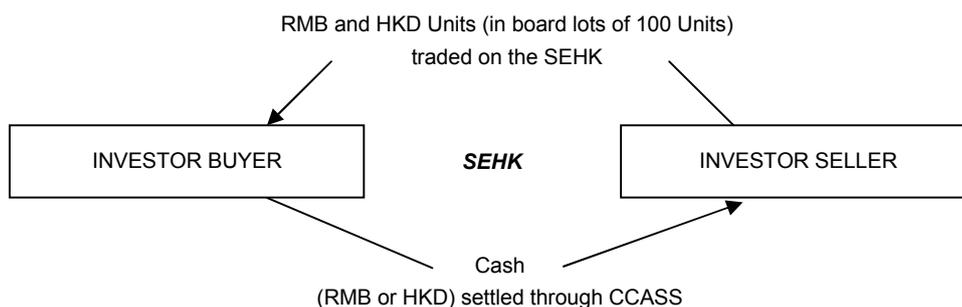
* Clients of the Participating Dealers may agree with the Participating Dealers settlement in another currency.

(b) Redemption and sale of Units in the primary market



* Clients of the Participating Dealers may agree with the Participating Dealers settlement in another currency.

(c) Buying or selling of Units in the secondary market on the SEHK



Summary of offering methods and related fees

<u>Method of Acquisition or Disposal of Units</u>	<u>Minimum Number of Units (or multiple thereof)</u>	<u>Channel</u>	<u>Available to</u>	<u>Consideration, Fees and Charges*</u>
Purchase and sale in cash through brokers on the SEHK (secondary market) in HKD or in RMB	Board lot of 100 Units for HKD traded Units and 100 Units for RMB traded Units	On the SEHK	Any investor	Market price of Units on SEHK (RMB for RMB traded Units and HKD for HKD traded Units) Brokerage fees and Duties and Charges (payable in HKD or as agreed with brokers)
Cash creation and cash redemption (RMB only)	1,500,000 (Application Unit)	Through Participating Dealers only	Any person acceptable to the Participating Dealer as its client	Cash (payable in RMB only unless the Participating Dealer otherwise agrees) Transaction Fee (payable in RMB) and Service Agent's Fee (payable in HKD) Any fees and charges imposed by the Participating Dealer (payable to the Participating Dealer in the currency determined by or agreed with it) Duties and Charges (payable in RMB)

* Please refer to "Fees and Expenses" for further details

CREATIONS AND REDEMPTIONS (PRIMARY MARKET)

Investment in the Bosera A50 ETF

There are two (2) methods of making an investment in the Bosera A50 ETF and of disposing of Units to realise an investment in the Bosera A50 ETF.

The first method is to create or to redeem Units in RMB at Net Asset Value directly with the Bosera A50 ETF in the primary market through a Participating Dealer, being a licensed dealer that has entered into a Participation Agreement in respect of the Bosera A50 ETF. Although a Participating Dealer may, subject to arrangement with the Manager, elect to have Units which it creates deposited in CCASS in either the RMB counter or in the HKD counter, all creation and redemption for all Units must be in RMB. Because of the size of the capital investment (i.e. Application Unit size) required either to create or redeem Units through the Participating Dealer in the primary market, this method of investment is more suitable for institutional investors and market professionals. Participating Dealers are under no obligations to create or redeem Units for their clients and may impose terms, including charges, for handling creation or redemption orders as they determine appropriate, as described in more detail in this section.

The second method is to buy or to sell Units in the secondary market on the SEHK which is more suitable for retail investors. The secondary market price of Units may trade at a premium or discount to the Net Asset Value of the Bosera A50 ETF.

This section of this Prospectus describes the first method of investment and should be read in conjunction with the Operating Guidelines and the Trust Deed. The section on “Exchange Listing and Trading (Secondary Market)” relates to the second method of investment.

Creation of Units through Participating Dealer

Any application for the creation of Units of the Bosera A50 ETF must only be made through a Participating Dealer in RMB in respect of an Application Unit size or whole multiple thereof as set out in the “Summary” section. Investors cannot acquire Units directly from the Bosera A50 ETF. Only Participating Dealers may submit Creation Applications to the Registrar (with a copy to the Manager and the Trustee).

Units in the Bosera A50 ETF are continuously offered through a Participating Dealer, who may apply for them on any Dealing Day commencing on the Listing Date for its own account or for your account as their client(s), in accordance with the Operating Guidelines, by submitting a Creation Application to the Registrar (with a copy to the Manager and the Trustee).

In relation to cash creation of Units, the Manager reserves the right to require the Participating Dealer to pay an additional sum for the purpose of compensating or reimbursing the Bosera A50 ETF for the difference between:

- (a) the prices used when valuing the Securities of the Bosera A50 ETF for the purpose of such issue of Units; and
- (b) the prices which would be used when acquiring the same Securities if they were acquired by the Bosera A50 ETF with the amount of cash received by the Bosera A50 ETF upon such issue of Units,

if (b) above is greater than (a) above. The Participating Dealer may pass on to the relevant investor such additional sum.

Each Participating Dealer has indicated to the Manager that it will generally accept and submit creation request(s) received from you as its client(s), subject always to (i) mutual agreement between the relevant Participating Dealer and you as to its fees for handling such request(s); (ii)

completion to its satisfaction of client acceptance procedures and requirements; (iii) no objection from the Manager to create Units for the relevant Participating Dealer on your behalf (please refer to the sub-section on “Creation process” below for the examples of exceptional circumstances under which the Manager shall have the right to reject a Creation Application); and (iv) mutual agreement between the relevant Participating Dealer and you as to the method of effecting such creation request(s).

In addition, a Participating Dealer reserves the right to reject, acting in good faith, any creation request received from a client under exceptional circumstances, including without limitation the following circumstances:

- (a) any period during which (i) the creation or issue of Units of the BoserA A50 ETF, (ii) the redemption of Units of the BoserA A50 ETF, and/or (iii) the determination of Net Asset Value of the BoserA A50 ETF is suspended;
- (b) where there is in existence any trading restriction or limitation such as the occurrence of a market disruption event, suspected market misconduct or the suspension of dealing in relation to any of the Securities in the Index;
- (c) where acceptance of the creation request would render the Participating Dealer in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Participating Dealer and/or any of its Connected Persons; or
- (d) circumstances outside the control of the Participating Dealer make it for all practicable purposes impossible to process the creation request.

Requirements relating to creation requests by potential investors

As of the date of this Prospectus, only cash creation is available to the Participating Dealers in respect of the BoserA A50 ETF.

Notwithstanding the Dual Counter, any cash payable by a Participating Dealer in a cash Creation Application must be in RMB.

A Participating Dealer may impose fees and charges in handling any creation request which would increase the cost of investment. You are advised to check with the Participating Dealer as to relevant fees and charges. Although the Manager has a duty to monitor the operations of the BoserA A50 ETF closely, neither the Manager nor the Trustee is empowered to compel a Participating Dealer to disclose its fees agreed with specific clients or other proprietary or confidential information to the Manager or the Trustee or to accept any such creation requests received from clients. In addition, neither the Trustee nor the Manager can ensure effective arbitrage by a Participating Dealer.

A Participating Dealer may also impose timing deadlines for the submission by its clients of any creation request and require any such clients to complete the relevant client acceptance procedures and requirements (including, where necessary, providing such documentation and certifications as required by the Participating Dealer) in order to ensure that an effective Creation Application in respect of the BoserA A50 ETF can be submitted by it to the Registrar with a copy to the Manager and the Trustee. You are advised to check with the Participating Dealer as to the relevant timing deadlines and the client acceptance procedures and requirements.

The Application Unit size for the BoserA A50 ETF is 1,500,000 Units. Creation Applications submitted in respect of Units other than in Application Unit size or whole multiples thereof will not be accepted. The minimum subscription for the BoserA A50 ETF is one Application Unit.

Creation process

A Participating Dealer may from time to time submit Creation Applications in respect of the Boser A50 ETF to the Registrar, with a copy to the Manager and the Trustee, following receipt of creation requests from clients or where it wishes to create Units of the Boser A50 ETF for its own account.

If a Creation Application is received on a day which is not a Dealing Day or is received after the relevant Dealing Deadline on a Dealing Day, that Creation Application shall be treated as having been received at the opening of business on the next following Dealing Day, which shall be the relevant Dealing Day for the purposes of that Creation Application. The current Dealing Deadline is 10:45 a.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK, the Shanghai Stock Exchange or the Shenzhen Stock Exchange are reduced.

To be effective, a Creation Application must:

- (a) be given by a Participating Dealer in accordance with the Trust Deed, the relevant Participation Agreement and the relevant Operating Guidelines;
- (b) specify the number of Units and the class of Units (where applicable) which is the subject of the Creation Application; and
- (c) include the certifications required in the Participation Agreement (if any) and the Operating Guidelines (if any) in respect of creations of Units, together with such certifications and opinions of counsel (if any) as each of the Trustee and the Manager may separately consider necessary to ensure compliance with applicable Securities and other laws in relation to the creation of Units which are the subject of the Creation Application.

The Manager shall have the right to reject, acting in good faith, any Creation Application under exceptional circumstances, including without limitation the following circumstances:

- (a) any period during which (i) the creation or issue of Units of the Boser A50 ETF, (ii) the redemption of Units of the Boser A50 ETF, and/or (iii) the determination of Net Asset Value of the Boser A50 ETF is suspended;
- (b) where in the opinion of the Manager, acceptance of the Creation Application would have an adverse effect on the Boser A50 ETF;
- (c) where in the opinion of the Manager, acceptance of the Creation Application would have a material impact on the A-Share market;
- (d) the Manager does not have adequate RQFII quota to fully satisfy the Creation Application;
- (e) where there is in existence any trading restriction or limitation such as the occurrence of a market disruption event, suspected market misconduct or the suspension of dealing in relation to any of the Securities in the Index;
- (f) where acceptance of the Creation Application would render the Manager in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Manager and/or any of its Connected Persons;
- (g) circumstances outside the control of the Manager make it for all practicable purposes impossible to process the Creation Application;
- (h) an Insolvency Event occurs in respect of the relevant Participating Dealer; or

- (i) during any period when the business operations of the Manager, the Trustee, the Custodian or the PRC Custodian are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riot, strikes or acts of God.

In the event of such rejection, the Manager shall notify the relevant Participating Dealer and the Trustee of its decision to reject such Creation Application in accordance with the Operating Guidelines.

The Manager's right to reject a Creation Application is separate and in addition to a Participating Dealer's right to reject, acting in good faith, any creation request received from a client of the Participating Dealer under exceptional circumstances. Notwithstanding a Participating Dealer has accepted creation requests from its clients and in that connection submitted an effective Creation Application, the Manager may exercise its rights to reject such Creation Application in the circumstances described herein.

Where for any reason there is a limit to the number of Units which can be created, priority will be given to Participating Dealers and the relevant Creation Applications as set out in the Operating Guidelines.

Where the Manager accepts a Creation Application from a Participating Dealer, it shall instruct the Trustee to effect (i) for the account of the Boser A50 ETF, the creation of Units in Application Unit size in exchange for a transfer of cash; and (ii) the issue of Units to the Participating Dealer, both in accordance with the Operating Guidelines and the Trust Deed.

Issue of Units

Units will be issued at the Issue Price prevailing on the relevant Dealing Day, provided that the Trustee may add to such Issue Price such sum (if any) as represents an appropriate provision for Duties and Charges. Please refer to the section on "Issue Price and Redemption Value of Units" for the calculation of the Issue Price.

No fractions of a Unit shall be created or issued by the Trustee.

The creation and issue of Units pursuant to a Creation Application shall be effected on the Dealing Day on which the Creation Application is received (or deemed received) and accepted in accordance with the Operating Guidelines but (i) for valuation purposes only, Units shall be deemed created and issued after the Valuation Point on the Dealing Day on which the relevant Creation Application was received or deemed received, and (ii) the register will be updated on Settlement Day or the Dealing Day or immediately following Settlement Day or, if the settlement period is extended, the relevant Settlement Date. If a Creation Application is received on a day which is not a Dealing Day or is received after the relevant Dealing Deadline on a Dealing Day, that Creation Application shall be treated as having been received at the opening of business on the next following Dealing Day, which shall be the relevant Dealing Day for the purposes of that Creation Application. An Extension Fee may be payable in relation to such an extension. See the section on "Fees and Expenses" for further details.

The Trustee shall be entitled to refuse to enter (or allow to be entered) Units in the register if at any time the Trustee is of the opinion that the provisions as set out in the Trust Deed, the relevant Operating Guidelines or the relevant Participation Agreement, in regard to the issue of Units, are being infringed.

Fees relating to Creation Applications

The Service Agent, the Registrar and/or the Trustee may charge a Transaction Fee in respect of Creation Applications and may on any day vary the rate of the Transaction Fee they charge (but not as between different Participating Dealers in respect of the Boser A50 ETF). The

Transaction Fee shall be paid by or on behalf of the Participating Dealer applying for such Units. See the section on “Fees and Expenses” for further details.

Any commission, remuneration or other sum payable by the Manager to any agent or other person in respect of the issue or sale of any Unit shall not be added to the Issue Price of such Unit and shall not be paid from the assets of the BoserA A50 ETF.

Cancellation of Creation Applications

A Creation Application once given cannot be revoked or withdrawn without the consent of the Manager.

The Trustee, after consultation with the Manager may cancel a creation order in respect of any Units deemed created pursuant to a Creation Application if it has not received the full amount of the cash (including Transaction Fee, Duties and Charges) relating to the Creation Application by the relevant time on the Dealing Day, provided that the Manager may at its discretion extend the settlement period and such extension to be on such terms and conditions (including as to the payment of any fees to the Manager or Extension Fee to the Trustee or their respective Connected Persons or otherwise) as the Manager may determine and in accordance with the provisions of the Operating Guidelines.

In addition to the preceding circumstances, the Manager may also cancel any creation order of any Units if it determines by such time as it specifies in the Operating Guidelines that it is unable to invest the cash proceeds of any Creation Application.

Upon the cancellation of any creation order of any Units deemed created pursuant to a Creation Application as provided for above or if a Participating Dealer otherwise withdraws a Creation Application (other than in certain circumstances contemplated in the Trust Deed such as where the Manager declares a suspension of creations of Units), any cash received by or on behalf of the Trustee in connection with a Creation Application shall be redelivered to the Participating Dealer (without interest) as soon as practicable and the relevant Units shall be deemed for all purposes never to have been created and the Participating Dealer shall have no right or claim against the Manager, the Trustee and/or the Service Agent in respect of such cancellation provided that:

- (a) the Trustee may charge the relevant Participating Dealer for the account of the Registrar an application cancellation fee (see the section on “Fees and Expenses” for further details);
- (b) the Manager may at its discretion require the Participating Dealer to pay to the Trustee, for the account of the BoserA A50 ETF, in respect of each Unit so cancelled Cancellation Compensation, being the amount (if any) by which the Issue Price of each such Unit exceeds the Redemption Value which would have applied in relation to each such Unit if the Participating Dealer had, on the date on which such Units are cancelled, made a Redemption Application, together with charges, expenses and losses incurred by the BoserA A50 ETF as a result of such cancellation;
- (c) the Transaction Fee in respect of such Creation Application shall remain due and payable (notwithstanding that the Creation Application shall be deemed to never have been made) and once paid shall be retained by and for the benefit of the Trustee, the Registrar and/or the Service Agent (see the section on “Fees and Expenses” for further details); and
- (d) no previous valuations of the Trust Fund shall be re-opened or invalidated as a result of the cancellation of such Units.

Redemption of Units through a Participating Dealer

Any application for the redemption of Units of the BoserA A50 ETF must only be made through a Participating Dealer in respect of an Application Unit size or whole multiples thereof. Investors cannot redeem Units directly from the BoserA A50 ETF. Only Participating Dealers may submit Redemption Applications to the Registrar (with a copy to the Manager and the Trustee).

A Participating Dealer may redeem Units on any Dealing Day for its own account or for the account of its clients in accordance with the Operating Guidelines, by submitting a Redemption Application to the Registrar (with a copy to the Manager and the Trustee).

In relation to cash redemption of Units as described above, the Manager reserves the right to require the Participating Dealer to pay an additional sum for the purpose of compensating or reimbursing the BoserA A50 ETF for the difference between:

- (a) the prices used when valuing the Securities of the BoserA A50 ETF for the purpose of such redemption of Units; and
- (b) the prices which would be used when selling the same Securities if they were sold by the BoserA A50 ETF in order to realize the amount of cash required to be paid out of the BoserA A50 ETF upon such redemption of Units,

if (b) above is less than (a) above. The Participating Dealer may pass on to the relevant investor such additional sum.

Each Participating Dealer has indicated to the Manager that it will generally accept and submit redemption request(s) received from you as its client(s), subject always to (i) mutual agreement between the relevant Participating Dealer and you as to its fees for handling such request(s); (ii) completion to its satisfaction of client acceptance procedures and requirements; (iii) no objection from the Manager to redeem Units for the relevant Participating Dealer on your behalf (please refer to the sub-section on "Redemption process" below for the examples of exceptional circumstances under which the Manager shall have the right to reject a Redemption Application); and (iv) mutual agreement between the relevant Participating Dealer and you as to the method of effecting such redemption request(s).

In addition, a Participating Dealer reserves the right to reject, acting in good faith, any redemption request received from a client under exceptional circumstances, including without limitation the following circumstances:

- (a) any period during which (i) the creation or issue of Units of the BoserA A50 ETF, (ii) the redemption of Units of the BoserA A50 ETF, and/or (iii) the determination of Net Asset Value of the BoserA A50 ETF is suspended;
- (b) where there is in existence any trading restriction or limitation such as the occurrence of a market disruption event, suspected market misconduct or the suspension of dealing in relation to any of the Securities in the Index;
- (c) where acceptance of the redemption request would render the Participating Dealer in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Participating Dealer and/or any of its Connected Persons;
or
- (d) circumstances outside the control of the Participating Dealer make it for all practicable purposes impossible to process the redemption request.

Requirements relating to redemption requests by potential investors

As of the date of this Prospectus, only cash redemption is available to the Participating Dealers in respect of the BoserA A50 ETF.

Notwithstanding the Dual Counter, any cash proceeds received by a Participating Dealer in a cash Redemption Application shall be paid only in RMB. Both RMB traded Units and HKD traded Units may be redeemed by way of a Redemption Application (through a Participating Dealer). Where a Participating Dealer wishes to redeem HKD traded Units the redemption process is the same as for RMB traded Units.

A Participating Dealer may impose fees and charges in handling any redemption request which would increase the cost of investment and/or reduce the redemption proceeds. You are advised to check with the Participating Dealer as to relevant fees and charges. Although the Manager has a duty to monitor the operations of the Bosera A50 ETF closely, neither the Manager nor the Trustee is empowered to compel a Participating Dealer to disclose its fees agreed with specific clients or other proprietary or confidential information to the Manager or the Trustee or to accept any such redemption requests received from clients. In addition, neither the Trustee nor the Manager can ensure effective arbitrage by a Participating Dealer.

A Participating Dealer may also impose timing deadlines for the submission by its clients of any redemption request and require any such clients to complete the relevant client acceptance procedures and requirements (including, where necessary, providing such documentation and certifications as required by the Participating Dealer) in order to ensure that an effective Redemption Application in respect of the Bosera A50 ETF can be submitted by it to the Registrar (with a copy to the Manager and the Trustee). You are advised to check with the Participating Dealer as to the relevant timing deadlines and the client acceptance procedures and requirements.

Redemption process

A Participating Dealer may from time to time submit Redemption Applications in respect of the Bosera A50 ETF to the Manager, following receipt of redemption requests from clients or where it wishes to redeem Units of the Bosera A50 ETF for its own account.

If a Redemption Application is received on a day which is not a Dealing Day or is received after the relevant Dealing Deadline on a Dealing Day, that Redemption Application shall be treated as having been received at the opening of business on the next following Dealing Day, which shall be the relevant Dealing Day for the purposes of that Redemption Application. The current Dealing Deadline is 10:45 a.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK, the Shanghai Stock Exchange or the Shenzhen Stock Exchange are reduced.

To be effective, a Redemption Application must:

- (a) be given by a Participating Dealer in accordance with the Trust Deed, the relevant Participation Agreement and the relevant Operating Guidelines;
- (b) specify the number of Units and the class of Units (where applicable) which is the subject of the Redemption Application; and
- (c) include the certifications required in the Participation Agreement (if any) and Operating Guidelines (if any) in respect of redemptions of Units, together with such certifications and opinions of counsel (if any) as each of the Trustee and the Manager may separately consider necessary to ensure compliance with applicable securities and other laws in relation to the redemption of Units which are the subject of the Redemption Application.

The Manager shall have the right to reject, acting in good faith, any Redemption Application under exceptional circumstances, including without limitation the following circumstances:

- (a) any period during which (i) the creation or issue of Units of the Bosera A50 ETF, (ii) the redemption of Units of the Bosera A50 ETF, and/or (iii) the determination of Net Asset Value of the A50 ETF is suspended;

- (b) where in the opinion of the Manager, acceptance of the Redemption Application would have an adverse effect on the BoserA A50 ETF;
- (c) where there is in existence any trading restriction or limitation such as the occurrence of a market disruption event, suspected market misconduct or the suspension of dealing in relation to any of the Securities in the Index;
- (d) where acceptance of the Redemption Application would render the Manager in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Manager and/or any of its Connected Persons;
- (e) circumstances outside the control of the Manager make it for all practicable purposes impossible to process the Redemption Application; or
- (f) during any period when the business operations of the Manager, the Trustee, the Custodian or the PRC Custodian are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riot, strikes or acts of God.

In the event of such rejection, the Manager shall notify the relevant Participating Dealer and the Trustee of its decision to reject such Redemption Application in accordance with the Operating Guidelines.

The Manager's right to reject a Redemption Application is separate and in addition to a Participating Dealer's right to reject, acting in good faith, any redemption request received from a client under exceptional circumstances. Notwithstanding a Participating Dealer has accepted redemption requests from clients and in that connection submitted an effective Redemption Application, the Manager may exercise its rights to reject such Redemption Application in the circumstances described herein.

Where the Manager accepts a Redemption Application from a Participating Dealer, it shall (i) effect the redemption and cancellation of the relevant Units; and (ii) require the Trustee to transfer to the Participating Dealer cash in accordance with the Operating Guidelines and the Trust Deed.

