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**MORGAN STANLEY INVESTMENT FUNDS**

*Société d'Investissement à Capital Variable*

Registered office: 6B, route de Trèves, L-2633 Senningerberg  
R.C.S. Luxembourg: B 29192  
(the "**Company**")

**NOTICE TO THE SHAREHOLDERS OF MORGAN STANLEY INVESTMENT FUNDS GLOBAL BUY AND HOLD 2020 BOND FUND (THE "GLOBAL BUY AND HOLD 2020 BOND FUND") AND MORGAN STANLEY INVESTMENT FUNDS EUROPEAN FIXED INCOME OPPORTUNITIES FUND (THE "EUROPEAN FIXED INCOME OPPORTUNIES FUND")**

**(THE "MERGING ENTITIES")**

**2 October 2020**

Dear Shareholders,

The board of directors of the Company (the "**Board of Directors**") has decided to merge the Global Buy and Hold 2020 Bond Fund into the European Fixed Income Opportunities Fund (the "**Merger**"). The Merger shall become effective on 9 November 2020 (the "**Effective Date**").

This notice describes the implications of the Merger. Please contact your financial advisor if you have any questions on the content of this notice. The Merger may impact your tax situation. Shareholders should contact their tax advisor for specific tax advice in relation to the Merger.

Capitalized terms not defined herein have the same meaning as in the prospectus of the Company (the "**Prospectus**").

**1. Background and rationale**

As described in the Prospectus and in the key investor information document ("**KIID**") of the Global Buy and Hold 2020 Bond Fund, the latter is designated to hold its investments until the end of the "*Investment Period*" which spans over a period of 4 years expiring in October 2020.

As the Global Buy and Hold 2020 Bond Fund is about to reach its maturity, its investment adviser, Morgan Stanley Investment Management (the "**Investment Adviser**"), would like to offer to the shareholders to proceed with a merger.

The Investment Adviser believes the European Fixed Income Opportunities Fund is better positioned to achieve the aims of the original Global Buy and Hold 2020 Bond Fund, namely income generation and capital preservation.

Given the low yield environment and flat yield curves currently observed in the global fixed income market, the Investment Adviser believes that income generation and capital preservation could not be achieved as effectively through a buy and hold strategy, a short maturity bond strategy or a liquidity fund solution.

In order to achieve these aims in the current market environment the Investment Adviser believes a flexible, dynamic and opportunistic strategy with exposure to fixed income securities, such as that offered by the European Fixed Income Opportunity Fund provides for a better solution.

Due to the increased active management associated with a flexible, dynamic and opportunistic investment strategy such as European Fixed Income Opportunities the management fees will be higher. The management fee for shares classes A and B will increase from 0.50% to 1.0% per annum and for share classes I and Z from 0.30% to 0.45% per annum. Further details are contained in the Appendix 1.

Share classes A, AR, B, BR, I, and Z of the Global Buy and Hold 2020 Bond Fund will merge into the corresponding share class of the European Fixed Income Opportunities Fund.

Share classes AX and BX of the Global Buy and Hold 2020 Bond Fund will merge into share class, respectively, AR and BR of the European Fixed Income Opportunities Fund. The share class AR and BR will distribute 100% of gross income with management fees taken from capital.

The European Fixed Income Opportunities Fund will invest in Fixed Income securities. However, the investment policy will be different to the Global Buy and Hold 2020 Bond Fund and due to a difference in portfolio composition; the risk profile will reduce as referenced in the Appendix 1. However, unlike the Global Buy and Hold 2020 Bond Fund, the European Fixed Income Opportunities Fund actively engages in derivatives with a view to enhancing returns and/or as part of the investment strategy which leads to an expected gross leverage set at 160% of its net assets, as further detailed in the Appendix 1.

Further details on the Merger, and the impact on shareholders of both the Global Buy and Hold 2020 Bond Fund and the European Fixed Income Opportunities Fund, are set out below.

## **2. Summary of the Merger**

- (i)** The Merger shall become effective and final between the Merging Entities and vis-à-vis third parties on the Effective Date.
- (ii)** On the Effective Date, all assets and liabilities of the Global Buy and Hold 2020 Bond Fund will be transferred to the European Fixed Income Opportunities Fund. The Global Buy and Hold 2020 Bond Fund will cease to exist as a result of the Merger and thereby will be dissolved on the Effective Date without going into liquidation.
- (iii)** No general meeting of shareholders shall be convened in order to approve the Merger and shareholders are not required to vote on the Merger.
- (iv)** Shareholders of the Merging Entities who do not agree with the Merger have the right to request, prior to 2 November 2020, the redemption of their shares or the conversion of their shares in shares of the same or another share class of another sub-fund of the Company, not involved in the Merger, free of charges (with the exception of any applicable contingent deferred sales charges and any charges retained by the Global Buy and Hold 2020 Bond Fund to meet disinvestment costs). Please see section 6 (*Rights of shareholders of the Merging Entities in relation to the Merger*) below.
- (v)** On the Effective Date, shareholders of the Global Buy and Hold 2020 Bond Fund will automatically be issued the relevant shares, as mentioned below, of the European Fixed Income Opportunities Fund in exchange for their shares of the Global Buy and Hold 2020 Bond Fund, in accordance with the relevant share exchange ratios. Such shareholders will participate in the performance of the European Fixed Income Opportunities Fund as from such date. Shareholders will receive a confirmation note showing their holding in the European Fixed Income Opportunities Fund as soon as practicable after the Effective Date. For more detailed information please see section 6 (*Rights of shareholders of the Merging Entities in relation to the Merger*) below.
- (vi)** Redemptions of shares of the Global Buy and Hold 2020 Bond Fund will still be possible as described in section 7 below.
- (vii)** Subscriptions and conversions into Global Buy and Hold 2020 Bond Fund will remain closed

- (viii) Procedural aspects of the Merger are set out in section 7 below.
- (ix) The Merger has been approved by the *Commission de Surveillance du Secteur Financier* (the “**CSSF**”).
- (x) The timetable below summarises the key steps of the Merger.

Notice sent to shareholders	<b>2 October 2020</b>
Redemptions of shares and conversions out of the Global Buy and Hold 2020 Bond Fund not accepted or processed	<b>1 pm CET on 2 November 2020</b>
Calculation of share exchange ratios	<b>9 November 2020</b>
Effective Date	<b>9 November 2020</b>

- (xi) Dealings will not be impacted in the European Fixed Income Opportunities Fund.

### **3. Impact of the Merger on the respective shareholders of the Merging Entities**

#### **3.1 Impact of the Merger on the shareholders of the Global Buy and Hold 2020 Bond Fund**

The Merger will be binding on all the shareholders of the Global Buy and Hold 2020 Bond Fund who have not exercised their right to request the redemption of their shares under the conditions and within the timeframe set out below. The Merger will result in the conversion of their holdings in the Global Buy and Hold 2020 Bond into share(s) of the European Fixed Income Opportunities Fund. This conversion will take place on the Effective Date and in accordance with the terms and exchange ratio as further described below. No subscription fee will be levied within the European Fixed Income Opportunities Fund as a result of the Merger