The Participating Dealer will then transfer the cash to the relevant client if the Redemption Application was submitted by the Participating Dealer for the account of its client.

Redemption of Units

Any accepted Redemption Application will be effected on the Settlement Day provided that a Redemption Application duly signed by a Participating Dealer (to the satisfaction of the Manager and the Trustee) has been received and provided further that the Trustee shall have received (unless otherwise provided in the Operating Guidelines) the original (and not a faxed copy) of the certificates (if any) representing the Units to be cancelled (or an indemnity in terms acceptable to the Trustee) and the full amount of any amount payable by the Participating Dealer including the Transaction Fee and any other Duties and Charges have been either deducted or otherwise paid in full.

For valuation purposes only, Units shall be deemed to have been redeemed and cancelled after the Valuation Point on the Dealing Day on which the Redemption Application was received or deemed received. The name of the Unitholder of such Units shall be removed from the Register in respect of those Units redeemed and cancelled on the relevant Settlement Day.

The Redemption Value of Units tendered for redemption shall be the Net Asset Value per Unit of the BoserA A50 ETF rounded to the nearest four decimal places (0.00005 or above being rounded up). The benefit of any rounding adjustments will be retained by the BoserA A50 ETF. For the purpose of valuation, the relevant Valuation Point shall be the Valuation Point for the Dealing Day on which the Redemption Application is treated as having been received.

The interval between the receipt of a properly documented Redemption Application and payment of redemption proceeds (which shall be paid in RMB only) may not exceed one calendar month provided that there is no delay in submitting all duly completed redemption documentation and the determination of the Net Asset Value or dealing in Units is not suspended.

The Manager may at its discretion extend the settlement period upon receipt of the extended settlement request in respect of the Redemption Application on such terms and conditions (including as to the payment of any fees to the Manager or Extension Fee to the Trustee or their respective Connected Persons or otherwise) as the Manager may in its discretion determine, in accordance with the Operating Guidelines.

Fees relating to Redemption Applications

The Service Agent, the Registrar and/or the Trustee may charge a Transaction Fee in respect of Redemption Applications and may on any day vary the rate of the Transaction Fee they charge (but not as between different Participating Dealers in respect of the BoserA A50 ETF). The Transaction Fee shall be paid by or on behalf of the Participating Dealer submitting the Redemption Application(s) (and may be set off and deducted against any amount due to the Participating Dealer in respect of such Redemption Application(s)) for the benefit of the Trustee, the Registrar and/or the Service Agent. See the section on "Fees and Expenses" for further details.

The Trustee may deduct from the redemption proceeds such sum (if any) as the Trustee may consider represents an appropriate provision for the Transaction Fee and/or other Duties and Charges.

Cancellation of Redemption Applications

A Redemption Application once given cannot be revoked or withdrawn without the consent of the Manager.

No cash amount shall be paid in respect of any Redemption Application unless Units, which are the subject of the Redemption Application, have been delivered to the Trustee free and clear of any Encumbrance for redemption by such time on the Settlement Day or other dealing set forth in the Trust Deed and/or Operational Guidelines as the Trustee and the Manager shall for the time being prescribe for Redemption Applications generally.

In the event that Units, which are the subject of a Redemption Application, are not delivered to the Trustee for redemption in accordance with the foregoing or are not free and clear of any Encumbrance:

- (a) the Trustee may charge the relevant Participating Dealer for the account of the Registrar an application cancellation fee (see the section on "Fees and Expenses" for further details);
- (b) the Manager may at its discretion require the Participating Dealer to pay to the Trustee, for the account of the BoserA A50 ETF, in respect of each Unit so cancelled Cancellation Compensation, being the amount (if any) by which the Redemption Value of each such Unit is less than the Issue Price which would have applied in relation to each such Unit if the Participating Dealer had, on the actual date when the Manager is able to repurchase any replacement Securities, made a Creation Application in accordance with the provisions of the Trust Deed plus such other amount as the Manager reasonably determines as representing any charges, expenses and losses incurred by the BoserA A50 ETF as a result of such cancellation;
- (c) the Transaction Fee in respect of such Redemption Application shall remain due and payable (notwithstanding that the Redemption Application shall be deemed to never have been made) and once paid, shall be retained by and for the benefit of the Trustee, the

Registrar and/or the Service Agent (see the section on “Fees and Expenses” for further details); and

- (d) no previous valuations of the Trust Fund shall be re-opened or invalidated as a result of an unsuccessful Redemption Application.

Deferred redemption

In the event that redemption requests are received for the redemption of Units representing in aggregate more than 10% (or such higher percentage as the Manager may determine in respect of the Bosera A50 ETF) of the total number of Units in the Bosera A50 ETF then in issue, the Manager may direct the Trustee to reduce the requests rateably and pro rata amongst all Unitholders seeking to redeem Units on the relevant Dealing Day and carry out only sufficient redemptions which, in aggregate, amount to 10% (or such higher percentage as the Manager may determine in respect of the Bosera A50 ETF) of the Units in the Bosera A50 ETF then in issue. Units which are not redeemed but which would otherwise have been redeemed will be redeemed on the next Dealing Day subject to further deferral if the deferred requests in respect of the Bosera A50 ETF themselves exceed 10% (or such higher percentage as the Manager may determine in respect of the Bosera A50 ETF) of the Units in the Bosera A50 ETF then in issue) in priority to any other Units in the Bosera A50 ETF for which redemption requests have been received. Units will be redeemed at the Redemption Value prevailing on the Dealing Day on which they are redeemed.

Suspension of creations and redemptions

The Manager may, at its discretion, after giving notice to the Trustee (and where practicable, after consultation with Participating Dealers) suspend the creation or issue of Units of the Bosera A50 ETF, suspend the redemption of Units of the Bosera A50 ETF and/or (subject to all applicable legal or regulatory requirements where payment of redemption monies exceeds one calendar month) delay the payment of any monies in respect of any Creation Application or Redemption Application in the following circumstances:

- (a) during any period when trading on the SEHK or any other Recognised Stock Exchange or Recognised Futures Exchange is restricted or suspended;
- (b) during any period when a market on which a Security (that is a component of the Index) has its primary listing, or the official clearing and settlement depository (if any) of such market, is closed;
- (c) during any period when dealing on a market on which a Security (that is a component of the Index) has its primary listing is restricted or suspended;
- (d) during any period when, in the opinion of the Manager, settlement or clearing of Securities in the official clearing and settlement depository (if any) of such market is disrupted;
- (e) during the existence of any state of affairs as a result of which delivery or purchase of Securities, as appropriate or disposal of investments for the time being comprised in the Bosera A50 ETF cannot, in the opinion of the Manager, be effected normally or without prejudicing the interests of Unitholders of the Bosera A50 ETF;
- (f) during any period when the Index is not compiled or published;
- (g) during any breakdown in any of the means normally employed in determining the Net Asset Value of the Bosera A50 ETF or when for any other reason the value of any Securities or other property for the time being comprised in the Bosera A50 ETF cannot, in the opinion of the Manager, reasonably, promptly and fairly be ascertained;
- (h) during any period when the determination of the Net Asset Value of the Bosera A50 ETF is suspended or if any circumstance specified in the section on “Suspension of determination

of Net Asset Value” below arises; or

- (i) during any period when the business operations of the Manager, the Trustee, the Custodian or the PRC Custodian are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riot, strikes or acts of God.

The Manager will, after giving notice to the Trustee, suspend the right to subscribe for Units of the BoserA A50 ETF if, or if as a result of the investment of the proceeds of issue of such Units in accordance with its investment objective, the Trust collectively holds or would hold in aggregate more than 10% of the ordinary shares issued by any single issuer or such other percentage permitted under Schedule 1. In addition, where the sub-funds under the Trust hold in aggregate more than the limit of 10% of the ordinary shares issued by any single issuer and the SFC has not agreed to waive this prohibition under the Code, the Manager will make it a priority objective to take all other necessary steps within a reasonable period to remedy such breach, taking into account the interests of the Unitholders.

The Manager shall notify the SFC and publish a notice of suspension following the suspension, and at least once a month during the suspension, on its website at www.bosera.com.hk/A50etf or in such other publications as it decides.

The Manager shall consider any Redemption Application or any Creation Application received during the period of suspension (that has not been otherwise withdrawn) as having been received immediately following the termination of the suspension. The period for settlement of any redemption will be extended by a period equal to the length of the period of suspension.

A Participating Dealer may, at any time after a suspension has been declared and before termination of such suspension, withdraw any Creation Application or Redemption Application by notice in writing to the Manager and the Manager shall promptly notify and request the Trustee to return to the Participating Dealer any cash received by it in respect of the Creation Application (without interest) as soon as practicable.

A suspension shall remain in force until the earlier of (a) the Manager declaring the suspension is at an end; and (b) the first Dealing Day on which (i) the condition giving rise to the suspension shall have ceased to exist; and (ii) no other condition under which suspension is authorised exists.

Evidence of unitholding

Units will be deposited, cleared and settled by the CCASS. Units are held in registered entry form only, which means that no Unit certificates are issued. HKSCC Nominees Limited is the registered owner (i.e. the sole holder of record) of all outstanding Units deposited with the CCASS and is holding such Units for the participants in accordance with the General Rules of CCASS. Furthermore, the Trustee and the Manager acknowledge that pursuant to the General Rules of CCASS neither HKSCC Nominees Limited nor HKSCC has any proprietary interest in the Units. Investors owning Units in CCASS are beneficial owners as shown on the records of the participating brokers or the relevant Participating Dealer(s) (as the case may be) who are CCASS participants.

Restrictions on Unitholders

The Manager has power to impose such restrictions as it may think necessary for the purpose of ensuring that no Units are acquired or held which would result in such holding being:

- (a) a breach of the law or requirements of any country or governmental authority or any stock exchange on which the Units are listed in circumstances which, in the Manager's opinion, might result in the Trust or the BoserA A50 ETF suffering any adverse effect which the Trust or the BoserA A50 ETF might not otherwise have suffered; or

- (b) in the circumstances which, in the Manager's opinion, may result in the Trust or the BoserA A50 ETF incurring any tax liability or suffering any other pecuniary disadvantage which the Trust or the BoserA A50 ETF might not otherwise have incurred or suffered.

Upon notice that any Units are so held, the Manager may require such Unitholders to redeem or transfer such Units in accordance with the provisions of the Trust Deed. A person who becomes aware that he is holding or owning Units in breach of any of the above restrictions is required either to redeem his Units in accordance with the Trust Deed or to transfer his Units to a person whose holding would be permissible under this Prospectus and the Trust Deed in a manner that would result in such Unitholder no longer being in breach of the restrictions above.

Transfer of Units

The Trust Deed provides that a Unitholder may transfer Units with the consent of the Manager. As all Units will be held in CCASS, the Manager's consent is deemed given where the Unitholder is transferring his interest in Units within CCASS. A Unitholder is entitled to transfer Units held by him by using the standard transfer form issued by SEHK or by an instrument in writing in such other form (and if the transferor or the transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution) as the Trustee may from time to time approve. The transferor will be deemed to remain the Unitholder of the Units transferred until the name of the transferee is entered in the register of Unitholders in respect of the Units being transferred. If and to the extent that all Units are deposited, cleared and settled in CCASS, HKSCC Nominees Limited will be the sole Unitholder, holding such Units for the persons admitted by HKSCC as a participant of CCASS and to whose account any Units are for the time being allocated in accordance with the General Rules of CCASS.

EXCHANGE LISTING AND TRADING (SECONDARY MARKET)

General

Units are neither listed nor dealt on any other stock exchange and no application for such listing or permission to deal is being sought as at the date of this Prospectus. Application may be made in the future for a listing of Units on one or more other stock exchanges.

Dealings on the SEHK in Units (in both counters) commenced on 9 December 2013.

Units traded in HKD and Units traded in RMB will each trade on the SEHK in board lots of 100 Units. Participating Dealers should note that they will not be able to sell or otherwise deal in the Units (in either the HKD or the RMB counter) on the SEHK until dealings begin on the SEHK.

The purpose of the listing of the Units on the SEHK is to enable investors to buy and sell Units on the secondary market, normally via a broker or dealer in smaller quantities than would be possible if they were to subscribe and/or redeem Units in the primary market.

The market price of a Unit listed or traded in either counter (HKD or RMB) on the SEHK may not reflect the Net Asset Value per Unit. Any transactions in the Units in either counter (HKD or RMB) on the SEHK will be subject to the customary brokerage commissions and/or transfer taxes associated with the trading and settlement through the SEHK. There can be no guarantee that once the Units in either counter (HKD or RMB) are listed on the SEHK they will remain listed.

The Manager will ensure that at least one Market Maker will maintain a market for Units traded in RMB and at least one Market Maker will maintain a market for Units traded in HKD (although the Market Maker for both counters may be the same entity). Broadly, the obligations of a Market Maker will include quoting bid and offer prices on the SEHK with the intention of providing liquidity. Given the nature of the Market Maker's role, the Manager will make available to a Market Maker, the portfolio composition information made available to a Participating Dealer.

Units in either counter (HKD or RMB) may be purchased from and sold through the Market Makers. However, there is no guarantee or assurance as to the price at which a market will be made. In maintaining a market for Units in either counter (HKD or RMB), the relevant Market Makers may make or lose money based on the differences between the prices at which they buy and sell Units, which is to a certain extent dependent on the difference between the purchase and sale prices of the underlying Securities comprised within the Index. Market Makers may retain any profits made by them for their own benefit and they are not liable to account to the Boser A50 ETF in respect of their profits.

If you wish to buy or sell Units in either counter (HKD or RMB) on the secondary market, you should contact your brokers.

If trading of the Units on the SEHK is suspended or trading generally on the SEHK is suspended, then there will be no secondary market dealing for the Units.

Renminbi Equity Trading Support Facility

The Renminbi Equity Trading Support Facility (the "TSF") was launched on 24 October 2011 by the Hong Kong Exchanges and Clearing Limited ("HKEx") to provide a facility to enable investors who wish to buy RMB-traded shares (RMB shares) in the secondary market with Hong Kong dollars if they do not have sufficient RMB or have difficulty in obtaining RMB from other channels. With effect from 6 August 2012, the coverage of TSF was extended and the Boser A50 ETF is eligible for the TSF. As such the TSF is currently available to investors who wish to invest in the Boser A50 ETF by purchasing Units trading in RMB on the SEHK. Investors should consult their financial advisers if they have any questions concerning the TSF. More information with regard to the TSF is available on HKEx's website http://www.hkex.com.hk/eng/market/sec_tradinfra/TSF/TSF.htm.

Dual Counter

The Manager has arranged for the Units to be available for trading on the secondary market on the SEHK under a Dual Counter arrangement. Units are denominated in RMB. Despite the Dual Counter arrangement the creation of new Units and redemption of Units in the primary market are settled in RMB only. The Bosera A50 ETF offers two trading counters on the SEHK (i.e. RMB counter and HKD counter) to investors for secondary trading purposes. Units traded in RMB counter will be settled in RMB and units traded in HKD counter will be settled in HKD. Apart from settlement in different currencies, the trading prices of Units in the two counters may be different as the RMB counter and HKD counter are two distinct and separate markets.

Units traded on both counters are of the same class and all unit holders of both counters are treated equally. The two counters will have different stock codes, different stock short names and different ISIN numbers as follows: RMB counter and traded Units have a SEHK stock code 82832 and a short name "BOSERA FA50-R" whilst the HKD counter and traded Units have a SEHK stock code 02832 and a short name "BOSERA FA50". The ISIN for RMB counter and traded Units is HK0000172673 and the ISIN for HKD counter and traded Units is HK0000172681.

Normally, investors can buy and sell Units traded in the same counter or alternatively buy in one counter and sell in the other counter provided their brokers provide both HKD and RMB trading services at the same time and offer inter-counter transfer services to support Dual Counter trading. Inter-counter buy and sell is permissible even if the trades take place within the same trading day. However, investors should note that the trading price of Units traded in the RMB counter and that of HKD counter may be different and may not always maintain a close relationship depending on factors such as market demand and supply and liquidity in each counter.

More information with regard to the Dual Counter is available in the frequently asked questions in respect of the Dual Counter published on HKEx's website <http://www.hkex.com.hk/eng/prod/secprod/etf/dc.htm>.

Investors should consult their brokers if they have any questions concerning fees, timing, procedures and the operation of the Dual Counter, including inter-counter transfers. Investors' attention is also drawn to the risk factor below entitled "Dual Counter risks"

DETERMINATION OF NET ASSET VALUE

Calculation of Net Asset Value

The Net Asset Value of the Boser A50 ETF will be determined by the Trustee in RMB as at each Valuation Point applicable to the Boser A50 ETF by valuing the assets of the Boser A50 ETF and deducting the liabilities of the Boser A50 ETF, in accordance with the terms of the Trust Deed.

Set out below is a summary of how various Securities held by the Boser A50 ETF are valued:

- (a) Securities that are quoted, listed, traded or dealt in on any Market shall unless the Manager (with the consent of the Trustee) determines that some other method is more appropriate, be valued by reference to the price appearing to the Manager to be the official closing price, or if unavailable, the last traded price on the Market as the Manager may consider in the circumstances to provide fair criterion, provided that (i) if a Security is quoted or listed on more than one Market, the Manager shall adopt the price quoted on the Market which in its opinion provides the principal market for such Security; (ii) if prices on that Market are not available at the relevant time, the value of the Securities shall be certified by such firm or institution making a market in such investment as may be appointed for such purpose by the Manager; (iii) interest accrued on any interest-bearing Securities shall be taken into account, unless such interest is included in the quoted or listed price; and (iv) the Manager and the Trustee shall be entitled to use and rely on electronic price feeds from such source or sources as they may from time to time determine, notwithstanding that the prices so used are not the official closing prices or last traded prices as the case may be;
- (b) the value of each interest in any unlisted mutual fund corporation or unit trust shall be the latest available net asset value per share or unit in such mutual fund corporation or unit trust or if not available or appropriate, the last available bid or offer price for such unit, share or other interest;
- (c) except as provided for in paragraph (b), the value of any investment which is not listed, quoted or ordinarily dealt in on a Market shall be the initial value thereof equal to the amount expended on behalf of the Boser A50 ETF in the acquisition of such investment (including, in each case the amount of stamp duties, commissions and other acquisition expenses) provided that the Manager may at the request of the Trustee cause a revaluation to be made by a professional person approved by the Trustee as qualified to value such investments (which may, if the Trustee agrees, be the Manager);
- (d) cash, deposits and similar investments shall be valued at their face value (together with accrued interest) unless, in the opinion of the Manager, any adjustment should be made to reflect the value thereof; and
- (e) notwithstanding the foregoing, the Manager may adjust the value of any investment if, having regard to relevant circumstances, the Manager considers that such adjustment is required to fairly reflect the value of the investment.

The Trustee will perform any currency conversion at rates as may be agreed between the Trustee and the Manager from time to time.

The above is a summary of the key provisions of the Trust Deed with regard to how the various assets of the Boser A50 ETF are valued.

Suspension of determination of Net Asset Value

The Manager may, after giving notice to the Trustee, declare a suspension of the determination of the Net Asset Value of the Boser A50 ETF for the whole or any part of any period during which:

- (a) there exists any state of affairs prohibiting the normal disposal and/or purchase of the investments of the Boser A50 ETF;

- (b) circumstances exist as a result of which, in the opinion of the Manager, it is not reasonably practicable to realise any Securities held or contracted for the account of the Bosera A50 ETF or it is not possible to do so without seriously prejudicing the interest of Unitholders of Units of the Bosera A50 ETF;
- (c) for any other reason the prices of investments of the Bosera A50 ETF cannot, in the opinion of the Manager, reasonably, promptly and fairly be ascertained;
- (d) there is a breakdown in any of the means normally employed in determining the Net Asset Value of the Bosera A50 ETF or the Net Asset Value per Unit of the relevant class or when for any other reason the value of any Securities or other property for the time being comprised in the Bosera A50 ETF cannot, in the opinion of the Manager, reasonably, promptly and fairly be ascertained;
- (e) the remittance or repatriation of funds which will or may be involved in the realisation of, or in the payment for, the Securities of the Bosera A50 ETF or the subscription or redemption of Units of the Bosera A50 ETF is delayed or cannot, in the opinion of the Manager, be carried out promptly or at normal rates of exchange; or
- (f) the business operations of the Manager, the Trustee, the Registrar, the Custodian or the PRC Custodian are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riot, strikes, or acts of God.

Any suspension shall take effect upon its declaration and thereafter there shall be no determination of the Net Asset Value of the Bosera A50 ETF and the Manager shall be under no obligation to rebalance the Bosera A50 ETF until the suspension is terminated on the earlier of (i) the Manager declaring the suspension is at an end; and (ii) the first Dealing Day on which (1) the condition giving rise to the suspension shall have ceased to exist; and (2) no other condition under which suspension is authorised exists.

The Manager shall notify the SFC and publish a notice of suspension following the suspension, and at least once a month during the suspension, on its website at www.bosera.com.hk/A50etf or in such other publications as the Manager decides.

No Units will be issued or redeemed during any period of suspension of the determination of the Net Asset Value.

Issue Price and Redemption Value of Units

The Issue Price of Units created and issued by a Creation Application, will be the prevailing Net Asset Value of the Bosera A50 ETF in RMB as at the relevant Valuation Point divided by the total number of Units in issue rounded to the nearest four decimal places (0.00005 or above being rounded up).

The Redemption Value on a Dealing Day shall be the prevailing Net Asset Value of the Bosera A50 ETF in RMB as at the relevant Valuation Point divided by the total number of Units in issue rounded to the nearest four decimal places (0.00005 or above being rounded up).

The benefit of any rounding adjustments will be retained by the Bosera A50 ETF.

The Issue Price and the Redemption Value (or the latest Net Asset Value of the Units) will be available on the Manager's website at www.bosera.com.hk/A50etf or published in such other publications as the Manager decides.

Neither the Issue Price nor the Redemption Value takes into account Duties and Charges, Transaction Fees or fees payable by a Participating Dealer.

FEES AND EXPENSES

There are different levels of fees and expenses applicable to investing in the Bosera A50 ETF as set out below, current as at this date of the Prospectus.

(a) Fees and expenses payable by Participating Dealers on creations and redemptions (as applicable) of Units	Amount
Transaction Fee and Service Agent's Fee	RMB12,000 ¹ per Application and HKD1,000 ¹ per book-entry deposit and withdrawal transaction
Registrar fee	RMB120 per Application See Note ²
Application cancellation fee	RMB8,500 ³ per Application
Extension Fee	RMB8,500 ⁴ per Application
Stamp duty	Nil
All other Duties and Charges incurred by the Trustee or the Manager in connection with the creation or redemption	As applicable
(b) Fees and expenses payable by investors	Amount
<i>(i) Fees payable by clients of the Participating Dealers in respect of creations and redemptions (as applicable) via the Participating Dealer</i>	
Fees and charges imposed by the Participating Dealer ⁵	Such amounts as determined by the relevant Participating Dealer
<i>(ii) Fees payable by all investors in respect of dealings in the Units on SEHK</i>	
Brokerage	Market rates
Transaction levy	0.003% ⁶

¹ RMB12,000 is payable to the Trustee and HKD1,000 is payable to the Service Agent.

² The Transaction Fee of RMB12,000 is payable by a Participating Dealer to the Trustee for the benefit of the Trustee and/or Registrar. The Service Agent's fee of HKD1,000 is payable by a Participating Dealer to the Service Agent. The Registrar will charge a fee for updating the Sub-Fund's records on each Creation Application and Redemption Application and the Service Agent will charge a fee for each book-entry deposit and withdrawal transaction. A Participating Dealer may pass on to the relevant investor such Transaction Fee.

³ An application cancellation fee is payable to the Trustee for the account of the Registrar in respect of either a withdrawn or failed Creation Application or Redemption Application.

⁴ An Extension Fee is payable to the Trustee on each occasion the Manager, upon a Participating Dealer's request, grants the Participating Dealer an extended settlement in respect of a Creation Application or Redemption Application.

⁵ The Participating Dealer may increase or waive the level of its fees in its discretion. Information regarding these fees and charges is available upon request to the relevant Participating Dealer.

⁶ Transaction levy of 0.003% of the trading price of the Units, payable by the buyer and the seller.

SEHK trading fee	0.005% ⁷
Stamp duty	Nil
Inter-counter transfer	HKD5 ⁸

(c) Fees and expenses payable by the Bosera A50 ETF (See further disclosure below)

No money should be paid to any intermediary in Hong Kong which is not licensed or registered to carry on Type 1 regulated activity under Part V of the SFO.

Fees and expenses payable by the Bosera A50 ETF

Manager's fee

The Manager is entitled to receive out of the assets of the Bosera A50 ETF a management fee of up to 2.00% per year of the Net Asset Value of the Bosera A50 ETF. The current management fee is 0.99% per year of the Net Asset Value of the Bosera A50 ETF and is accrued daily and calculated as at each Dealing Day and payable in RMB monthly in arrears. The management fee may be increased up to the maximum on giving one month's notice to the Unitholders.

The Manager may pay a distribution fee to any distributor or sub-distributors of the Trust out of the management fees it receives from the Trust. A distributor may re-allocate an amount of the distribution fee to the sub-distributors.

Trustee's and Registrar's fees

The Trustee is entitled to receive out of the assets of the Bosera A50 ETF a monthly trustee's fee, payable in arrears, accrue daily and calculated as at each Dealing Day of up to 1.00% per year of the Net Asset Value of the Bosera A50 ETF.

The current Trustee's fee is payable monthly in arrears, accrued daily and calculated as at each Dealing Day at the following percentages per year of the Net Asset Value of the Bosera A50 ETF: 0.16% of the Net Asset Value if the Net Asset Value equals or is less than RMB200 million, 0.14% of the next RMB1,000 million if the Net Asset Value exceeds RMB200 million up to and including RMB1,200 million, 0.12% of the next RMB1,000 million if the Net Asset Value exceeds RMB1,200 million up to and including RMB2,200 million, 0.10% of the next RMB1,000 million if the Net Asset Value exceeds RMB2,200 million up to and including RMB3,200 million and 0.08% for the remaining balance of the Net Asset Value if the Net Asset Value exceeds RMB3,200 million, subject to a minimum fixed fee of RMB40,000 per month.

In summary the Trustee's fees equal the following percentages per year of the Net Asset Value:

First RMB200 million	0.16%
Next RMB1,000 million	0.14%
Next RMB1,000 million	0.12%
Next RMB1,000 million	0.10%
Thereafter	0.08%

⁷ Trading fee of 0.005% of the trading price of the Units, payable by the buyer and the seller.

⁸ HKSCC will charge each CCASS participant a fee of HKD5 per instruction for effecting an inter-counter transfer from one counter to another counter. Investors should check with their brokers regarding any additional fees

Monthly minimum RMB40,000

The Trustee will bear the fees of the Custodian and the PRC Custodian. The Custodian's fees (and those of the PRC Custodian) are paid by the Trustee and are not borne by the Bosera A50 ETF.

The Trustee is also entitled to receive from each Participating Dealer an administrative transaction fee of RMB12,000 per Participating Dealer per Application for handling any cash creation and redemption of Units

The Registrar is entitled to receive from each Participating Dealer a registrar fee of RMB120 per Participating Dealer per Application for updating of the register record of the Bosera A50 ETF.

The Trustee and the Registrar shall be entitled to be reimbursed out of the assets of the Bosera A50 ETF all out-of-pocket expenses incurred.

Service Agent's fee

The Service Agent is entitled to receive a monthly reconciliation fee of HKD5,000 from the Manager. The Manager shall pass on to the Bosera A50 ETF such reconciliation fee.

For any period less than a month, the reconciliation fee is on a pro-rata basis and accrues on a daily basis. The Trustee, on behalf of the Bosera A50 ETF, will pay all other expenses chargeable by the Service Agent in connection with the Service Agent's role.

Total expense ratio

The total expense ratio ("TER") of the Bosera A50 ETF, which is the sum of anticipated charges to the Bosera A50 ETF expressed as a percentage of the Net Asset Value of the Bosera A50 ETF, is estimated to be 1.19% per annum. The TER does not represent the estimated tracking error and does not include extraordinary items (if any) borne by the Bosera A50 ETF.

Promotional expenses

The Bosera A50 ETF will not be responsible for any promotional expenses including those incurred by any marketing agents and any fees imposed by such marketing agents on their customers investing in the Bosera A50 ETF will not be paid (either in whole or in part) out of the Trust Fund.

Other expenses

The Bosera A50 ETF will bear all operating costs relating to the administration of the Bosera A50 ETF including but not limited to stamp and other duties, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges and other costs and expenses payable in respect of the acquisition, holding and realisation of any investment or any monies, deposit or loan, charges and expenses of its legal counsel, auditors and other professionals, index licensing fees, the costs in connection with maintaining a listing of the Units on the SEHK and maintaining the Trust's and the Bosera A50 ETF's authorisation under the SFO, costs incurred in the preparation, printing and updating of any offering documents and the costs incurred in the preparation of supplemental deeds, any disbursements or out-of-pocket expenses properly incurred on behalf of the Bosera A50 ETF by the Trustee, the Manager or the Registrar or any of its service providers, the expenses incurred in convening meetings of Unitholders, printing and distributing annual and half-yearly reports, accounts and other circulars relating to the Bosera A50 ETF and the expenses of publishing Unit prices.

Establishment costs

The cost of establishing the Trust and the Bosera A50 ETF including the preparation of this Prospectus, inception fees, the costs of seeking and obtaining the listing and authorisation by the SFC and all initial legal and printing costs are estimated to be RMB2 million and will be borne by

the Boser A50 ETF (unless otherwise determined by the Manager) and amortised over the first five (5) financial years of the Boser A50 ETF or such other period as determined by the Manager after consulting the Auditor.

Increase in fees

The current fees payable to the Manager and the Trustee as described above may be increased on one month's notice to Unitholders (or such shorter period as approved by the SFC), subject to the maximum rates set out in the Trust Deed.

RISK FACTORS

An investment in the Boser A50 ETF carries various risks. Each of these may affect the Net Asset Value, yield, total return and trading price of the Units. There can be no assurance that the investment objective of the Boser A50 ETF will be achieved. You should carefully evaluate the merits and risks of an investment in the Boser A50 ETF in the context of your overall financial circumstances, knowledge and experience as an investor. The risk factors set forth below are the risks which are believed by the Manager and its directors to be relevant and presently applicable to the Boser A50 ETF.

Risks associated with the RQFII regime

RQFII systems risk

The current RQFII Regulations include rules on investment restrictions applicable to the Boser A50 ETF. Transaction sizes for RQFIIs are relatively large (with the corresponding heightened risk of exposure to decreased market liquidity and significant price volatility leading to possible adverse effects on the timing and pricing of acquisition or disposal of securities).

Onshore PRC Securities are registered in the joint names of the Manager (as RQFII holder) and the Boser A50 ETF in accordance with the relevant rules and regulations, and maintained in electronic form via a securities account with the CSDCC. The account is required to bear the name of “Boser Asset Management (International) Co., Limited” as this is the name under which the RQFII is approved by the relevant regulator. The RQFII selects a PRC broker (the “PRC Broker”) to act on its behalf in each of the two onshore PRC Securities markets as well as the PRC Custodian to maintain its assets in custody in accordance with the terms of the PRC Custodian Agreement.

In the event of any default of either the relevant PRC Broker or the PRC Custodian in the execution or settlement of any transaction or in the transfer of any funds or securities in the PRC, the Boser A50 ETF may encounter delays in recovering its assets which may in turn adversely impact the net asset value of the Boser A50 ETF.

There can be no assurance that additional RQFII quota can be obtained to fully satisfy subscription requests. This may result in a need for the Manager to close the Boser A50 ETF to further subscriptions. In extreme circumstances, the Boser A50 ETF may incur significant loss due to limited investment capabilities, or may not be able fully to implement or pursue its investment objectives or strategies, due to RQFII investment restrictions, illiquidity of the PRC’s securities markets, and delay or disruption in execution of trades or in settlement of trades.

The regulations which regulate investments by RQFIIs in the PRC and the repatriation of capital from RQFII investments are relatively new. The application and interpretation of such investment regulations are therefore relatively untested and there is no certainty as to how they will be applied as the PRC authorities and regulators have been given wide discretion in such investment regulations and there is no precedent or certainty as to how such discretion may be exercised now or in the future.

PRC Custodian and PRC Broker risk

Onshore PRC assets will be maintained by the PRC Custodian in electronic form via a securities account with the CSDCC and a cash account with the PRC Custodian.

The RQFII also selects the PRC Broker to execute transactions for the Boser A50 ETF in the PRC markets. The Manager may only be capable of appointing one PRC Broker for each market (being the Shanghai Stock Exchange and the Shenzhen Stock Exchange) in the PRC. As such the Boser A50 ETF will rely on only one PRC Broker in each market (which may be the same broker). Should, for any reason, the Manager be unable to use the relevant PRC Broker, the operation of the Boser A50 ETF would be adversely affected and may cause Units to trade at a premium or discount to the Boser A50 ETF’s Net Asset Value or cause the Boser A50 ETF to be unable to track the Index. The Boser A50 ETF may also incur losses due to the acts or

omissions of either the PRC Broker(s) or the PRC Custodian in the execution or settlement of any transaction or in the transfer of any funds or securities. Subject to the applicable laws and regulations in the PRC, the Manager will make arrangements to ensure that the relevant PRC Broker and PRC Custodian have appropriate procedures to properly safe-keep the Bosera A50 ETF's assets.

According to the RQFII Regulations and market practice, the securities and cash accounts for the Bosera A50 ETF in the PRC are maintained in the joint names of the Manager as the RQFII and the Bosera A50 ETF. Although the Manager has obtained a legal opinion that the assets in such securities account would belong to the Bosera A50 ETF, such opinion cannot be relied on as being conclusive, as the RQFII Regulations are subject to the interpretation of the relevant authorities in the PRC.

Investors should note that cash deposited in the cash account of the Bosera A50 ETF with the PRC Custodian will not be segregated but will be a debt owing from the PRC Custodian to the Bosera A50 ETF as a depositor. Such cash will be co-mingled with cash belong to other clients of the PRC Custodian. In the event of bankruptcy or liquidation of the PRC Custodian, the Bosera A50 ETF will not have any proprietary rights to the cash deposited in such cash account, and Bosera A50 ETF will become an unsecured creditor, ranking *pari passu* with all other unsecured creditors, of the PRC Custodian. The Bosera A50 ETF may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Bosera A50 ETF will suffer losses.

Repatriation risk

Repatriations by RQFIIs in respect of a fund such as the Bosera A50 ETF conducted in RMB are permitted daily and are not subject to any lock-up periods or prior approval. There is no assurance, however, that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Any restrictions on repatriation of the invested capital and net profits may impact on the Bosera A50 ETF's ability to meet redemption requests from Unitholders.

RQFII quota risk

The Bosera A50 ETF will utilize the Manager's RQFII quota granted under the RQFII Regulation. This RQFII quota is limited and may be reached. In such event, unless the Manager is able to acquire additional RQFII quota, it may be necessary for the Manager to suspend creations of Units. In such event it is possible that the trading price of a Unit on the SEHK will be at a significant premium to the Net Asset Value of each Unit (which may also increase tracking error of the Bosera A50 ETF).

Risks associated with RMB currency

RMB is not freely convertible and subject to exchange controls and restrictions risk

It should be noted that the RMB is currently not a freely convertible currency as it is subject to foreign exchange control policies and repatriation restrictions imposed by the PRC government. Since 1994, the conversion of RMB into US dollar has been based on rates set by the PBOC, which are set daily based on the previous day's PRC interbank foreign exchange market rate. On 21 July 2005, the PRC government introduced a managed floating exchange rate system to allow the value of RMB to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. In addition, a market maker system was introduced to the interbank spot foreign exchange market. In July 2008, China announced that its exchange rate regime was further transformed into a managed floating mechanism based on market supply and demand. Given the domestic and overseas economic developments, the PBOC decided to further improve the RMB exchange rate regime in June 2010 to enhance the flexibility of the RMB exchange rate. In April 2012, the PBOC decided to take a further step to increase the flexibility of the onshore RMB exchange rate by expanding the daily trading band from +/- 0.5% to +/- 1%. However it should be noted that the PRC government's policies on exchange control and repatriation restrictions are subject to change, and any such change may adversely impact the

Bosera A50 ETF. There can be no assurance that the RMB exchange rate will not fluctuate widely against the US dollar or any other foreign currency in the future.

Foreign exchange transactions under the capital account, including principal payments in respect of foreign currency-denominated obligations, currently continue to be subject to significant foreign exchange controls and require the approval of the SAFE. On the other hand, the existing PRC foreign exchange regulations have significantly reduced government foreign exchange controls for transactions under the current account, including trade and service related foreign exchange transactions and payment of dividends. Nevertheless, the Manager cannot predict whether the PRC government will continue its existing foreign exchange policy or when the PRC government will allow free conversion of the RMB to foreign currency.

RMB trading and settlement of Units risk

The trading and settlement of RMB denominated securities are recent developments in Hong Kong and there is no assurance that there will not be problem with the systems or that other logistical problems will not arise. Although end-to-end simulation trading and clearing of listed RMB products testing sessions and payment pilot runs for participants of the SEHK were held by the SEHK in March, September and October 2011, some brokers may not have participated in such testing sessions and pilot runs and for those who have, not all of them may be able to successfully complete such testing sessions and pilot runs, there is no assurance of their readiness for dealing in RMB denominated securities. Investors should note that not all brokers may be ready and able to carry out trading and settlement of RMB traded Units and thus they may not be able to deal in the RMB traded Units through some brokers. Investors should check with their brokers in advance if they intend to engage Dual Counter trading or in inter-counter transfers and should fully understand the services which the relevant broker is able to provide (as well as any associated fees). Some exchange participants may not provide inter-counter transfer or Dual Counter trading services.

Non-RMB or late settlement redemption risk

Where, in extraordinary circumstances, the remittance or payment of RMB funds on the redemption of Units cannot, in the opinion of the Manager in consultation with the Trustee, be carried out normally due to legal or regulatory circumstances beyond the control of the Trustee and the Manager, redemption proceeds may be delayed or, if necessary in exceptional circumstances, be paid in US dollars or Hong Kong dollars instead of in RMB (at an exchange rate determined by the Manager after consultation with the Trustee). As such, there is a risk that investors may not be able to receive, through Participating Dealers, settlement upon a redemption of Units in RMB (and may receive US dollars or Hong Kong dollars) or may receive settlement in RMB on a delayed basis.

RQFII late settlement risk

The Bosera A50 ETF will be required to remit RMB from Hong Kong to the PRC to settle the purchase of A-Shares by the Bosera A50 ETF from time to time. In the event such remittance is disrupted, the Bosera A50 ETF will not be able to fully replicate the Index by investing in the relevant A-Shares and this may increase the tracking error of the Bosera A50 ETF.

Exchange rates movement between the RMB and other currencies risk

Investors in RMB traded Units whose assets and liabilities are predominantly in Hong Kong dollars or in currencies other than RMB should take into account the potential risk of loss arising from fluctuations in value between the such currencies and RMB. In addition, investors in HKD traded Units should note that distributions on HKD traded Units will only be paid in RMB. Accordingly, foreign exchange risk will also apply to investors in HKD traded Units. There is no guarantee that RMB will appreciate in value against Hong Kong dollar or any other currency, or that the strength of RMB may not weaken. In such case an investor may enjoy a gain in RMB terms but suffer a loss when converting funds from RMB back into Hong Kong dollars (or any other currency).

Future movements in RMB exchange rates risk

The exchange rate of RMB ceased to be pegged to US dollars on 21 July 2005, resulting in a more flexible RMB exchange rate system. China Foreign Exchange Trading System, authorised by the PBOC, promulgates the central parity rate of RMB against US dollars, Euro, Yen, pound sterling and Hong Kong dollar at 9:15 a.m. on each business day, which will be the daily central parity rate for transactions on the Inter-bank Spot Foreign Exchange Market and OTC transactions of banks. The exchange rate of RMB against the above-mentioned currencies fluctuates within a range above or below such central parity rate. As the exchange rates are based primarily on market forces, the exchange rates for RMB against other currencies, including US dollars and Hong Kong dollars, are susceptible to movements based on external factors. There can be no assurance that such exchange rates will not fluctuate widely against US dollars, Hong Kong dollars or any other foreign currency in the future. From 1994 to July 2005, the exchange rate for RMB against US dollar and the Hong Kong dollar was relatively stable. Since July 2005, the appreciation of RMB has begun to accelerate. Although the PRC government has constantly reiterated its intention to maintain the stability of RMB, it may introduce measures (such as a reduction in the rate of export tax refund) to address the concerns of the PRC's trading partners. Therefore, the possibility that the appreciation of RMB will be further accelerated cannot be excluded. On the other hand, there can be no assurance that RMB will not be subject to devaluation.

Offshore RMB ("CNH") market risk

The onshore RMB ("CNY") is the only official currency of the PRC and is used in all financial transactions between individuals, state and corporations in the PRC. Hong Kong is the first jurisdiction to allow accumulation of RMB deposits outside the PRC. Since June 2010, the offshore RMB ("CNH") is traded officially, regulated jointly by the Hong Kong Monetary Authority and the PBOC. While both CNY and CNH represent RMB, they are traded in different and separated markets. The two RMB markets operate independently where the flow between them is highly restricted. Though the CNH is a proxy's of the CNY, they do not necessarily have the same exchange rate and their movement may not be in the same direction. This is because these currencies act in separate jurisdictions, which leads to separate supply and demand conditions for each, and therefore separate but related currency markets.

However, the current size of RMB-denominated financial assets outside the PRC is limited. As at 30 September 2013, the total amount of RMB (CNH) deposits held by institutions authorised to engage in RMB banking business in Hong Kong amounted to approximately RMB730.0 billion. In addition, participating authorised institutions are also required by the Hong Kong Monetary Authority to maintain a total amount of RMB (in the form of cash and its settlement account balance with the Renminbi Clearing Bank) of no less than 25% of their RMB deposits, which further limits the availability of RMB that participating authorised institutions can utilise for conversion services for their customers. RMB business participating banks do not have direct RMB liquidity support from PBOC. The Renminbi Clearing Bank only has access to onshore liquidity support from PBOC (subject to annual and quarterly quotas imposed by PBOC) to square open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement and for Hong Kong resident individual customers of up to RMB20,000 per person per day. The Renminbi Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source RMB from the offshore market to square such open positions. Although it is expected that the offshore RMB market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Agreement will not be terminated or amended in the future which will have the effect of restricting availability of RMB offshore. The limited availability of RMB outside the PRC may affect the ability of investors to acquire Units or to sell Units of Boser A50 ETF affecting the liquidity and trading price of the Units on the SEHK. To the extent the Manager is required to source RMB in the offshore market, there is no assurance that it will be able to source such RMB on satisfactory terms, if at all.

RMB distributions risk

Investors should note that where a Unitholder holds Units traded under the HKD counter, the relevant Unitholder will only receive distributions in RMB and not HKD. In the event the relevant Unitholder has no RMB account, the Unitholder may have to bear the fees and charges associated with the conversion of such dividend from RMB into HKD or any other currency. Unitholders are advised to check with their brokers concerning arrangements for distributions.

Risks associated with the PRC

A-Share market trading hours difference risk

Differences in trading hours between foreign stock exchanges (e.g. Shanghai Stock Exchange or the Shenzhen Stock Exchange) and the SEHK may increase the level of premium/discount of the Unit price to its Net Asset Value because if a PRC stock exchange is closed while the SEHK is open, the Index level may not be available. The prices quoted by the SEHK market maker would therefore be adjusted to take into account any accrued market risk that arises from such unavailability of the Index level and as a result, the level of premium or discount of the Unit price of Boser A50 ETF to its Net Asset Value may be higher.

A-Share market suspension risk

A-Shares may only be bought from, or sold to, Boser A50 ETF from time to time where the relevant A-Shares may be sold or purchased on the Shanghai Stock Exchange or the Shenzhen Stock Exchange, as appropriate. Given that the A-Share market is considered volatile and unstable (with the risk of suspension of a particular stock or government intervention), the creation and redemption of Units may also be disrupted. A Participating Dealer is unlikely to redeem or create Units if it considers that A-Shares may not be available.

Economic, political and social risks

The economy of China, which has been in a state of transition from a planned economy to a more market oriented economy, differs from the economies of most developed countries in many respects, including the level of government involvement, its state of development, its growth rate, control of foreign exchange, and allocation of resources.

Although the majority of productive assets in China are still owned by the PRC government at various levels, in recent years, the PRC government has implemented economic reform measures emphasising utilisation of market forces in the development of the economy of China and a high level of management autonomy. The economy of China has experienced significant growth in the past twenty (20) years, but growth has been uneven both geographically and among various sectors of the economy. Economic growth has also been accompanied by periods of high inflation. The PRC government has implemented various measures from time to time to control inflation and restrain the rate of economic growth.

For more than twenty (20) years, the PRC government has carried out economic reforms to achieve decentralisation and utilisation of market forces to develop the economy of the PRC. These reforms have resulted in significant economic growth and social progress. There can, however, be no assurance that the PRC government will continue to pursue such economic policies or, if it does, that those policies will continue to be successful. Any such adjustment and modification of those economic policies may have an adverse impact on the securities market in the PRC as well as the underlying Securities of the Boser A50 ETF. Further, the PRC government may from time to time adopt corrective measures to control the growth of the PRC economy which may also have an adverse impact on the capital growth and performance of the Boser A50 ETF.

Political changes, social instability and adverse diplomatic developments in the PRC could result in the imposition of additional government restrictions including expropriation of assets, confiscatory taxes or nationalisation of some or all of the property held by the underlying issuers of the Securities in the Boser A50 ETF's portfolio.

PRC laws and regulations risk

The regulatory and legal framework for capital markets and joint stock companies in the PRC may not be as well developed as those of developed countries. PRC laws and regulations affecting securities markets are relatively new and evolving, and because of the limited volume of published cases and judicial interpretation and their non-binding nature, interpretation and enforcement of these regulations involve significant uncertainties. In addition, as the PRC legal system develops, no assurance can be given that changes in such laws and regulations, their interpretation or their enforcement will not have a material adverse effect on their business operations.

Restricted markets risk

The Boser A50 ETF may invest in Securities in respect of which the PRC imposes limitations or restrictions on foreign ownership or holdings. In such circumstances, the Boser A50 ETF may be required to make investments indirectly. Such legal and regulatory restrictions or limitations may have adverse effects on the liquidity and performance of the Boser A50 ETF holdings as compared to the performance of the Index. This may increase the risk of tracking error.

Accounting and reporting standards risk

Accounting, auditing and financial reporting standards and practices applicable to PRC companies may be different to those standards and practices applicable to countries that have more developed financial markets. For example, there are differences in the valuation methods of properties and assets and in the requirements for disclosure of information to investors.

Changes in PRC taxation risk

The PRC Government has implemented a number of tax reform policies in recent years. The current tax laws and regulations may be revised or amended in the future. Any revision or amendment in tax laws and regulations may affect the after-taxation profit of PRC companies and foreign investors in such companies. In particular, please refer to the risk factor on “Risk associated with PRC taxation” below.

PRC withholding taxation risk

In light of the uncertainty on the income tax treatment on capital gains arising from disposal of PRC Securities and in order to meet this potential tax liability for capital gains, the Manager reserves the right to provide for withholding tax (“WIT”) on such gains or income and withhold the tax for the account of the Boser A50 ETF. The Manager will at present make a provision of 10% for the account of the Boser A50 ETF in respect of any potential WIT on capital gains. The Manager will further assess and seek to ascertain the Hong Kong tax resident status of the Boser A50 ETF for exemption from WIT on capital gains arising from disposal of PRC Securities under the avoidance of double taxation arrangements between Mainland China and Hong Kong (the “China-HK Arrangements”) and will revisit if a lower or nil provision for the account of the Boser A50 ETF in respect of any potential WIT on capital gains should be required. The amount of actual provision will be disclosed in the accounts of the Boser A50 ETF. Investors should note that such provision may be excessive or inadequate to meet actual PRC tax liabilities on investments made by the Boser A50 ETF. As a result, investors may be advantaged or disadvantaged depending on the final rules of the relevant PRC tax authorities. In addition, the Manager intends to make relevant provision on dividend and interest from PRC Securities if the WIT is not withheld at source at the time when such income is received. It should also be noted that the actual applicable tax rates imposed by SAT may be different and may change from time to time. There is a possibility of the rules being changed and taxes being applied retrospectively. As such, any provision for taxation made by the Manager may be excessive or inadequate to meet final PRC tax liabilities. Consequently, Unitholders may be advantaged or disadvantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their Units. If the actual applicable tax rate levied by SAT is higher than that provided for by the Manager so that there is a shortfall in the tax provision amount, investors should note that the Net Asset Value of the Boser A50 ETF may suffer more than the tax provision amount as the Boser A50 ETF will ultimately

have to bear the additional tax liabilities. In this case, the then existing and new Unitholders will be disadvantaged. On the other hand, if the actual applicable tax rate levied by SAT is lower than that provided for by the Manager so that there is an excess in the tax provision amount, Unitholders who have redeemed their Units before SAT's ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the Manager's overprovision. In this case, the then existing and new Unitholders may benefit if the difference between the tax provision and the actual taxation liability under that lower tax rate can be returned to the account of the Bosera A50 ETF as assets thereof. Notwithstanding the above provisions, Unitholders who have already redeemed their Units in the Bosera A50 ETF before the return of any overprovision to the account of the Bosera A50 ETF will not be entitled or have any right to claim any part of such overprovision. Please refer to the sub-section on "PRC Taxation" for further information in this regard.

Risks associated with investment in the Bosera A50 ETF

New product risk

The Bosera A50 ETF is a physical RQFII, RMB denominated exchange traded fund investing directly in A-Shares. Although there have been RMB denominated RQFII mutual funds, a commodities exchange traded fund denominated in RMB and other RMB denominated exchange traded funds, the Bosera A50 ETF will be an equities exchange traded fund denominated in RMB relying on the RQFII regime. Whilst there have been synthetic exchange traded funds listed on the SEHK which track A-Share indices (including the Index), unlike the Bosera A50 ETF these exchange traded funds do not invest in or hold A-Shares on a direct and cross border basis. The relative novelty and relatively untested nature of RQFII makes the Bosera A50 ETF riskier than traditional exchange traded funds investing in markets other than the PRC.

Investment objective risk

There is no assurance that the investment objective of the Bosera A50 ETF will be achieved. Whilst it is the intention of the Manager to implement strategies which are designed to minimise tracking error, there can be no assurance that these strategies will be successful. It is possible that you as an investor may lose a substantial proportion or all of its investment in the Bosera A50 ETF where the Index value declines. As a result, each investor should carefully consider whether you can afford to bear the risks of investing in the Bosera A50 ETF.

Market risk

The Net Asset Value of the Bosera A50 ETF will change with changes in the market value of the Securities it holds. The price of Units and the income from them may go down as well as up. There can be no assurance that an investor will achieve profits or avoid losses, significant or otherwise. The capital return and income of the Bosera A50 ETF is based on the capital appreciation and income on the Securities it holds, less expenses incurred. The Bosera A50 ETF's return may fluctuate in response to changes in such capital appreciation or income. Furthermore, the Bosera A50 ETF may experience volatility and decline in a manner that broadly corresponds with the Index. Investors in the Bosera A50 ETF are exposed to the same risks that investors who invest directly in the underlying Securities would face. These risks include, for example, interest rate risks (risks of falling portfolio values in a rising interest rate market); income risks (risks of falling incomes from a portfolio in a falling interest rate market); and credit risk (risk of a default by the underlying issuer of a Security that forms part of the Index).

Asset class risk

Although the Manager is responsible for the continuous supervision of the investment portfolio of the Bosera A50 ETF, the returns from the types of Securities in which the Bosera A50 ETF invests may underperform or outperform returns from other Securities markets or from investment in other assets. Different types of securities tend to go through cycles of out-performance and underperformance when compared with other general Securities markets.

Passive investments risk

The Boser A50 ETF is not actively managed. Accordingly, the Boser A50 ETF may be affected by a decline in the market segments relating to the Index. The Manager will not take defensive positions in declining markets. Investors may lose a significant part of their respective investments if the Index falls. The Boser A50 ETF invests in the Securities included in or representative of the Index regardless of their investment merit, except to the extent of any representative sampling strategy. The Manager does not attempt to select stocks individually or to take defensive positions in declining markets. You should note that the lack of discretion on the part of the Manager to adapt to market changes due to the inherent investment nature of the Boser A50 ETF will mean that falls in the Index are expected to result in corresponding falls in the value of the Boser A50 ETF.

Possible business failure risk

In the current economic environment, global markets are experiencing very high level of volatility and an increased risk of corporate failures. The insolvency or other corporate failures of any one or more of the constituents of the Index may have an adverse effect on the Index's and therefore the Boser A50 ETF's performance. You may lose money by investing in the Boser A50 ETF.

Management risk

Because there can be no guarantee that the Boser A50 ETF will fully replicate the Index, it is subject to management risk. This is the risk that the Manager's strategy, the implementation of which is subject to a number of constraints, may not produce the intended results. In addition, the Manager has absolute discretion to exercise Unitholders' rights with respect to Securities comprising the Boser A50 ETF. There can be no guarantee that the exercise of such discretion will result in the investment objective of the Boser A50 ETF being achieved.

Securities risk

The investments of the Boser A50 ETF are subject to risks inherent in all Securities (including settlement and counterparty risks). The value of holdings may fall as well as rise. The global markets are currently experiencing very high levels of volatility and instability, resulting in higher levels of risk than is customary (including settlement and counterparty risks).

Equity risk

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. Such factors include the possibility of sudden or prolonged market declines and risks associated with individual companies. The fundamental risk associated with any equity portfolio is the risk that the value of the investments it holds might suddenly and substantially decrease in value.

Tracking error risk

Although the Manager will adopt a full replication strategy to reduce tracking error, the Manager may also use representative sampling in exceptional circumstances, such as where it may not be able to acquire certain Securities which are constituents of the Index due to restrictions or limited availability. As such there can be no assurance of exact or identical replication at any time of the performance of the Index. Because the Manager has no other strategies to minimise tracking error, the Net Asset Value of the Boser A50 ETF may not correlate exactly with the Index. Factors such as the fees and expenses of the Boser A50 ETF, imperfect correlation between the Boser A50 ETF's assets and the Securities constituting the Index, inability to rebalance the Boser A50 ETF's holdings of Securities in response to changes in the constituents of the Index, rounding of Security prices, and changes to the regulatory policies may affect the Manager's ability to achieve close correlation with the Index. These factors may cause the Boser A50

ETF's returns to deviate from the Index.

Concentration risk

The Boser A50 ETF is subject to concentration risk as a result of tracking the performance of a single geographical region (the PRC). It is likely to be more volatile than a broad-based fund, such as a global or regional equity fund, as it is more susceptible to fluctuations in value resulting from adverse conditions in the PRC.

Trading risk

While the creation/redemption feature of the Boser A50 ETF is designed to make it likely that Units will trade close to their Net Asset Value, disruptions to creations and redemptions (for example, as a result of imposition of capital controls by a foreign government) may result in trading prices that differ significantly from the Net Asset Value). The secondary market prices of Units will fluctuate in accordance with changes in the Net Asset Value and supply and demand on any exchange on which Units are listed. The Manager cannot predict whether Units will trade below, at, or above their Net Asset Value. Since, however, Units must be created and redeemed in Application Unit size (unlike shares of many closed-end funds, which frequently trade at appreciable discounts from, and sometimes at premiums to, their Net Asset Value) the Manager believes that ordinarily large discounts or premiums to the Net Asset Value of Units should not be sustained. If the Manager suspends creations and/or redemptions of Units, the Manager anticipates that there may be larger discounts or premiums as between the secondary market price of Units and the Net Asset Value.

Loss of capital risk

There is no guarantee that the Boser A50 ETF's investments will be successful. In addition, trading errors are an intrinsic factor in any complex investment process, and will occur, notwithstanding the execution of due care and special procedures designed to prevent such errors.

No trading market in the Units risk

Although the Units are listed on the SEHK and one or more Market Makers have been appointed, there may be no liquid trading market for the Units or that such Market Maker(s) may cease to fulfil that role. Further, there can be no assurance that Units will experience trading or pricing patterns similar to those of exchange traded funds which are issued by investment companies in other jurisdictions or those traded on the SEHK which are based upon indices other than the Index.

Indemnity risk

Under the Trust Deed, the Trustee and the Manager have the right to be indemnified against any liability for breach of trust or any liability which by virtue of any rule of law would otherwise attach to them in performing their respective duties except as a result of their own negligence, fraud, default, breach of duty or trust of which they may be liable in relation to their duties. Any reliance by the Trustee or the Manager on the right of indemnity would reduce the assets of the Boser A50 ETF and the value of the Units.

Dividends may not be paid risk

It is the Manager's intention that the Boser A50 ETF will pay distributions on Units but this will mainly also depend on dividends or distributions declared and paid in respect of the Securities of the Index. Such dividends or distributions received by the Boser A50 ETF may be applied towards meeting the costs and expenses of the Boser A50 ETF. Dividend or distribution payment rates in respect of such Securities will depend on factors beyond the control of the Manager or Trustee including, general economic conditions, and the financial position and dividend or distribution policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

Distributions out of capital risk

Although the Manager intends to distribute dividends to Unitholders from net income, pursuant to Clause 14.5 of the Trust Deed, the Manager may at its discretion pay dividends out of income or capital (or partly one and partly the other). In addition, pursuant to Clause 14.4 of the Trust Deed fees and expenses may be paid out of all or part of the deposited property (capital and income) of the BoserA A50 ETF. Payment of dividends out of capital or 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. Any distributions involving payment of dividends out of the BoserA A50 ETF's capital or effectively out of capital may result in an immediate reduction of the Net Asset Value per Unit of the relevant class. The Manager may amend its distribution policy subject to the SFC's prior approval and by giving not less than one (1) month's prior notice to Unitholders.

Possible early termination of the BoserA A50 ETF risk

The BoserA A50 ETF may be terminated early under certain circumstances, including but not limited to (i) the aggregate Net Asset Value of all the Units is less than RMB150 million or (ii) any law is passed or amended or regulatory directive or order is imposed which renders it illegal or in the opinion of the Manager, impracticable or inadvisable to continue the BoserA A50 ETF or (iii) within a reasonable time and using commercially reasonable endeavours, the Manager is unable to find a person acceptable to act as the new trustee after deciding to remove the Trustee in accordance with the Trust Deed or (iv) the Index is no longer available for benchmarking or if the Units are no longer listed on the SEHK or any other Recognised Stock Exchange or (v) at any time, the BoserA A50 ETF ceases to have any Participating Dealer. Upon the BoserA A50 ETF being terminated, the Trustee will distribute the net cash proceeds (if any) derived from the realisation of the investments comprised in the BoserA A50 ETF to the Unitholders in accordance with the Trust Deed. Any such amount distributed may be more or less than the capital invested by the Unitholder.

Risks associated with market trading

Dual Counter risks

The BoserA A50 ETF will have Dual Counter traded Units which are traded and settled in RMB under the RMB counter and traded and settled in HKD under the HKD counter. The relative novelty and relatively untested nature of the Dual Counter for exchange traded funds may make investment in the Units riskier than in single counter units or shares of an SEHK listed issuer for example where for some reason there is a settlement failure on an inter-counter transfer if the Units of one counter are delivered to CCASS at the last settlement on a trading day, leaving not enough time to transfer the Units to the other counter for settlement on the same day.

In addition, where there is a suspension of the inter-counter transfers of Units between the HKD counter and the RMB counter due to, for example, operational or systems interruption, Unitholders will only be able to trade their Units in the currency of the relevant counter. Accordingly it should be noted that the inter-counter transfers may not always be available.

There is a risk that the market price on the SEHK of Units traded in HKD may deviate significantly from the market price on the SEHK of Units traded in RMB due to market liquidity, supply and demand in each counter and the exchange rate between the RMB and the HKD (in both the onshore and the offshore markets). The trading price of HKD traded Units or RMB traded Units is determined by market forces and so will not be the same as the trading price of Units multiplied by the prevailing rate of foreign exchange. Accordingly when selling Units traded in HKD or buying Units traded in HKD, an investor may receive less or pay more than the equivalent amount in RMB if the trade of the relevant Units is in RMB and *vice versa*. There can be no assurance that the price of Units in each counter will be equivalent.

Investors without RMB accounts may buy and sell HKD traded Units only. Such investors will not be able to buy or sell RMB traded Units and should note that distributions are made in RMB only. As such investors may suffer a foreign exchange loss and incur foreign exchange

associated fees and charges to receive their dividend.

It is possible that some brokers and CCASS participants may not be familiar with and may not be able to (i) buy Units in one counter and to sell Units in the other, (ii) carry out inter-counter transfers of Units, or (iii) trade Units in both counters at the same time. In such a case another broker or CCASS participant may need to be used. Accordingly this may inhibit or delay an investor dealing in both HKD traded and RMB traded Units and may mean an investors may only be able to sell their Units in one currency. Investors are recommended to check the readiness of their brokers in respect of the Dual Counter trading and inter-counter transfer.

Absence of active market and liquidity risks

Although Units of the Boser A50 ETF are listed for trading on the SEHK, there can be no assurance that an active trading market for such Units will develop or be maintained. In addition, if the underlying Securities which comprise the Boser A50 ETF themselves have limited trading markets, or if the spreads are wide, this may adversely affect the price of the Units and the ability of an investor to dispose of its Units at the desired price. If an investor needs to sell Units at a time when no active market for them exists, the price it will receive for its Units — assuming it is able to sell them — is likely to be lower than the price received if an active market did exist.

Suspension of trading risk

Investors and potential investors will not be able to buy, nor will investors be able to sell, Units on the SEHK during any period in which trading of the Units is suspended. The SEHK may suspend the trading of Units whenever the SEHK determines that it is appropriate and in the interest of a fair and orderly market to protect investors. The subscription and redemption of Units may also be suspended if the trading of Units is suspended.

Trading differences risk

As the Shanghai Stock Exchange or the Shenzhen Stock Exchange may be open when Units in the Boser A50 ETF are not priced, the value of the Securities in the Boser A50 ETF's portfolio may change on days when investors will not be able to purchase or sell the Boser A50 ETF's Units. Furthermore, the market price of underlying Securities listed on the above stock exchanges which are established outside Hong Kong may not be available during part or all of the SEHK trading sessions due to trading hour differences which may result in the trading price of the Boser A50 ETF deviating away from the Net Asset Value. A-Shares are subject to trading bands which restrict increases and decreases in the trading price. Units listed on the SEHK are not. This difference may also increase the level of premium or discount of the Unit price to its Net Asset Value or the Boser A50 ETF may be unable to track the Index.

Effect of redemptions risk

If significant redemptions of Units are requested by the Participating Dealers, it may not be possible to liquidate the Boser A50 ETF's investments at the time such redemptions are requested or the Manager may be able to do so only at prices which the Manager believes does not reflect the true value of such investments, resulting in an adverse effect on the return to investors. Where significant redemptions of Units are requested by the Participating Dealers, the right of Participating Dealers to require redemptions in excess of 10% of the total number of Units in the Boser A50 ETF then in issue (or such higher percentage as the Manager may determine) may be deferred, or the period for the payment of redemption proceeds may be extended.

In addition, the Manager may also in certain circumstances suspend the determination of the Net Asset Value of the Boser A50 ETF for the whole or any part of any period. Please see the section on "Determination of Net Asset Value" for further details.

Units may trade at prices other than Net Asset Value risk

Units of the Boser A50 ETF trade on the SEHK at prices above or below the most recent Net

Asset Value. The Net Asset Value per Unit of the Boser A50 ETF is calculated at the end of each Dealing Day and fluctuates with changes in the market value of the Boser A50 ETF's holdings. The trading prices of the Boser A50 ETF's Units fluctuate continuously throughout the trading hours based on market supply and demand rather than Net Asset Value. The trading price of the Units may deviate significantly from Net Asset Value particularly during periods of market volatility. Any of these factors may lead to the Units of the Boser A50 ETF trading at a premium or discount to the Net Asset Value. On the basis that Units can be created and redeemed in Application Units at Net Asset Value, the Manager believes that large discounts or premiums to Net Asset Value are not likely to be sustained over the long-term. While the creation/redemption feature is designed to make it likely that the Units will normally trade at prices close to the Boser A50 ETF's next calculated Net Asset Value, trading prices are not expected to correlate exactly with the Boser A50 ETF's Net Asset Value due to reasons relating to timing as well as market supply and demand factors. In addition, disruptions to creations and redemptions or the existence of extreme market volatility may result in trading prices that differ significantly from Net Asset Value. In particular, if an investor purchases Units at a time when the market price is at a premium to Net Asset Value or sells when the market price is at a discount to Net Asset Value, then the investor may sustain losses.

Borrowing risks

The Trustee, at the request of the Manager, may borrow for the account of the Boser A50 ETF (up to 25% of the Net Asset Value of the Boser A50 ETF), for facilitating redemptions or to acquire investments for the account of the Boser A50 ETF. Borrowing involves an increased degree of financial risk and may increase the exposure of the Boser A50 ETF to factors such as rising interest rates, downturns in the economy or deterioration in the conditions of the assets underlying its investments. There can be no assurance that the Boser A50 ETF will be able to borrow on favourable terms, or that the Boser A50 ETF's indebtedness will be accessible or be able to be refinanced by the Boser A50 ETF at any time.

Government intervention and restrictions risk

Governments and regulators may intervene in the financial markets, such as by the imposition of trading restrictions, a ban on "naked" short selling or the suspension of short selling for certain stocks. This may affect the operation and market making activities of the Boser A50 ETF, and may have an unpredictable impact on the Boser A50 ETF. Furthermore, such market interventions may have a negative impact on the market sentiment which may in turn affect the performance of the Index and as a result the performance of the Boser A50 ETF.

Cost of trading Units risk

As investors will pay certain charges (e.g. trading fees and brokerage fees) to buy or sell Units on the SEHK, investors may pay more than the Net Asset Value per Unit when buying Units on the SEHK, and may receive less than the Net Asset Value per Unit when selling Units on the SEHK. In addition, investors on the secondary market will also incur the cost of the trading spread, being the difference between what investors are willing to pay for the Units (bid price) and the price at which they are willing to sell Units (ask price). Frequent trading may detract significantly from investment results and an investment in Units may not be advisable particularly for investors who anticipate making small investments regularly.

No right to control the Boser A50 ETF's operation risk

Investors will have no right to control the daily operations, including investment and redemption decisions, of the Boser A50 ETF.

Secondary market trading risk

Units may trade on the SEHK when the Boser A50 ETF does not accept orders to subscribe or redeem Units. On such days, Units may trade in the secondary market with more significant premiums or discounts than might be experienced on days when the Boser A50 ETF accepts subscription and redemption orders.

Reliance on the Manager and Investment Adviser risk

Unitholders must rely upon the Manager in formulating the investment strategies and the performance of the BoserA A50 ETF is largely dependent on the services and skills of its officers and employees as well as the utilisation of its RQFII quota. In the case of loss of service of the Manager or any of its key personnel, as well as any significant interruption of the Manager's business operations or in the extreme case of the insolvency of the Manager, the Trustee may not find successor managers with the requisite skills, qualifications and RQFII quota quickly (or at all) and the new appointment may not be on equivalent terms or of similar quality. In addition, it should be noted that whilst certain staff of the Manager and its parent company have exchange traded fund experience in the PRC, the BoserA A50 ETF is the first exchange traded fund to be managed by the Manager. As such the Manager will make use of and rely upon the Investment Adviser's expertise and systems to support the BoserA A50 ETF's investments in the A-Share market. Any disruption in the communication with or the provision of assistance (for any reason) by the Investment Adviser, the operation of the BoserA A50 ETF may be affected. Therefore, the occurrence of those events could cause a deterioration in the BoserA A50 ETF's performance and investors may lose money in those circumstances.

Reliance on Market Makers risk

Although it is an expectation that the Manager ensures that at least one Market Maker will maintain a market for the Units traded in each counter, it should be noted that liquidity in the market for the Units may be adversely affected if there is no Market Maker for the RMB traded Units or no Market Maker for the HKD traded Units. The Manager will seek to mitigate this risk by ensuring at least one Market Maker for the Units traded in each counter gives not less than 3 months' notice prior to terminating of relevant market making arrangements under the relevant market making agreement(s). There may be less interest by potential Market Makers in making a market in Units denominated or traded in RMB. Further, any disruption to the availability of RMB may adversely affect the capability of Market Makers in providing liquidity for RMB traded Units. It is possible that there is only one SEHK Market Maker to a counter or to the BoserA A50 ETF or the Manager may not be able to engage a substitute Market Maker within the termination notice period of a Market Maker, and there is also no guarantee that any market making activity will be effective.

Reliance on Participating Dealers risk

The creation and redemption of Units may only be effected through Participating Dealers. A Participating Dealer may charge a fee for providing this service. Participating Dealers will not be able to create or redeem Units during any period when, amongst other things, dealings on the SEHK are restricted or suspended, settlement or clearing of Securities through the CCASS is disrupted or the Index is not compiled or published. In addition, Participating Dealers will not be able to issue or redeem Units if some other event occurs that impedes the calculation of the Net Asset Value of the BoserA A50 ETF or disposal of the BoserA A50 ETF's Securities cannot be effected. Since the number of Participating Dealers at any given time will be limited, and there may even be only one Participating Dealer at any given time, there is a risk that investors may not always be able to create or redeem Units freely.

Risks associated with the Index

Fluctuations risk

The performance of the Units should, before fees and expenses, correspond closely with the performance of the Index. If the Index experiences volatility or declines, the price of the Units will vary or decline accordingly.

Licence to use Index may be terminated risk

The Manager is granted a licence by the Index Provider to use the Index to create the BoserA A50 ETF based on the Index and to use certain trade marks and any copyright in the Index. The BoserA A50 ETF may not be able to fulfil its objective and may be terminated if the licence

agreement is terminated. The initial term of the licence agreement is one (1) year and is thereafter renewable annually. Although the licence agreement was renewed for one year after the initial one (1) year term has expired, there can be no guarantee that the licence agreement will be perpetually renewed. For further information on the grounds for terminating the licence agreement, please refer to the section on “Index licence agreement”. The BoserA A50 ETF may also be terminated if the Index ceases to be compiled or published and there is no replacement Index using the same or substantially similar formula for the method of calculation as used in calculating the Index.

Compilation of Index risk

The Securities of the Index are determined and composed by the Index Provider without regard to the performance of the BoserA A50 ETF. The BoserA A50 ETF is not sponsored, endorsed, sold or promoted by the Index Provider. The Index Provider makes no representation or warranty, express or implied, to investors in the BoserA A50 ETF or other persons regarding the advisability of investing in Securities generally or in the BoserA A50 ETF particularly. The Index Provider has no obligation to take the needs of the Manager or investors in the BoserA A50 ETF into consideration in determining, composing or calculating the Index. There is no assurance that the Index Provider will compile the Index accurately, or that the Index will be determined, composed or calculated accurately. In addition, the process and the basis of computing and compiling the Index and any of its related formulae, constituent companies and factors may at any time be changed or altered by the Index Provider without notice. Consequently there can be no guarantee that the actions of the Index Provider will not prejudice the interests of the BoserA A50 ETF, the Manager or investors.

Composition of the Index may change risk

The Securities constituting the Index will change as the Securities of the Index are delisted, or as the Securities mature or are redeemed or as new Securities are included in the Index. When this happens the weightings or composition of the Securities owned by the BoserA A50 ETF will change as considered appropriate by the Manager to achieve the investment objective. Thus, an investment in Units will generally reflect the Index as its constituents change and not necessarily the way it is comprised at the time of an investment in Units. However, there can be no guarantee that the BoserA A50 ETF will, at any given time accurately reflect the composition of the Index (refer to the section on “Tracking error risk”).

Risks associated with regulation

Withdrawal of SFC authorisation risk

The Trust and the BoserA A50 ETF have been authorised as a collective investment scheme under the Code by the SFC under Section 104 of the SFO. SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. This 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 SFC reserves the right to withdraw the authorisation of the Trust or the BoserA A50 ETF or impose such conditions as it considers appropriate. If the Manager does not wish the Trust or the BoserA A50 ETF to continue to be authorised by the SFC, the Manager will give Unitholders at least three months’ notice of the intention to seek SFC’s withdrawal of such authorisation. In addition, any authorisation granted by the SFC may be subject to certain conditions which may be withdrawn or varied by the SFC. If, as a result of such withdrawal or variation of conditions, it becomes illegal, impractical or inadvisable to continue the Trust or the BoserA A50 ETF, the Trust or the BoserA A50 ETF (as applicable) will be terminated.

General legal and regulatory risk

The BoserA A50 ETF must comply with regulatory constraints or changes in the laws affecting it or its investment restrictions which might require a change in the investment policy and objectives followed by the BoserA A50 ETF. Furthermore, such change in the laws may have an impact on the market sentiment which may in turn affect the performance of the Index and as a result, the

performance of the Boser A50 ETF. It is impossible to predict whether such an impact caused by any change of law will be positive or negative for the Boser A50 ETF. In the worst case scenario, a Unitholder may lose a material part of its investments in the Boser A50 ETF.

Units may be delisted from the SEHK risk

The SEHK imposes certain requirements for the continued listing of securities, including the Units, on the SEHK. Investors cannot be assured that the Boser A50 ETF will continue to meet the requirements necessary to maintain the listing of Units on the SEHK or that the SEHK will not change the listing requirements. If the Units of the Boser A50 ETF are delisted from the SEHK, Unitholders will have the option to redeem their Units by reference to the Net Asset Value of the Boser A50 ETF. Where the Boser A50 ETF remains authorised by the SFC, such procedures required by the Code will be observed by the Manager including as to notices to Unitholders, withdrawal of authorisation and termination, as may be applicable. Should the SFC withdraw authorisation of the Boser A50 ETF for any reason it is likely that Units may also have to be delisted.

Taxation risk

Investing in the Boser A50 ETF may have tax implications for a Unitholder depending on the particular circumstances of each Unitholder. Prospective investors are strongly urged to consult their own tax advisers and counsel with respect to the possible tax consequences to them of an investment in the Units. Such tax consequences may differ in respect of different investors.

Valuation and accounting risk

The Manager intends to adopt IFRS in drawing up the annual accounts of the Boser A50 ETF. However, the calculation of the Net Asset Value in the manner described under the section on "Determination of Net Asset Value" will not necessarily be in compliance with generally accepted accounting principles, that is, IFRS. Under IFRS (i) investments should be valued at fair value (bid and after pricings are considered to be representative of fair value for listed investments) rather than the last traded price, and (ii) establishment costs should be expensed as incurred rather than amortised over a period of time. Accordingly, the Net Asset Value as described in this Prospectus will not necessarily be the same as the net asset value to be reported in the annual accounts as the Manager will make necessary adjustments in the annual accounts to comply with IFRS (although the Manager does not consider the differences between IFRS and the calculation of Net Asset Value are material). Any such adjustments will be disclosed in the annual accounts, including a reconciliation.

Contagion across sub-funds risk

The Trust Deed allows the Trustee and the Manager to issue Units in separate sub-funds. The Trust Deed provides for the manner in which the liabilities are to be attributed across the various sub-funds under the Trust, including the Boser A50 ETF (liabilities are to be attributed to the specific sub-fund in respect of which the liability was incurred). A person to whom such a liability is owed has no direct recourse against the assets of the relevant sub-fund (in the absence of the Trustee granting that person a security interest). However, the Trustee will have a right of reimbursement and indemnity out of the assets of the Trust as a whole or any part thereof, against any action, costs, claims, damages, expenses or demands relating to the Trust as a whole, which may result in Unitholders of one sub-fund being compelled to bear the liabilities incurred in respect of other sub-funds in which such Unitholders do not themselves own units, if there are insufficient assets in that other sub-fund to satisfy the amount due to the Trustee. Accordingly, there is a risk that liabilities of one sub-fund may not be limited to that particular sub-fund and may be required to be paid out of one or more other sub-funds.

Non-recognition of sub-fund segregation risk

The assets and liabilities of each sub-fund (including the Boser A50 ETF) under the Trust will be tracked, for book keeping purposes, separately from the assets and liabilities of any other sub-funds, and the Trust Deed provides that the assets of each sub-fund should be segregated

from each other. There is no guarantee that the courts of any jurisdiction outside Hong Kong will respect the limitations on liability and that the assets of any particular sub-fund will not be used to satisfy the liabilities of any other sub-fund.

MANAGEMENT OF THE TRUST

The Manager

The Manager of the Trust and the BoserA A50 ETF is BoserA Asset Management (International) Co., Limited.

The Manager is a wholly owned subsidiary of BoserA Asset Management Co., Limited (“BoserA”). The Manager was established on 4 March 2010 in Hong Kong as a part of BoserA’s focused approach of developing its investment management capabilities in the Greater China markets.

The Manager is licensed by the SFC for type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO with CE number AVR135.

Under the Trust Deed, the Manager is responsible for the management of the assets of the Trust and the BoserA A50 ETF, including the continuous supervision of the BoserA A50 ETF’s portfolio. The Manager is also responsible, in conjunction with the Trustee, for the maintenance of the accounts and records of the Trust and the BoserA A50 ETF as well as certain other administrative matters relating to the Trust and the BoserA A50 ETF. In particular the Manager will be primarily responsible for portfolio composition file generation, cash and RQFII quota management, trade execution in the PRC and instructing cross border money transfers.

The directors of the Manager are as follows:

YANG Kun

Ms Yang is a director of the Manager. Since 1983, Ms Yang worked in Bank of China, Bank of China (Hong Kong), China Merchants Bank, Shenzhen Zhongda Investment Management Co., Limited, Changsheng Fund Management Co., Limited and Citic Funds Management Co., Limited. She was also an independent director of China Merchants Bank and a director and the president of China Merchants Securities Co., Limited. She is currently a director of China Merchants Securities Co., Limited. Since July 2008, she has been the chairman of the board of BoserA.

Ms Yang graduated from Renmin University of China with a bachelor degree in International Finance, and China Europe International Business School with a Master of Business Administration degree.

ZHANG Qiang

Mr Zhang is currently a director and deputy chief executive officer of the Manager. He was previously deputy director and portfolio manager of BoserA’s fixed-income department. Before joining BoserA, Mr Zhang worked in Deutsche Asset Management, Citi Alternative Investment, Pacific Investment Management Company LLC (PIMCO). Mr Zhang received his Master degree from University of California at Berkeley in the United States and a bachelor’s degree from Nankai University in China.

LO Kai-Yiu, Anthony

Mr Lo has over thirty (30) years’ experience in asset management, holding senior executive positions with Shanghai Century Capital Limited, Shanghai Century Acquisition Corporation, ABN AMRO Asia Limited, Suez Asia Capital Management Limited, Schroders Asia Limited and others. Mr Lo is a member of the Hong Kong Institute of Certified Public Accountants. He attended the Advanced Management Program of Harvard Business School in the United States.

WANG Deying

Mr Wang is a director of the Manager. He joined BoserA in 2000 and has been its vice president since 2007. From 2000 to 2007, he held several positions in BoserA, he was previously the deputy

manager of the administrative department and the computer department, as well as the general manager of the IT department. He received his bachelor's degree and master degree of Computer Science from the Tsinghua University, China.

WU Yaodong

Mr Wu is a director of the Manager. He has held several senior positions in China Merchants Securities Co. Ltd. ("CMS"). Since 2002, he has worked as an analyst of International Business Department, Deputy General Manager of China Merchants Securities (HK) Co., Limited and Director of International Business Department, General Manager of Executive Office, Managing Director and Assistant General Manager at CMS. From 1990 to 1996, Mr Wu worked for Wuhan Iron and Steel Group - Echeng Iron and Steel Co., Ltd. as the youth league committee member and the Deputy General Manager of the company's subsidiary. Mr Wu received a bachelor degree in Economics at the Sun Yat-sen University, China in 1990. He studied Economics at Economics School of Wuhan University, China from 1996 to 2002 and obtained a master degree and Ph.D. Mr Wu also holds an EMBA degree at Guanghua School of Management in Peking University, China.

The Investment Adviser

Bosera will act as Investment Adviser to the Manager in respect of the Bosera A50 ETF. Established on 13 July 1998, Bosera was one of the first five (5) fund management companies established in the PRC. In November 2002, Bosera became one of the first investment managers sanctioned to manage the National Social Security Fund ("NSSF") portfolios after strict evaluation by the National Council for Social Security Fund's Experts Evaluation Committee. In August 2005, Bosera was among the first batch of investment managers licensed to manage enterprise annuity plans. In February and March 2008, it successively obtained the licenses for managing segregated accounts and overseas investments.

Bosera is an independent asset management institution licensed and regulated by the CSRC. Total client assets under management, as of the end of 2012, exceeded USD36.15 billion, including USD13.28 billion in pension assets. Its product portfolio consists of a comprehensive line of products in the categories of equity, equity-biased, balanced, bonds, money market and indexed products. Currently, it is managing thirty-seven (37) mutual funds, more than one hundred and sixty (160) pension, fourteen (14) commingled funds and segregated accounts. Bosera is one of the largest external managers for the NSSF and also one of the largest investment managers for enterprise annuity plans in the PRC.

Bosera has managed three (3) physical A-Share ETFs in the PRC. Bosera has a designated ETF team of over twenty-five (25) staff which includes investment professionals, risk management and back office staff who support the operation and the investment management of these ETFs.

The Manager will leverage the Investment Adviser's expertise and IT platform to support the Bosera A50 ETF's investments in the PRC A-Share market. In order to successfully launch the Bosera A50 ETF, the Investment Adviser's group has helped the Manager to establish a comprehensive IT platform that uses advanced automated systems to ensure that the Bosera A50 ETF operates in an efficient and stable manner.

The Manager retains discretionary powers in the management of the Bosera A50 ETF which will not be delegated to the Investment Adviser. The Investment Adviser will only provide investment advice to the Manager as well as trade execution and operations support as outlined above. The remuneration of the Investment Adviser will be borne by the Manager.

The Trustee and Registrar

The Trustee of the Trust is HSBC Institutional Trust Services (Asia) Limited. The Trustee also acts as the Registrar of the Bosera A50 ETF, and provides services in respect of the establishment and maintenance of the register of the Unitholders of the Bosera A50 ETF.

The Trustee was incorporated with limited liability in Hong Kong in 1974 and is registered as a trust company under the Trustee Ordinance (Chapter 29 of the Laws of Hong Kong) and approved by the Mandatory Provident Funds Scheme Authority as trustee of registered MPF Schemes under the Mandatory Provident Fund Schemes Ordinance. HSBC Institutional Trust Services (Asia) Limited is an indirectly wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales.

Under the Trust Deed, the Trustee is responsible for the safe-keeping of the assets of the Trust and the Boser A50 ETF(s), subject to the provisions of the Trust Deed.

The Trustee may from time to time appoint such person or persons as it thinks fit (including, without limitation, any of its Connected Persons) to hold as custodian, nominee or agent, all or any of the investments, assets or other property comprised in the Trust Fund or any of the sub-funds and may empower any such custodian, nominee or agent to appoint, with the prior consent in writing of the Trustee, co-custodians and/or sub-custodians (each such custodian, nominee, agent, co-custodian and sub-custodian a "Correspondent"). The Trustee is required to (a) exercise reasonable care and diligence in the selection, appointment and monitoring of Correspondents and (b) be satisfied that Correspondents retained remain suitably qualified and competent to provide the relevant custodial services to the Boser A50 ETF. The Trustee shall be responsible for the acts and omissions of any Correspondent which is a Connected Person of the Trustee as if the same were the acts or omissions of the Trustee, but provided that the Trustee has discharged its obligations set out in (a) and (b) as set out in this paragraph, the Trustee shall not be liable for any act, omission, insolvency, liquidation or bankruptcy of any Correspondent which is not a Connected Person of the Trustee. For the purpose of the foregoing "Correspondent" shall include the Custodian and the PRC Custodian. The Custodian is The Hongkong and Shanghai Banking Corporation Limited and the PRC Custodian is HSBC Bank (China) Company Limited (please see below).

The Trustee shall not be liable for: (i) any act, omission, insolvency, liquidation or bankruptcy of Euro-clear Clearing System Limited or Clearstream Banking S.A. or any other recognised depository or clearing system which may from time to time be approved by the Trustee and the Manager; or (ii) the custody or control of any investments, assets or other property which is under the custody or held by or on behalf of a lender in respect of any borrowing made by the Trustee for the purposes of the Trust or the Boser A50 ETF.

Subject as provided in the Trust Deed, the Trustee shall not be liable for losses caused by the performance of investments made by the Trust and/or the Boser A50 ETF.

Subject as provided in the Trust Deed, the Trustee is entitled to be indemnified from the assets of the Trust and/or the Boser A50 ETF from and against any and all actions, proceedings, liabilities, costs, claims, damages, expenses, including all reasonable legal, professional and other similar expenses (other than those imposed under Hong Kong law or resulting from breaches of trust through fraud or negligence on the part of the Trustee or any of its officers, employees, agents or delegates for which the Trustee would be liable under the Trust Deed), which may be incurred by or asserted against the Trustee in performing its obligations or duties in connection with the Trust or the Boser A50 ETF. Subject to applicable law and the provisions of the Trust Deed, the Trustee shall not, in the absence of breach of trust through fraud or negligence by it or any agent, sub-custodian or delegate appointed by the Trustee, be liable for any losses, costs or damage to the Trust, the Boser A50 ETF or any Unitholder. Please also refer to "Indemnities of the Trust and the Manager".

The Trustee in no way acts as guarantor or offeror of the Units or any underlying investment. The Trustee has no responsibility or authority to make investment decisions, or render investment advice with respect to the Trust or the Boser A50 ETF, which is the sole responsibility of the Manager.

The Trustee will not participate in transactions and activities, or make any payments denominated in US dollars, which, if carried out by a US person, would be subject to sanctions by The Office of Foreign Assets Control of the US Department of the Treasury. The OFAC administers and

enforces economic sanction programs primarily against countries and groups of individuals, such as terrorists and narcotics traffickers by using the blocking of assets and trade restrictions to accomplish foreign policy and national security goals. In enforcing economic sanctions, OFAC acts to prevent "prohibited transactions," which are described by OFAC as trade or financial transactions and other dealings in which US persons may not engage unless authorised by OFAC or expressly exempted by statute. OFAC has the authority to grant exemptions to prohibitions on such transactions, either by issuing a general licence for certain categories of transactions, or by specific licences issued on a case-by-case basis. HSBC group of companies has adopted a policy of compliance with the sanctions issued by OFAC. As part of its policy, the Trustee may request for additional information if deemed necessary.

The appointment of the Trustee may be terminated in the circumstances set out in the Trust Deed.

The Trustee is entitled to the fees set under the section on "Fees and expenses payable by the Boser A50 ETF" and to be reimbursed for all costs and expenses in accordance with the provisions of the Trust Deed.

The Manager has sole responsibility for making investment decisions in relation to the Trust and/or the Boser A50 ETF and the Trustee (including its delegate) is not responsible and has no liability for any investment decision made by the Manager. Except as provided in the Trust Deed or expressly stated in this Prospectus and/or required by the Code, neither the Trustee nor any of its employees, service providers or agents are or will be involved in the business affairs, organisation, sponsorship or investment management of the Trust or the Boser A50 ETF, and they are not responsible for the preparation or issue of this Prospectus other than the description under the section on "The Trustee and Registrar".

Where a Boser A50 ETF invests directly into the PRC's securities markets pursuant to the RQFII regime, the Trustee has put in place proper arrangements to ensure that:

- (a) the Trustee takes into its custody or under its control the assets of the Boser A50 ETF, including onshore PRC assets which will be maintained by the PRC Custodian in electronic form via a securities account with the CSDCC and any assets deposited in a cash account with the PRC Custodian, and holds the same in trust for the relevant Unitholders;
- (b) cash and registrable assets of the Boser A50 ETF, including assets deposited in the securities account with the CSDCC and cash of any Boser A50 ETF held by the PRC Custodian, are registered in the name of or held to the order of the Trustee; and
- (c) the PRC Custodian will look to the Trustee for instructions and solely act in accordance with the Trustee's instructions as provided under the PRC Participation Agreement.

The Custodian and PRC Custodian

In respect of the Boser A50 ETF, the Hongkong and Shanghai Banking Corporation Limited has been appointed by the Manager and the Trustee to act as the Custodian. The Custodian will be responsible for the safe custody of the assets managed by the Manager in connection with its RQFII quota within the PRC under the RQFII scheme in accordance with the PRC Custodian Agreement. According to the PRC Custodian Agreement, the Custodian is entitled to utilise its local subsidiary or its associates within the HSBC group of companies, which as of the date of the PRC Custodian Agreement is the PRC Custodian (i.e. HSBC Bank (China) Company Limited), as its delegate for the performance of services under the PRC Custodian Agreement. The Custodian will act through its delegate (i.e. HSBC Bank (China) Company Limited), the PRC Custodian, and remains responsible for any acts and omission of the PRC Custodian.

Neither the Custodian nor the PRC Custodian is responsible for the preparation of this Prospectus and they accept no responsibility or liability for the information contained here other than the description under the section "The Custodian and the PRC Custodian".

The Service Agent

HK Conversion Agency Services Limited acts as Service Agent under the terms of the Service Agreement entered into among the Manager, the Trustee, the Registrar, the Participating Dealer, the Service Agent and HKSCC. The Service Agent performs, through HKSCC, certain of its services in connection with the creation and redemption of Units in the Bosera A50 ETF by Participating Dealers.

The Auditor

The Manager has appointed PricewaterhouseCoopers to act as the auditor of the Trust and the Bosera A50 ETF (the "Auditor"). The Auditor is independent of the Manager and the Trustee.

The Participating Dealer

A Participating Dealer may act for its own account or for your account as its clients in making cash Creation Applications and cash Redemption Applications. The latest list of the Participating Dealers is available at www.bosera.com.hk/A50etf.

The Market Maker

A Market Maker is a broker or dealer permitted by the SEHK to make a market for the Units in the secondary market and whose obligations include quoting bid prices to potential sellers and offer prices to potential buyers when there is a wide spread between the prevailing bid prices and offer prices for the Units on the SEHK. Market Makers facilitate the efficient trading of Units by providing liquidity in the secondary market when it is required, in accordance with the market making requirements of the SEHK.

Subject to applicable regulatory requirements, the Manager will ensure that there is at all times at least one Market Maker for Units traded in RMB and one Market Maker for Units traded in HKD. If the SEHK withdraws its permit to the existing Market Maker(s), the Manager will endeavour to ensure that there is at least one other Market Maker to facilitate the efficient trading of Units in RMB and one other Market Maker to facilitate the efficient trading of Units in Hong Kong dollars. The Manager will seek to ensure that at least one Market Maker per counter is required to give not less than three (3) months' prior notice to terminate market making under the relevant market making agreement. The latest list of Market Makers is available at www.hkex.com.hk and www.bosera.com.hk/A50etf. Please refer to the section on "Website information" for the warning and the disclaimer regarding information contained in such websites.

The Listing Agent

China International Capital Corporation Hong Kong Securities Limited acts as the listing agent of the Bosera A50 ETF. In accordance with Section 116 of the SFO, the Listing Agent is licensed to conduct type 6 (advising on corporate finance) regulated activity as defined in Schedule 5 of the SFO.

Conflicts of interest and soft dollars

The Manager and the Trustee may, from time to time, act as manager, sub-investment manager, investment adviser, trustee or custodian or in such other capacity in connection with any collective investment scheme separate and distinct from the Trust and the Bosera A50 ETF and retain any profit or benefit made in connection therewith.

In addition:

- (a) The Manager or any of its Connected Persons may purchase and sell investments for the account of the Bosera A50 ETF as agent for the Bosera A50 ETF.
- (b) The Trustee, the Manager and any of their Connected Persons may contract or enter into any financial, banking or other transaction with one another or with any Unitholder or any

company or body any of whose shares or securities form part of the Boser A50 ETF's assets.

- (c) The Trustee or the Manager or any of their Connected Persons may become the owner of Units and hold, dispose or otherwise deal with them with the same rights which it would have had if it had not been the Trustee or the Manager or any of their Connected Persons.
- (d) The Trustee, the Manager and any of their Connected Persons may buy, hold and deal in any securities, commodities or other property for their own account or for the account of their other customers notwithstanding that similar securities, commodities or other property may be held by the Boser A50 ETF.
- (e) Any arrangements for the borrowing or deposit of any monies for the account of the Boser A50 ETF may be made with any of the Trustee, the Manager, any investment adviser or any of their Connected Persons being a banker or other financial institution provided that such person shall charge or pay (as the case may be) interest or fees at a rate or amount no higher (in the case of a borrowing) or lower (in the case of a deposit) than the prevailing rates or amounts for transactions of a similar size and duration, in the same currency and with institutions of similar standing.
- (f) Neither the Trustee nor the Manager nor any of their Connected Persons shall be liable to account to each other or to the Boser A50 ETF or to the Unitholders for any profits or benefits made or derived from or in connection with any such transaction mentioned above.

It is, therefore, possible that any of the Trustee, the Manager or any of their Connected Persons may, in the course of business, have potential conflicts of interest with the Boser A50 ETF. Each will, at all times, have regard in such event to its obligations to the Boser A50 ETF and the Unitholders and will endeavour to ensure that such conflicts are resolved fairly.

Subject to applicable rules and regulations, the Manager, its delegate or any of its Connected Persons may enter into portfolio transactions for or with the Boser A50 ETF as agent in accordance with normal market practice, provided that commissions charged to the Boser A50 ETF in these circumstances do not exceed customary full service brokerage rates. If a broker does not provide research or other lawful services in addition to brokerage execution, such broker will generally charge a brokerage commission that is discounted from customary full service brokerage rates. Where the Manager invests the Boser A50 ETF in shares or units of a collective investment scheme managed by the Manager, its delegates or any of its Connected Persons, the manager of the scheme in which the investment is being made by the Boser A50 ETF must waive any preliminary or initial charge which it is entitled to charge for its own account in relation to the acquisition of shares or units and there must be no increase in the overall total of annual management fees (or other costs and charges payable to the Manager or any of its Connected Persons) borne by the Boser A50 ETF.

None of the Manager, its delegates or any of its Connected Persons shall retain any cash commission rebates or other payment or benefit (except as otherwise provided for in this Prospectus or in the Trust Deed) received from a third party (either directly or indirectly) arising out of the sale or purchase or loan of investments for the Boser A50 ETF, and any such rebates or payments or benefits which are received shall be credited to the account of the Boser A50 ETF.

The Manager, its delegates or any of its Connected Persons may receive, and are entitled to retain, research products and services (known as soft dollar benefits) which are of demonstrable benefit to the Boser A50 ETF (as may be permitted under the Code, applicable rules and regulations) from brokers and other persons through whom investment transactions are carried out ("brokers") provided that the quality of transaction execution is consistent with best execution standards.

The services of the Trustee provided to the Trust and the Boser A50 ETF are not deemed to be exclusive and the Trustee shall be free to render similar services to others so long as its services

hereunder are not impaired thereby and to retain for its own use and benefit all fees and other moneys payable thereby and the Trustee shall not be deemed to be affected with notice of or to be under any duty to disclose to the BoserA A50 ETF any fact or thing which comes to the notice of the Trustee in the course of the Trustee rendering similar services to others or in the course of its business in any other capacity or in any manner whatsoever otherwise than in the course of carrying out its duties under the Trust Deed.

Conflicts of interest may also arise due to the widespread business operations of the Trustee, the Manager, the Registrar and the Service Agent and their respective holding companies, subsidiaries and affiliates. The foregoing parties may effect transactions where those conflicts arise and shall not, subject to the terms of the Trust Deed, be liable to account for any profit, commission or other remuneration arising. However, all transactions carried out by or on behalf of the BoserA A50 ETF will be on arm's length terms. For so long as the BoserA A50 ETF is authorised by the SFC and it is an applicable requirement of the Code, the Manager, if transacting with brokers or dealers connected to the Manager, investment advisers or any of their respective Connected Persons, must ensure it complies with the following obligations:

- (a) such transactions should be on arm's length terms;
- (b) it must use due care in the selection of brokers or dealers and ensure that they are suitably qualified in the circumstances;
- (c) transaction execution must be consistent with applicable best execution standards;
- (d) the fee or commission paid to any such broker or dealer in respect of a transaction must not be greater than that which is payable at the prevailing market rate for a transaction of that size and nature;
- (e) the Manager must monitor such transactions to ensure compliance with its obligations; and
- (f) the nature of such transactions and the total commissions and other quantifiable benefits received by such broker or dealer shall be disclosed in the annual report of the BoserA A50 ETF.

STATUTORY AND GENERAL INFORMATION

Reports and accounts

The financial year-end of the Trust and the Boser A50 ETF is 31 December every year, commencing December 2013. Audited financial statements are to be prepared (according to IFRS) and published on the Manager's website within four (4) months of each financial year-end. Half-yearly unaudited financial statements are also to be prepared up to 30 June of each year and published on the Manager's website within two (2) months of such date. Once these financial statements are made available on the Manager's website, investors will be notified within the relevant timeframe.

The first audited financial statements and the first half-yearly unaudited financial statements will be for the year end 31 December 2013 and half year 30 June 2014 respectively.

Only an English version of the audited financial statements and the half-yearly unaudited financial statements of the Boser A50 ETF will be available. Printed copies may be requested free of charge from the Manager by contacting it, as described below under "Notices".

The financial statements provide details of the assets of the Boser A50 ETF and the Manager's statement on transactions during the period under review (including a list of any constituent Securities of the Index, if any, that each accounts for more than 10% of the weighting of the Index as at the end of the relevant period and their respective weighting showing any limits adopted by the Boser A50 ETF have been complied with). The financial statements shall also provide a comparison of the Boser A50 ETF's performance and the actual Index performance over the relevant period and such other information as is required under the Code.

Trust Deed

The Trust and the Boser A50 ETF were established under Hong Kong law by the Trust Deed made between the Manager and the Trustee. All Unitholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Trust Deed. The Trust Deed contains provisions for the indemnification of the Trustee and the Manager out of the assets of the Trust Fund and their relief from liability in certain circumstances (summarised below in "Indemnities of the Trustee and Manager"). Unitholders and intending applicants are advised to consult the terms of the Trust Deed.

Indemnities of the Trustee and Manager

The Trustee and the Manager benefit from various indemnities in the Trust Deed. Except as provided under the Trust Deed, the Trustee and the Manager shall be entitled to be indemnified out of, and have recourse to, the Trust Fund in respect of any action, costs, claims, damages, expenses or demands arising directly or indirectly from the proper performance of the Boser A50 ETF. Nothing in the Trust Deed may provide that either the Trustee or the Manager (as the case may be) shall be exempted from or enjoy any indemnity against any liability for breach of trust or any liability which by virtue of any rule of Hong Kong law would arise in respect of any negligence, fraud, default, breach of duty or trust of which either may be liable in relation to its duties.

Modification of the Trust Deed

The Trustee and the Manager may agree to modify, alter or add to the provisions of the Trust Deed by supplemental deed provided that in the opinion of the Trustee and the Manager such modification, alteration or addition (i) does not materially prejudice the interests of Unitholders, does not operate to release to any material extent the Trustee or the Manager or any other person from any responsibility to the Unitholders and (with the exception of the costs incurred in connection with the relevant supplemental deed) does not increase the costs and charges payable out of the assets of the Boser A50 ETF or (ii) is necessary in order to make possible compliance with any fiscal, statutory or official requirement (whether or not having the force of law) or (iii) is made to correct a manifest error. In all other cases, modifications, alterations and additions require the sanction of an extraordinary resolution of the Unitholders affected. The SFC

must (where such approval is required) also give its prior approval to all amendments to the Trust Deed.

To the extent required in advance or as soon as practicable after the relevant amendment is made, the Manager will notify affected Unitholders of the amendments if such notification is required under the Code.

Name of the Trust and Bosera A50 ETF

Under the Trust Deed the Manager may, on notice to the Trustee, change the name of the Trust and the Bosera A50 ETF.

Meetings of Unitholders

Proxies may be appointed. A Unitholder who is the holder of two or more Units may appoint more than one proxy to represent him and vote on his behalf at any meeting of the Unitholders. If a clearing house (or its nominee(s)), being a corporation, is a Unitholder, it may authorise such persons as it think fit to act as its representatives at any meeting of the Unitholders provided that, if more than one person is so authorised, the authorisation shall specify the number and class of Units in respect of which each such representative is so authorised. Each person so authorised shall be deemed to have been duly authorised without further evidence of the facts and shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person were the registered Unitholder of the Units held by the clearing house (or its nominee(s)), including the right to vote individually on a show of hands or on a poll.

Voting rights

Unitholders' meetings may be convened by the Manager, by the Trustee or by Unitholders representing at least 10% of the Units in issue, on not less than twenty-one (21) days' notice.

These meetings may be used to modify the terms of the Trust Deed, including increasing the maximum fees payable to the service providers, removing the Manager or terminating the Bosera A50 ETF at any time. Such amendments to the Trust Deed must be considered by Unitholders of at least 25% of the Units in issue and passed by a 75% majority of the votes cast.

Other matters that require an ordinary resolution being passed would be considered by Unitholders of at least 10% of the Units in issue and passed by a simple majority of 50% of the votes cast.

The Trust Deed contains provisions for the holding of separate meetings of Unitholders holding Units of different classes where only the interests of Unitholders of such class are affected.

Termination

The Trust may be terminated by the Trustee if: (i) the Manager goes into liquidation or a receiver is appointed and not discharged within sixty (60) days or (ii) in the opinion of the Trustee, the Manager is incapable of performing its duties satisfactorily or (iii) the Manager has failed to perform its duties satisfactorily or has, in the opinion of the Trustee, done something calculated to bring the Trust into disrepute or that is harmful to the interests of Unitholders or (iv) a law is passed that renders it illegal, or in the opinion of the Trustee and the Manager, impracticable or inadvisable to continue the Trust or (v) the Trustee is unable to find an acceptable person to replace the Manager within thirty (30) days after the removal of the Manager, or the person nominated shall fail to be approved by Extraordinary Resolution or (vi) sixty (60) days after the Trustee notifies the Manager of its intention to retire, no new person willing to act as trustee has been identified.

The Manager may terminate the Trust if: (i) after one year from the date of the Trust Deed, the aggregate Net Asset Value of all the Units in each sub-fund is less than RMB150 million; (ii) any law or regulation is passed or amended or any regulatory directive or order is imposed that affects the Trust and which renders the Trust illegal or in the good faith opinion of the Manager, makes it

impracticable or inadvisable to continue the Trust; or (iii) within a reasonable time and using commercially reasonable endeavours, the Manager is unable to find a person acceptable to act as the new trustee after deciding to remove the Trustee in accordance with the Trust Deed.

The Manager may, in its absolute discretion, by notice in writing to the Trustee, terminate the Boser A50 ETF if: (i) after one year from the date of establishment of the Boser A50 ETF, the aggregate Net Asset Value of all the Units in the Boser A50 ETF is less than RMB150 million; (ii) any law or regulation is passed or amended or any regulatory directive or order is imposed that affects the Boser A50 ETF and which renders the Boser A50 ETF illegal or in the good faith opinion of the Manager makes it impracticable or inadvisable to continue the Boser A50 ETF; (iii) its Index is no longer available for benchmarking or if the Units of the Boser A50 ETF are no longer listed on the SEHK or any such other stock exchange from time to time determined by the Manager; (iv) at any time, the Boser A50 ETF ceases to have any Participating Dealer; or (v) the Manager is unable to implement its investment strategy. Further, the Unitholders may at any time authorise termination of the Trust or the Boser A50 ETF by extraordinary resolution.

The Trustee may, in its absolute discretion, by notice in writing to the Manager, terminate the Boser A50 ETF if: (i) the Trustee forms the opinion for good and sufficient reason that the Manager is incapable of performing its duties satisfactorily in respect of the Boser A50 ETF; (ii) the Trustee forms the opinion for good and sufficient reason that the Manager has failed to perform its duties satisfactorily in respect of the Boser A50 ETF or has done something calculated to bring the Boser A50 ETF into disrepute or that is harmful to the interests of Unitholders of the Boser A50 ETF; or (iii) any law or regulation is passed or amended or any regulatory directive or order is imposed that affects the Boser A50 ETF and which renders the Boser A50 ETF illegal or in the good faith opinion of the Trustee makes it impracticable or inadvisable to continue the Boser A50 ETF.

Unless previously terminated as described above or under another provision in the Trust Deed, the Trust shall in any event terminate at the expiry of eighty (80) years from the date of the Trust Deed.

Notice of the termination of the Trust or the Boser A50 ETF will be given to the Unitholders after the SFC has approved the notice. The notice will contain the reasons for the termination, the consequences to Unitholders of terminating the Trust or the Boser A50 ETF and the alternatives available to them, and any other information required by the Code.

Distribution policy

The Manager intends to distribute income to Unitholders at least annually (usually in December) having regard to the Boser A50 ETF's net income after fees and costs. The Manager will make an announcement prior to any distribution in respect of the relevant distribution amount in RMB only. Each Unitholder will receive distributions in RMB only (whether holding RMB traded Units or HKD traded Units). Distribution payment rates in respect of Units will depend on factors beyond the control of the Manager including, general economic conditions, and the financial position and dividend or distribution policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

The Manager intends to distribute dividends to Unitholders from net income. Dividends may, however, be paid out of capital or effectively out of capital. The Manager may make cash distributions to Unitholders out of income or capital (or partly out of income and partly out of capital) of the Boser A50 ETF as the Manager considers appropriate. The Manager may also make cash distributions to Unitholders out of gross income (while charging/paying all or part of the Boser A50 ETF's fees and expenses to/out of the capital of the Boser A50 ETF) resulting in an increase in distributable income for the payment of distributions which is in effect a payment out of capital.

Payment of dividends out of capital or 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. Any distributions involving payment of dividends out of the Boser A50 ETF's capital or effectively out of capital may result in an immediate reduction of the Net Asset Value per

Unit.

The composition of dividends payable on Units (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital), if any, for the last twelve (12) months are available from the Manager on request and are also published on the Manager's website www.bosera.com.hk/A50etf. The Manager may amend the Bosera A50 ETF's distribution policy with respect to the distribution out of capital of the Bosera A50 ETF subject to the SFC's prior approval and by giving not less than one (1) month's prior notice to Unitholders.

Inspection of documents

Copies of the following documents are available for inspection free of charge at the offices of the Manager copies thereof may be obtained from the Manager at a cost of HKD150 per set of copy documents:

- (a) Trust Deed;
- (b) PRC Participation Agreement;
- (c) PRC Custodian Agreement;
- (d) Participation Agreements; and
- (e) The most recent annual financial statements of the Trust and the Bosera A50 ETF (if any) and the most recent interim financial statements of the Trust and the Bosera A50 ETF (if any).

Part XV of the SFO

Part XV of the SFO sets out the Hong Kong disclosure of interests' regime applicable to Hong Kong listed companies. The regime does not apply to unit trusts that are listed on the SEHK like the Trust. Consequently, Unitholders are not obliged to disclose their interest in the Bosera A50 ETF.

Anti-money laundering regulations

As part of the Manager's, the Trustee's and the Participating Dealer's responsibility for the prevention of money laundering and to comply with all applicable laws to which the Manager, the Trustee, the Bosera A50 ETF or the relevant Participating Dealer is subject, the Manager, the Registrar, the Trustee or the relevant Participating Dealer may require a detailed verification of an investor's identity and the source of payment of any applications for Units. Depending on the circumstances of each application, a detailed verification might not be required where:

- (a) the investor makes the payment from an account held in the investor's name at a recognised financial institution; or
- (b) the application is made through a recognised intermediary.

These exceptions apply only if the financial institution or intermediary is within a country recognised by the Trustee and the Manager as having sufficient anti-money laundering regulations.

Index licence agreement

The Manager has entered into a license agreement with the Index Provider, FTSE International Limited. The term of the licence agreement commenced on 1 July 2013.

The licence agreement has an initial term of one (1) year and thereafter renewable annually by additional one (1) year periods until terminated by either party under the circumstances listed below:

- (a) FTSE may terminate the licence agreement forthwith if:
 - (i) the Manager breaches its obligation to comply with the terms of the United Kingdom Bribery Act 2010;
 - (ii) the Manager breaches its warranty under the licence agreement;
 - (iii) the Manager is convicted of any offence relating to the Boser A50 ETF or to the trading of the Units;
 - (iv) the Manager is found to be in material breach of any applicable laws, regulations or rules; or
 - (v) there is a change of control impacting on or in relation to the Manager.
- (b) The Manager may terminate the licence agreement if a notice to increase charges is received from the Index Provider and the increase is greater than 15% of the total amount of charges subject to increase as they applied prior to the increase taking effect.
- (c) Either party may terminate the licence agreement if:
 - (i) the other party breaches any term of the licence agreement and it is not possible to remedy the breach;
 - (ii) the other party commits any material breach of its obligations and fails to remedy the breach within fifteen (15) days of receipt of written notice requiring the same;
 - (iii) the other party suffers from an “insolvency event” (as defined in the licence agreement);
 - (iv) at least three (3) months’ prior written notice is given to the other party,

Material changes to the Index

The SFC should be consulted on any events that may affect the acceptability of the Index. Significant events relating to the Index will be notified to the Unitholders as soon as practicable. These may include a change in the methodology/rules for compiling or calculating the Index, or a change in the objective or characteristics of the Index.

Replacement of Index

The Manager reserves the right, with the prior approval of the SFC and provided that in its opinion the interests of the Unitholders would not be adversely affected, to replace the Index with another index in accordance with the provisions of the index licence agreement. The circumstances under which any such replacement might occur include but are not limited to the following events:

- (a) the Index ceasing to exist;
- (b) the licence to use the Index being terminated;
- (c) a new index becoming available that supersedes the existing Index;
- (d) a new index becoming available that is regarded as the market standard for investors in the particular market and/or would be regarded as more beneficial to the Unitholders than the existing Index;
- (e) investing in the Securities comprised within the Index becomes difficult;
- (f) the Index Provider increasing its licence fees to a level considered too high by the

Manager;

- (g) the quality (including accuracy and availability of the data) of the Index having in the opinion of the Manager, deteriorated;
- (h) a significant modification of the formula or calculation method of the Index rendering that index unacceptable in the opinion of the Manager; and
- (i) the instruments and techniques used for efficient portfolio management not being available.

The Manager may change the name of the Bosera A50 ETF if the Index changes or for any other reasons including if licence to use the Index is terminated. Any change to (i) the use by the Bosera A50 ETF of the Index and/or (ii) the name of the Bosera A50 ETF will be notified to investors.

Information available on the Internet

The Manager will publish important news and information with respect to the Bosera A50 ETF (including in respect of the Index), both in the English and in the Chinese languages, on the Manager's website at www.bosera.com.hk/A50etf (which has not been reviewed by the SFC) including:

- (a) this Prospectus and the product key fact statement in respect of the Bosera A50 ETF (as revised from time to time);
- (b) the latest annual and semi-annual financial reports (in English only);
- (c) any notices for material alterations or additions to this Prospectus or the Bosera A50 ETF's constitutive documents;
- (d) any public announcements made by the Bosera A50 ETF, including information with regard to the Bosera A50 ETF and Index, notices of the suspension of the calculation of the Net Asset Value, changes in fees and the suspension and resumption of trading;
- (e) the near real time estimated Net Asset Value per Unit throughout each Dealing Day in RMB and in HKD;
- (f) the last closing Net Asset Value of the Bosera A50 ETF in RMB only and the last closing Net Asset Value of per Unit of the Bosera A50 ETF in RMB and in HKD;
- (g) the composition of the Bosera A50 ETF (updated on a daily basis); and
- (h) the latest list of the Participating Dealers and Market Makers.

The near real time estimated Net Asset Value per Unit in HKD, under (e) above, is indicative and for reference only. This is updated during SEHK trading hours and is calculated using the estimated Net Asset Value per Unit in RMB multiplied by an assumed foreign exchange rate (i.e. not a real time exchange rate) being the exchange rate quoted by Reuters for offshore RMB (CNH) at 3:00 p.m. (Hong Kong time) as of the previous trading day on the SEHK. Since the estimated Net Asset Value per Unit in RMB will not be updated when the underlying A-Shares market is closed, the change in the estimated Net Asset Value per Unit in HKD (if any) during such period is solely due to the change in the assumed foreign exchange rate.

The last closing Net Asset Value per Unit in HKD, under (f) above, is indicative and for reference only and is calculated using the official last closing Net Asset Value per Unit in RMB multiplied by an assumed foreign exchange rate (i.e. not a real time exchange rate) being the exchange rate quoted by Reuters for offshore RMB (CNH) at 3:00 p.m. (Hong Kong time) as of the same Dealing Day. Similarly, the last closing Net Asset Value per Unit in RMB and the last closing net Asset Value per Unit in HKD will remain unchanged during the period when the A-Share market is

closed.

Real-time updates about the Index can be obtained through other financial data vendors. It is your own responsibility to obtain additional and the latest updated information about the Index (including without limitation, a description of the way in which the Index is calculated, any change in the composition of the Index, any change in the method for compiling and calculating the Index) via the website www.bosera.com.hk/A50etf. Please refer to the section on “Website information” for the warning and the disclaimer regarding information contained in such website.

Notices

All notices and communications to the Manager and Trustee should be made in writing and sent to the following addresses:

Manager

Bosera Asset Management (International) Co.,
Limited

Suite 4109, Jardine House
One Connaught Place
Central
Hong Kong

Trustee

HSBC Institutional Trust Services (Asia)
Limited

1 Queen’s Road Central
Hong Kong

Website information

The offer of the Units is made solely on the basis of information contained in this Prospectus. All references in this Prospectus to other websites and sources where further information may be obtained are merely intended to assist you to access further information relating to the subject matter indicated and such information does not form part of this Prospectus. None of the Listing Agent, the Manager or the Trustee accepts any responsibility for ensuring that the information contained in such other websites and sources, if available, is accurate, complete and/or up-to-date, and no liability is accepted by the Listing Agent, the Manager and the Trustee in relation to any person’s use of or reliance on the information contained in these other websites and sources save, in respect of the Manager, its website www.bosera.com.hk/A50etf. The information and materials included in these websites have not been reviewed by the SFC or any regulatory body. You should exercise an appropriate degree of caution when assessing the value of such information.

TAXATION

The following summary of Hong Kong and PRC taxation is of a general nature, for information purposes only, and is not intended to be an exhaustive list of all of the tax considerations that may be relevant to a decision to purchase, own, redeem or otherwise dispose of Units. This summary does not constitute legal or tax advice and does not purport to deal with the tax consequences applicable to all categories of investors. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, redeeming or disposing of Units both under the laws and practice of Hong Kong or PRC and the laws and practice of their respective jurisdictions. The information below is based on the law and practice in force in Hong Kong or PRC at the date of this Prospectus. The relevant laws, rules and practice relating to tax are subject to change and amendment (and such changes may be made on a retrospective basis). As such, there can be no guarantee that the summary provided below will continue to be applicable after the date of this Prospectus. Furthermore, tax laws can be subject to different interpretations and no assurance can be given that relevant tax authorities will not take a contrary position to the tax treatments described below.

Hong Kong taxation

Taxation of the Trust and the Bosera A50 ETF

As the Trust and the Bosera A50 ETF have been authorised as a collective investment scheme by the SFC under Section 104 of the SFO, profits of the Trust and the Bosera A50 ETF are exempt from Hong Kong profits tax.

Taxation of the Unitholders

Where the Unitholders do not carry on a trade, profession or business in Hong Kong or the Units in the Bosera A50 ETF are held by the Unitholders as capital assets for Hong Kong profits tax purposes, gains arising from the sale or disposal or redemption of the Units in the Bosera A50 ETF should not be taxable. For Unitholders carrying on a trade, profession or business in Hong Kong, such gains may be subject to Hong Kong profits tax (which is currently charged at the rate of 16.5% in the case of corporations, and 15% in the case of individuals and unincorporated business) if the gains in questions arise in or are derived from such trade, profession or business and sourced in Hong Kong. Unitholders should take advice from their own professional advisers as to their particular tax position.

Distributions made by the Trust or the Bosera A50 ETF should generally not be subject to Hong Kong profits tax in the hands of Unitholders according to the practice of the Inland Revenue Department of Hong Kong (as at the date of this Prospectus).

Stamp duty

Hong Kong stamp duty is payable on the transfer of Hong Kong stock. "Hong Kong stock" is defined as "stock" the transfer of which is required to be registered in Hong Kong. The Units should fall within the definition of "Hong Kong stock" as the Units will be listed in Hong Kong and the register of Unitholders will be kept in Hong Kong.

A stamp duty concession is available in respect of trading of units in exchange traded funds which track indices comprising not more than 40% Hong Kong stock. Approval has been given for remission or refund in full of stamp duty payable or paid in respect of any contract notes or instruments of transfer relating to transactions in all Units (both RMB traded and HKD traded Units).

Under a remission order issued by the Secretary for the Treasury on 20 October 1999, no Hong Kong stamp duty is payable on an issue or redemption of Units.

PRC taxation

By investing in securities (including A-Shares) issued by PRC tax resident enterprises, irrespective of whether such securities are issued or distributed onshore (“onshore PRC securities”) or offshore (“offshore PRC securities”, and together with onshore PRC securities, the “PRC Securities”), the BoserA A50 ETF may be subject to PRC taxes.

Corporate Income Tax (“CIT”)

If the Trust or the BoserA A50 ETF is considered as a tax resident enterprise of the PRC, it will be subject to PRC CIT at 25% on its worldwide taxable income. If the Trust or the BoserA A50 ETF is considered as a non-tax resident enterprise with an establishment or place of business (“PE”) in the PRC, the profits and gains attributable to that PE would be subject to CIT at 25%.

The Manager and the Trustee intend to manage and operate the Trust and the BoserA A50 ETF in such a manner that the Trust and the BoserA A50 ETF should not be treated as tax resident enterprises of the PRC or non-tax resident enterprises with a PE in the PRC for CIT purposes, although this cannot be guaranteed.

Dividend income and interest income – Unless a specific exemption or reduction is available under current PRC tax laws and regulations or relevant tax treaties, non-tax resident enterprises without PE in the PRC are subject to CIT on a withholding basis (“WIT”), generally at a rate of 10%, to the extent it directly derives the PRC sourced passive income. PRC sourced passive income (such as dividend income or interest income) may arise from investments in the PRC Securities. The entity distributing such PRC sourced passive income is required to withhold WIT. Accordingly, the Trust or the BoserA A50 ETF may be subject to WIT and/or other PRC taxes on any cash dividends, distributions and interest it receives from its investment in PRC Securities.

Dividends

Under current regulations in the PRC, foreign investors (such as the Trust and the BoserA A50 ETF) may invest in onshore PRC securities, generally, only through a QFII or a RQFII (in this section and for the BoserA A50 ETF referred to as the “relevant RQFII”). Since only the relevant RQFII’s interests in onshore PRC securities are recognised under PRC laws, any tax liability would, if it arises, be payable by the relevant RQFII. However under the terms of the arrangement between the relevant RQFII and the Trust, the relevant RQFII will pass on any tax liability to the Trust for the account of the BoserA A50 ETF. As such, the Trust is the ultimate party which bears the risks relating to any PRC taxes which are so levied by the relevant PRC tax authority. Under current PRC tax laws and regulations, a relevant RQFII is subject to a WIT of 10% on cash dividends, distributions and interest from the PRC securities unless exempt or reduced under current PRC tax laws and regulations or relevant tax treaties.

Under the avoidance of double taxation arrangements between Mainland China and Hong Kong (the “China-HK Arrangements”), the tax charged on dividends received by the non-resident holders of shares issued by Chinese companies (including enterprises and individuals) will be 5% of the gross amount of the dividends, if Hong Kong tax residents are the beneficial owners and directly hold at least 25% of the equity of the company paying the dividends, subject to the approval of the PRC tax authorities. Due to the BoserA A50 ETF’s investment restriction, the BoserA A50 ETF will not hold more than 10% of any ordinary shares issued by any single issuer. In this connection, dividends derived from the PRC securities invested through RQFII will not be able to benefit from the reduced tax rate of 5% and the general tax rate of 10% will be applicable to the BoserA A50 ETF.

Interest

Under the PRC CIT Law, interest derived from government bonds issued by the in-charge Finance Bureau of the State Council shall be exempt from PRC income tax under the CIT Law.

Unless a specific exemption / reduction is applicable, for recipients that are non-tax residents without a PE in the PRC under the CIT Law, a WIT is levied on the payment of interests on debt

instruments issued by PRC tax residents, including bonds issued by enterprises established within Mainland China. The general WIT rate applicable is 10%.

Pursuant to the China-HK Arrangements, the tax charged on interest received by the non-resident holders of debt instruments (including enterprises and individuals) will be 7% of the gross amount of the interest, if Hong Kong tax residents are the beneficial owners under the China-HK Arrangements subject to the approval of the PRC tax authorities.

As the Boser A50 ETF seeks to achieve its investment objective by investing through the Manager's (which is a Hong Kong tax resident) RQFII quota, the interest derived from such investment may be subject to the reduced tax rate of 7% under the China-HK Arrangements. In order to qualify for this preferential rate, approval of the PRC tax authority is required. The Manager will further assess and seek to apply for approval from the PRC tax authorities in relation to the Boser A50 ETF, although this cannot be guaranteed. If the required approval is not obtained, the general rate of 10% will be applicable to the Boser A50 ETF on interest.

Capital gains

Specific rules governing taxes on capital gains derived by QFIs or RQFIIs from the trading of onshore PRC Securities (including A-Shares) have yet to be announced. It is possible that the relevant tax authorities may in the future clarify the tax position on capital gains realised by the Boser A50 ETF dealing in PRC Securities or by a relevant RQFII from dealing in onshore PRC securities. In the absence of such specific rules, the income tax treatment should be governed by the general tax provisions of the PRC CIT Law. If the foreign investor is a non-tax resident enterprise without PE in the PRC, a 10% WIT would be imposed on the PRC-sourced capital gains arising from the disposal of PRC Securities, unless exempt or reduced under current PRC tax laws and regulations or relevant tax treaties.

Under the China-HK Arrangements, capital gains derived by Hong Kong tax residents from alienation of shares issued by Chinese companies may be taxed in China if the recipient, at any time preceding such alienation, had a participation of at least 25% in that Chinese company. The Boser A50 ETF will invest in A-Shares through the Manager's (which is a public Hong Kong tax resident) RQFII quota. Due to the Boser A50 ETF's investment restriction, the Boser A50 ETF will not hold more than 10% of any ordinary shares issued by any single issuer. In that case, the capital gains derived from alienation of A-Shares may be exempt from PRC WIT, subject to approval of the PRC tax authorities.

The above capital gain tax exemption will only apply if approval is obtained from the PRC tax authorities. In this connection, the Manager will further assess and seek to apply with PRC tax authorities to treat the Boser A50 ETF and/or the Manager as Hong Kong tax resident and be able to enjoy the above capital gain tax exemption under the China-HK Arrangements, although this cannot be guaranteed. If the relevant approval is not obtained, the general rate of 10% will be applicable to the capital gains derived by the Boser A50 ETF on dealing of A-Shares and bonds issued by PRC resident issuers.

In light of the uncertainty on the income tax treatment on capital gains arising from the disposal of PRC Securities and in order to meet this potential tax liability for capital gains, the Manager reserves the right to provide for the WIT on such gains or income and withhold the tax for the account of the Boser A50 ETF. The Manager will at present make a provision of 10% for the account of the Boser A50 ETF in respect of any potential WIT on capital gains and on dividend and interest if the WIT is not withheld at source. The Manager will further assess and seek to ascertain the Hong Kong tax resident status of the Boser A50 ETF for exemption from WIT on capital gains arising from the disposal of PRC Securities under the China-HK Arrangements and will revisit if a lower or nil provision for the account of the Boser A50 ETF in respect of any potential WIT on capital gains arising from the disposal of PRC Securities should be required. The amount of actual provision will be disclosed in the accounts of the Boser A50 ETF. Investors should note that such provision may be excessive or inadequate to meet actual PRC tax liabilities on investments made by the Boser A50 ETF. As a result, investors may be advantaged or disadvantaged depending on the final rules of the relevant PRC tax authorities. Upon any future resolution of the above-mentioned uncertainty or further changes to tax law or

policies, the Manager will, as soon as practicable, make relevant adjustments to the amount of tax provision as it considers necessary.

Business Tax (“BT”) and other surtaxes

The revised PRC Provisional Regulations of Business Tax (“BT Law”) which came into effect on 1 January 2009 stipulates that gains derived by taxpayers from the trading of marketable securities would be subject to BT at 5%.

Caishui [2005] 155 states that gains derived by QFIs from the trading of PRC marketable Securities (including A-Shares and other PRC listed Securities) are exempt from BT. The new PRC BT law which came into effect on 1 January 2009 has not changed this exemption treatment at the time of this Prospectus. Since both RQFIs and QFIs are qualified foreign institutional investors which are allowed to make investments in the PRC domestic capital markets, there should be a basis to apply the exemption treatment of Caishui [2005] 155 on RQFIs. However, it is not clear whether a similar exemption would be extended to RQFIs.

For PRC marketable Securities other than those trading under QFIs, the new BT Law shall apply to levy BT at 5% on the difference between the selling and buying prices of those marketable securities. However, capital gains derived from trading of offshore PRC marketable Securities (e.g. H-shares), are not subject to BT.

The new BT Law has not specifically exempt BT on interest earned by non-financial institutions. Hence, interest on both government and corporate bonds in theory should be subject to 5% BT. As such, 5% BT may apply on interest income derived on bond investments.

Dividend income or profit distributions on equity investment derived from China are not included in the taxable scope of BT.

In addition, urban maintenance and construction tax (currently at the rate ranging from 1% to 7%), educational surcharge (currently at the rate of 3%) and local educational surcharge (currently at the rate of 2%) are imposed based on the BT liabilities.

Stamp duty

Stamp duty under the PRC laws generally applies to the execution and receipt of all taxable documents listed in the PRC’s Provisional Rules on Stamp Duty. Stamp duty is levied on the execution or receipt in China of certain documents, including contracts for the sale of China A- and B-Shares traded on the PRC stock exchanges. In the case of contracts for sale of China A- and B-Shares, such stamp duty is currently imposed on the seller but not on the purchaser, at the rate of 0.1%.

It should also be noted that the actual applicable tax rates imposed by SAT may be different and may change from time to time. There is a possibility of the rules being changed and taxes being applied retrospectively. As such, any provision for taxation made by the Manager may be excessive or inadequate to meet final PRC tax liabilities. Consequently, Unitholders may be advantaged or disadvantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their Units.

If the actual applicable tax rate levied by SAT is higher than that provided for by the Manager so that there is a shortfall in the tax provision amount, investors should note that the Net Asset Value of the Boser A50 ETF may suffer more than the tax provision amount as the Boser A50 ETF will ultimately have to bear the additional tax liabilities. In this case, the then existing and new Unitholders will be disadvantaged. On the other hand, if the actual applicable tax rate levied by SAT is lower than that provided for by the Manager so that there is an excess in the tax provision amount, Unitholders who have redeemed their Units before SAT’s ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the Manager’s overprovision. In this case, the then existing and new Unitholders may benefit if the difference between the tax provision and the actual taxation liability under that lower tax rate can be returned to the account of the Boser A50 ETF as assets thereof. Notwithstanding the above provisions,

Unitholders who have already redeemed their Units in the Bosera A50 ETF before the return of any overprovision to the account of the Bosera A50 ETF will not be entitled or have any right to claim any part of such overprovision.

Unitholders should seek their own tax advice on their tax position with regard to their investment in the Bosera A50 ETF.

It is possible that the current tax laws, regulations and practice in the PRC will change, including the possibility of taxes being applied retrospectively, and that such changes may result in higher taxation on PRC investments than currently contemplated.

SCHEDULE 1

INVESTMENT RESTRICTIONS, SECURITY LENDING AND BORROWING

Investment restrictions

If any of the restrictions or limitations set out in this Schedule 1 is breached, the Manager will make it a priority objective to take all necessary steps within a reasonable period to remedy such breach, taking into account the Unitholders' interests.

The Trustee will take reasonable care to ensure compliance with the investment and borrowing limitations set out in the constitutive documents and the conditions under which the Bosera A50 ETF was authorised.

The investment restrictions applicable to the Bosera A50 ETF that are included in the Trust Deed are summarised below:

- (a) not more than 10% of the Net Asset Value of the Bosera A50 ETF may be invested in Securities (other than Government and other public securities) issued by any single issuer (save as permitted by Chapter 8.6(h) and as varied by paragraph 11 of Appendix I (Guidelines for regulating index tracking exchange traded funds) of the Code (see the Note below));
- (b) Securities of a single class (other than Government and other public securities) held for the account of the Bosera A50 ETF, when aggregated with other holdings of the same class of Securities held for the account of all other sub-funds under the Trust collectively may not exceed 10% of the nominal amount of the Securities issued by a single issuer;
- (c) not more than 15% of the Net Asset Value of the Bosera A50 ETF may be invested in Securities which are neither listed, quoted nor dealt in on a stock exchange, over-the-counter market or other organised securities market which is open to the international public and on which such Securities are regularly traded;
- (d) except as permitted by Chapter 8.6(i) of the Code, not more than 30% of the Net Asset Value of the Bosera A50 ETF may be invested in Government and other public securities of the same issue;
- (e) subject to (d) and Chapter 8.6(i) of the Code, Bosera A50 ETF may be fully invested in Government and other public securities in any number of different issues;
- (f) Bosera A50 ETF may enter into financial futures contracts for hedging purposes;
- (g) not more than 20% of the Net Asset Value of the Bosera A50 ETF may be invested in (i) futures contracts on an unhedged basis (by reference to the net aggregate value of contract prices, whether payable to or by the Bosera A50 ETF under all outstanding futures contracts) and (ii) physical commodities (including gold, silver, platinum or other bullion) and other commodity-based investments (excluding, for this purpose, Securities of companies engaged in producing, processing or trading in commodities);
- (h) the value of warrants and options held for the account of the Bosera A50 ETF, in terms of the total amount of premium paid (other than for hedging purposes), may not exceed 15% of the Net Asset Value of the Bosera A50 ETF; and
- (i) where the Bosera A50 ETF invests in units or shares of other collective investment schemes ("underlying schemes"),
 - (i) the value of units or shares in underlying schemes which are neither recognised jurisdiction schemes (as determined by the SFC) nor authorised by the SFC, held for the account of the Bosera A50 ETF, may not exceed 10% of the Net Asset Value of the Bosera A50 ETF; and

- (ii) the Bosera A50 ETF may invest in one or more underlying schemes which are either recognised jurisdiction schemes or schemes authorised by the SFC, but the value of the units or shares held for the account of the Bosera A50 ETF in each such underlying scheme may not exceed 30% of the Net Asset Value of the Bosera A50 ETF, unless the underlying scheme is authorised by the SFC and its name and key investment information are disclosed in the offering document of the Bosera A50 ETF,

provided that:

- (1) the objective of each underlying scheme may not be to invest primarily in any investment prohibited by the investment restrictions set out herein, and where that underlying scheme's objective is to invest primarily in investments restricted by the provisions under the Trust Deed, such holdings may not be in contravention of the relevant limitation;
- (2) where an investment is made in any underlying scheme(s) managed by the Manager or any of its Connected Persons, all initial charges on the underlying scheme(s) must be waived; and
- (3) the Manager may not obtain a rebate on any fees or charges levied by an underlying scheme or the management company of an underlying scheme,

save to the extent that any of the above holdings is permitted under the Code.

The Bosera A50 ETF shall not:

- (a) invest in a Security of any class in any company or body if any director or officer of the Manager individually owns more than 0.5% of the total nominal amount of all the issued securities of that class or the directors and officers of the Manager collectively own more than 5% of those securities;
- (b) invest in any type of real estate (including buildings) or interests in real estate (including options or rights, but excluding shares in real estate companies and interests in real estate investment trusts (REITs));
- (c) make short sales if as a result the Bosera A50 ETF would be required to deliver Securities exceeding 10% of the Net Asset Value of the Bosera A50 ETF (and for this purpose Securities sold short must be actively traded on a market where short selling is permitted);
- (d) write uncovered options;
- (e) write a call option on portfolio investments of the Bosera A50 ETF if the aggregate of the exercise prices of all such call options written in respect of the Bosera A50 ETF would exceed 25% of the Net Asset Value of the Bosera A50 ETF;
- (f) lend or make a loan out of the assets of the Bosera A50 ETF without the prior written consent of the Trustee except to the extent that the acquisition of bonds or the making of a deposit (within the applicable investment restrictions) might constitute a loan;
- (g) assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person without the prior written consent of the Trustee;
- (h) enter into any obligation in respect of the Bosera A50 ETF or acquire any asset for the account of the Bosera A50 ETF which involves the assumption of any liability which is unlimited; or
- (i) apply any part of the Bosera A50 ETF in the acquisition of any investments which are for

the time being nil paid or partly paid in respect of which a call is due to be made unless such call could be met in full out of cash or near cash forming part of the Boser A50 ETF which has not been appropriated and set aside for any other purposes (including in respect of any writing of call options).

Note: The investment restrictions set out above apply to the Boser A50 ETF, subject to the following: A collective investment scheme authorised by the SFC under the Code is usually restricted from making investments which would result in the value of that collective investment scheme's holdings of the Securities of any single issuer exceeding 10% of the collective investment scheme's total net asset value. Given the investment objective of the Boser A50 ETF and nature of the Index, the Boser A50 ETF is allowed under Chapter 8.6(h) of the Code to hold investments in Securities of any single issuer exceeding 10% of the Boser A50 ETF's latest available Net Asset Value if such constituent Securities account for more than 10% of the weighting of the Index and the Boser A50 ETF's holding of any such constituent Securities does not exceed their respective weightings in the Index, except where the weightings are exceeded as a result of changes in the composition of the Index and the excess is only transitional and temporary in nature, or otherwise approved by the SFC. Subject to Chapter 8.6(h) of the Code, more than 30% of the latest available Net Asset Value of the Boser A50 ETF may also be invested in government and other public Securities of the same issue. However, the Manager may cause the Boser A50 ETF to deviate from the index weighting (in pursuing a representative sampling strategy) under Appendix I of the Code (the "ETF Guidelines") on condition that the maximum deviation from the index weighting of any constituent will not exceed 4% or such other percentage as determined by the Manager after consultation with the SFC (other than as a result of changes in the composition of the Index where such excess is only transitory and temporary in nature). Under the ETF Guidelines, the Manager shall report to the SFC on a timely basis if there is any non-compliance with this limit. The annual and semi-annual reports of the Boser A50 ETF shall also disclose whether or not such limit has been complied with during such period and account for any non-compliance in those reports.

Security lending

There is no current intention for the Boser A50 ETF to engage in any securities lending, repurchase transaction or other similar over-the-counter transactions, but this may change in light of market circumstances and where the Boser A50 ETF does engage in these types of transactions, prior approval shall be obtained from the SFC and no less than one month's prior notice will be given to the Unitholders.

Borrowing policy

Borrowing against the assets of the Boser A50 ETF is allowed up to a maximum of 25% of its latest available Net Asset Value. The Trustee may at the request of the Manager borrow for the account of the Boser A50 ETF any currency, and charge or pledge assets of the Boser A50 ETF, for the following purposes:

- (a) facilitating the creation or redemption of Units or defraying operating expenses;
- (b) enabling the Manager to acquire Securities for the account of the Boser A50 ETF; or
- (c) for any other proper purpose as may be agreed by the Manager and the Trustee.

SCHEDULE 2

INDEX AND DISCLAIMER

Investors should note that the information on set out below is based on publicly available documents that have not been prepared or independently verified by the Manager, the Trustee, the Listing Agent or any advisers in connection with the offering and listing of the Bosera A50 ETF, and none of them makes any representation as to or takes any responsibility for the accuracy or completeness of such information.

General information on the Index

The Index of the Bosera A50 ETF is the FTSE China A50 Index. The Index is a free float-adjusted market capitalisation-weighted index compiled and published by FTSE International Limited ("FTSE"). The Manager (and each of its Connected Persons) is independent of the Index Provider. The Index is a real-time, tradable index comprising the largest 50 A-Share companies by full market capitalisation of the FTSE China A All-Share Index and is a subset of the FTSE China A 200 Index. The Index offers the optimal balance between representativeness and tradability for China's A-Share market and includes stocks listed on the Shanghai and Shenzhen Stock Exchanges.

The Index is a price return index which means that the performance of the Index is calculated on the basis that any dividends from Securities comprising the Index are not re-invested. The Index is denominated and quoted in RMB.

The Index was launched on 13 December 2003. As of 20 February 2014, it had a total market capitalisation of RMB2,072.716 billion.

FTSE or its affiliates are the proprietors and absolute owners of the Index and the designations FTSE®. FTSE has granted to the Manager, by way of a licence, subject to the terms of an index licence agreement between them, among other things the non-transferable and non-exclusive right to use the Index as the basis for determining the composition of the Index in respect of the Bosera A50 ETF and to sponsor, issue, establish, market, list and distribute the Bosera A50 ETF.

Index methodology

All China A-Share classes of equity in issue are eligible for inclusion in the FTSE China A All-Share Index. The eligibility for securities to be included in the Index is based on: (i) liquidity screens; (ii) free float; and (iii) size.

- (i) **Liquidity screens** – Each security is tested on an annual basis in March by calculation of its median daily trading per month*. The median trade is calculated by ranking each daily trade total and selecting the middle ranking day. Daily totals with zero trades are included in the ranking; therefore a security that fails to trade for more than half of the days in a month will have a zero median trade. Any period of suspension will not be included in the test. The liquidity test will be applied on a pro-rata basis where the testing period is less than 12 months.

* When calculating the median of daily trades per month of any security, a minimum of 5 trading days in each month must exist, otherwise the month will be excluded from the test.

Security eligible for inclusion must have a minimum turnover percentage of the shares in issue, based on the median daily trade per month. The security must have such turnover percentage for a certain number of months prior to the full market review in March. The minimum turnover percentage and the number of months meeting such percentage are different for non-constituent securities, existing constituents and new issues.

- (ii) **Free float** - Constituents are adjusted for free float and weighted according to how much share capital is available for public investment. This achieves the most accurate and neutral market representation and takes in to account the true opportunity set available to an investor. Actual free float (rounded up to the next 1%) in the Index is used. Changes to free float will be made following corporate events and at quarterly reviews if the rounded free float has moved by more than 3 percentage points above or below the existing rounded free float. A constituent with a free float of 15% or below will not be subject to the 3 percentage points threshold.
- (iii) **Size** - The 50 largest companies by full market capitalisation of the FTSE China A All-Share Index are selected to form the Index.

Investors should refer below for further information regarding the Index including the selection criteria.

Index maintenance

The Index is reviewed quarterly in March, June, September and December, with advance notification given of any changes to constituents on www.ftse.com to ensure that the Index continues to reflect market reality. A schedule of periodic reviews is provided on [http://www.ftse.com/Indices/FTSE China Index Series/Index Reviews.jsp](http://www.ftse.com/Indices/FTSE_China_Index_Series/Index_Reviews.jsp).

The key ground rules applicable to the Index as at the date of this Prospectus are set out. A full set of the ground rules for the management of the Index is also available on [http://www.ftse.com/Indices/FTSE China Index Series/Index Rules.jsp](http://www.ftse.com/Indices/FTSE_China_Index_Series/Index_Rules.jsp). The index methodology is subject to change from time to time and investors should refer to this website for up-to-date information about the index methodology.

The Index is calculated and is updated continuously on an intra-second streaming basis until the market closes.

FTSE publishes the real time Index level (Ticker: XIN9I:IND) on Bloomberg, updated throughout the day. The Index may also be viewed on Reuters (Ticker: FTXIN9).

Top 10 constituents of the Index

As at 20 February 2014, the 10 largest constituents of the Index, as listed below, represented about 44.91% of the Index.

Rank	Constituent Name	Weighting%
1	Ping An Insurance (Group) Co. of China	7.39
2	China Merchants Bank Co. Ltd.	6.53
3	China Minsheng Banking Corp. Ltd.	6.29
4	Shanghai Pudong Development Bank Co. Ltd.	4.48
5	Industrial Bank Co. Ltd.	4.21
6	CITIC Securities Co. Ltd.	3.97
7	Bank of Communications Co. Ltd.	3.18
8	Gree Electric Appliances	3.14

9	China Vanke Co. Ltd.	2.94
10	Haitong Securities Co. Ltd.	2.77

You can obtain the most updated list of the constituents of the Index and additional information of the Index from the website of FTSE at http://www.ftse.com/Indices/FTSE_China_Index_Series/Constituents.jsp.

Ground Rules

FTSE is responsible for the daily operation of the FTSE China A Index Series (the “Series”). FTSE will maintain records of the market capitalisation of all constituents, and will make changes to the constituents and their weightings in accordance with specified rules (“Ground Rules”). The Ground Rules and news concerning the Index may be viewed on FTSE’s website at: http://www.ftse.com/Indices/FTSE_China_Index_Series/Index_Rules.jsp.

FTSE will carry out a quarterly review of the Index and implement the resulting constituent changes as required by the Ground Rules. Changes to constituent weightings are made by FTSE in accordance with the Ground Rules. FTSE is responsible for publicising changes to constituent weightings.

The Index may exist in the following states: firm, closed, held, indicative and part.

For the purposes of the above: “firm” means the Index is being calculated using the trade prices from the relevant stock exchanges for all constituents during the hours the Index is open; “closed” means that the Index has ceased all calculations for the day (the message “CLOSED” will be displayed against the index value); “held” means, during a firm period, the Index has exceeded pre-set operating parameters and calculation has been suspended pending resolution of the problem (the message “HELD” will be displayed against the index value); “indicative” means that there is a system problem or a situation in the market judged to be affecting the quality of the constituent prices at any time when the Index is being calculated (the message “IND” will be displayed against the index value); and “part” means the Index is being calculated during the normal Index open hours but there are less than 75% of the constituents by capitalisation available with firm prices (the message “PART” will be displayed against the Index to indicate only a portion of the prices are included. With the exception of this message, the Index will continue to be displayed and calculated as if it were firm).

Eligible securities

All China A-Share classes of equity in issue are eligible for inclusion in the Series subject to conforming to the Ground Rules as described below. The entire quoted equity capital of a constituent company is included in the calculation of its market capitalisation, subject to the following free float restrictions:

(A) Free float restrictions include:

- (1) Shares directly owned by State, Regional, Municipal and Local governments (excluding shares held by independently managed pension schemes for governments).
- (2) Shares held by Sovereign Wealth Funds where each holding is 10% or greater. If the holding subsequently decreases below 10%, the shares will remain restricted until the holding falls below 7%.
- (3) Shares held by directors, senior executives and managers of the company, and by their family and direct relations, and by companies with which they are affiliated.
- (4) Shares held within employee share plans.

- (5) Shares held by public companies or by non-listed subsidiaries of public companies.
 - (6) Shares held by founders, promoters, former directors, founding venture capital and private equity firms, private companies and individuals (including employees) where the holding is 10% or greater. If the holding subsequently decreases below 10%, the shares will remain restricted until the holding falls below 7%.
 - (7) All shares where the holder is subject to a lock-in clause (for the duration of that clause).+
 - (8) Shares held for publicly announced strategic reasons, including shares held by several holders acting in concert.
 - (9) Shares that are subject to on-going contractual agreements (such as swaps) where they would ordinarily be treated as restricted.
 - (10) Shares that are non-negotiable which are held by companies who have not converted following the A-Share reform.
 - (11) Non-tradable A-Shares subject to a lock-in (until the lock-in expires and the shares are freely tradable on the exchange).
- + Free Float changes resulting from the expiry of a lock-in will be implemented at the next quarterly review subsequent to there being a minimum of 20 business days between the lock-in expiry date and the index review date.

(B) The following are not considered as restricted free float:

- (1) Portfolio holdings (such as pension and insurance funds) *
- (2) Nominee holdings (unless they represent restricted free float as defined in (A) above)
- (3) Holdings by investment companies*
- (4) ETFs

* Where any single portfolio holding is 30% or greater it will be regarded as strategic and therefore restricted. The shares will remain restricted until the holding falls below 27%.

(C) Free float restrictions will be calculated using available published information. For Equity Shares of companies which have been admitted to the Index that have a free float greater than 3%, the actual free float will be rounded up to the next highest whole percentage number. Companies with a free float of 3% or below are not eligible for inclusion in the Index.

(D) For companies that have a free float less than or equal to 15%

Company	Free Float Thresholds	Market Size Requirement
New index entrant	Greater than 3% but equal or less than 15%	Full market capitalisation is greater than RMB17 billion
Existing index	Greater than 3% but equal	Full market capitalisation is

constituent	or less than 15%	greater than RMB10 billion
Existing index constituent	Less than or equal to 3% are excluded*	-

* see (D)(3)

- (1) A company that has an actual free float of greater than 3% but equal or less than 15% will be eligible for the Index inclusion providing that its full market capitalisation is greater than RMB17 billion.
 - (2) A constituent company that has an actual free float of greater than 3% but equal or less than 15% will remain in the Index if its full market capitalisation is greater than RMB10 billion.
 - (3) Constituent companies that have an actual free float of less than 3% will be deleted from the Index unless the committee decides to make an exception to the index rules. If the committee decides to make an exception to the index rules advanced notice will be provided.
 - (4) As the holdings of each shareholder can impact the free float, care is taken to ensure all the public available holdings are screened and then categorised as either restricted or unrestricted free float. The investability factor of these constituents is set to their actual free float rounded up to the next highest whole percentage number. Companies will also have to pass the other eligibility criteria as stipulated in the Ground Rules.
- (E) Where a company's shares are issued partly, or nil, paid and the call dates are already determined and known, the market price will, for the purposes of calculating its market capitalisation, be adjusted so as to include all such calls (i.e. the fully paid price).
- (F) Securities designated "Special Treatment (ST or *ST)" (i.e. stocks that demonstrate an abnormal financial situation) are not eligible for inclusion in the Index. If a constituent is designated as "Special Treatment" by the exchange, it will normally be deleted from the Index in line with the next quarterly review.

Liquidity criteria

Securities must be sufficiently liquid to be traded. The following criteria are used to ensure that illiquid securities are excluded:

- (A) Price - There must be an accurate and reliable price for the purposes of determining the market value of a company.
- (B) Size - All eligible companies will be included in the Series. FTSE will determine which companies are included on an annual basis at its meeting held in March. The largest eligible companies ranked by full market capitalisation, i.e. before the application of any investability weightings, comprising 98% of all companies will be included in the FTSE China A All-Share Index.
- (C) Liquidity - Each security is tested for liquidity on an annual basis in March by calculation of its median daily trading per month*. The median trade is calculated by ranking each daily trade total and selecting the middle ranking day. Daily totals with zero trades are included in the ranking; therefore a security that fails to trade for more than half of the days in a month will have a zero median trade. Any period of suspension will not be included in the test. The liquidity test will be applied on a pro-rata basis where the testing period is less than 12 months.

* When calculating the median of daily trades per month of any security, a minimum

of 5 trading days in each month must exist, otherwise the month will be excluded from the test.

- (1) A non-constituent which does not turnover at least 0.05% of their shares in issue (after the application of any free float weightings) based on their median daily trade per month in ten of the twelve months prior to a full market review, will not be eligible for inclusion in the Series.
 - (2) An existing constituent which does not turnover at least 0.04% of its shares in issue (after the application of any free float weightings) based on its median daily trade per month for at least eight of the twelve months prior to a full market review will be removed from the Series.
 - (3) New issues which do not have a twelve month trading record must have a minimum three month trading record when reviewed. They must turnover at least 0.05% of their free float adjusted shares based on their median daily trade per month in each month since their listing. This rule will not apply to new issues added under the Fast Entry Rule.
- (D) At the sole discretion of the FTSE Asia Pacific Regional Advisory Committee, the above percentage figures may be adjusted by up to 0.01 % at the March review so that, in the Committee's opinion, the index better reflects the liquid investable market of the region. This discretion may only be exercised across the whole market and may not be applied to individual securities.
- (E) New issues, which do not qualify as early entrants to the Series on the basis of the size of a new issue (see below), will become eligible for inclusion at the next quarterly review of constituents providing they have, since the commencement of official non-conditional trading, a minimum trading record of at least three (3) trading months prior to the date of the review and turnover of a minimum of 0.05% of their free float adjusted shares based on their median daily trade per month in each month since their listing.

The inclusion of "early entries" will not require a minimum trading record. Such early entries are included where a new issue is so large (i.e. its full market capitalisation amounts to 0.5% or more of the full capitalisation of the FTSE China A All-Share Index, before the application of individual constituent investability weightings).

Review Dates

The quarterly review of the Index constituents takes place in March, June, September and December. The constituents will be reviewed using data from the close of business on the next working day following the third Friday in February, May, August and November. Any constituent changes will be implemented after the close of business on the third Friday of the same month of the review. Index changes resulting from index reviews, will be published as soon as practical following the conclusion of each respective FTSE Asia Pacific Regional Advisory Committee meeting.

Rules for addition and deletion at the quarterly and annual review

The rules for inserting and deleting companies at the quarterly and annual reviews are designed to provide stability in the selection of constituents of the Series while ensuring that the Index continues to be representative of the market by including or excluding those companies which have risen or fallen significantly. A security will be inserted in the Index at the periodic review if it rises to 40th or above ranked by market capitalisation. A security will be deleted from the Index at the periodic review if it falls to 61st or below ranked by market capitalisation.

A constant number of constituents will be maintained for the Index. Where a greater number of companies qualify to be inserted in the Index than those qualifying to be deleted, the lowest

ranking constituents presently included in the Index will be deleted to ensure that an equal number of companies are inserted and deleted at the periodic review. Likewise, where a greater number of companies qualify to be deleted than those qualifying to be inserted, the securities of the highest ranking companies which are presently not included in the Index will be inserted to match the number of companies being deleted at the periodic review.

Where a company is deleted after the FTSE Asia Pacific Regional Advisory Committee has met and approved periodic changes to the Index but before the periodic changes have been implemented, the highest ranking company from the new reserve list, excluding current index constituents, will replace the deleted company.

Removal and replacement

If a constituent ceases to be an eligible constituent of the Index, is delisted, or ceases to have a firm quotation, or is subject to a takeover or has ceased to be a viable constituent as defined by the Ground Rules, it will be removed from the list of constituents and be replaced by the highest ranking company by full market capitalisation eligible in the reserve list as at the close of the index calculation two (2) days prior to the deletion.

The removal and replacement are effected simultaneously, before the start of the index calculation on the day following the day on which the event justifying removal was announced. Announcements made after the close of the index calculation are normally deemed to be made on the following business day. Constituents will be deleted from the Index when confirmation is received that all offer conditions have been met and acceptance levels have reached a minimum of 85% and that any new shares of the bidding company (if applicable) are listed. A company deleted following a takeover, with a remaining free float of 15% or less, will not be reconsidered for index inclusion until completion of a 6 months trading record.

Mergers, restructuring and complex takeovers

If the effect of a merger or takeover is that one constituent in the Index is absorbed by another constituent, the resulting company will remain a constituent of the Index, and a vacancy will be created. This vacancy will be filled by selecting the highest ranking security in the reserve list as at the close of the index calculation two days prior to the deletion.

If a constituent company in the Index is taken over by a non-constituent company, the original constituent will be removed and replaced by the company resulting from the takeover if eligible. If not eligible, the replacement will be selected based on the highest ranking security in the appropriate reserve list as at the close of the index calculation two days prior to the deletion.

If a constituent company is split so as to form two or more companies, then the resulting companies will be eligible for inclusion as index constituents in the Index based on their respective full market capitalisations i.e. before the application of any investability weightings and if they qualify in all other respects, e.g. an index constituent split into two companies may result in one or both of these companies remaining in the Index. The smallest constituent will be removed from the Index. Index constituent changes resulting from the split will be determined based on market values at close on day one of trading and applied using market values at close on day two of trading, following the split becoming effective. Consequently the Index may have more than fifty (50) companies for two (2) days.

New issues

If a new issue is so large (i.e. its full market capitalisation amounts to 0.5% or more of the full capitalisation of the FTSE China A All-Share Index, before the application of individual constituent investability weightings), a fast entry will normally be included as a constituent of the Index after the close of business on the fifth day of official trading. In all cases, advance notification confirming the timing of the inclusion of the new constituent will be given accordingly. The security which is the lowest ranking constituent of the indices in the Index will be selected for removal and related indices adjusted in accordance with the Ground Rules.

New issues of companies which do not qualify for early entry but which meet the criteria for eligible securities will be eligible for inclusion in the next quarterly review if large enough to become constituents of the Index.

For these purpose, a company which is relisted within 3 months following suspension or is reorganised or renamed or which arises from a demerger or complex reorganisation of another company which is not an existing constituent, shall not be considered to be a new issue. However, an initial public offering which arises from a demerger shall be considered as a new issue. A China “B” share company that for the first time issues A-Shares onto the Shanghai Stock Exchange or Shenzhen Stock Exchange will, for the Series, be considered a new issue and will be eligible for entry into the Series. If FTSE decides to include a new issue as a constituent security other than as part of the normal periodic review procedure, this decision must be publicly announced at the earliest practicable time.

Suspension of dealing

If a constituent is suspended it may remain in the Index at its suspension price for up to twenty (20) business days. During this time, FTSE may delete the constituent immediately at zero value in cases where it is expected that the constituent will not recommence trading.

Where a suspension of a constituent of the Index lasts beyond noon on the twentieth business day (and the option to remove the constituent has not been exercised), it will normally be deleted from the Index on the twenty-first trading day at zero value. Where suspension is for a reason not to the detriment of the constituent and its suspension is expected to be short-term, it may be retained at its suspension price.

Where the company to be removed is a constituent of the Index, the replacement company will be the highest ranking company on the reserve list.

Relisting of suspended constituents

Securities which on relisting after a period of suspension of less than 3 months are larger than the smallest constituent of the Index shall be reinstated at the price at which they were removed and the lowest ranking constituent will be selected for removal.

Securities which on relisting after a period of suspension of less than 3 months are smaller than the smallest constituent of the Index from which they were removed shall be initially reinstated in the Index from where they were delisted at the price at which they were removed and then included in the Index, if any, for which they then meet the size criteria.

If a company relists after a continuous period of suspension lasting more than 3 months, the company will be treated as a new issue for the purposes of index eligibility.

Changes to constituent weighting

For the purposes of computing the Series and to prevent a large number of insignificant weighting changes, the number of shares in issue for each constituent security is amended only when the total shares in issue held within the index system changes by more than 1% on a cumulative basis. If a corporate action is applied to a constituent of the Index which involves a change in the number of shares in issue, the change in shares will be applied simultaneously with the corporate action.

Changes of shares in issue not arising from corporate actions, amounting to less than 10% of the number of shares in issue but more than 1% will be made quarterly after the close of trading on the third Friday of March, June, September and December. The cut-off for these changes will be the close of business on the third Wednesday of the month prior to the review month. If the cumulative unapplied changes in the number of shares in issue is 10% or greater of the total index shares in issue or it represents at least USD2 billion of a company's total market capitalisation, the change is implemented between quarters. A minimum of four (4) days notice will be given to users of the Index. WM/Reuters Spot Rates are used to convert the market

capitalisation into USD. The USD2 billion threshold may be adjusted annually in December.

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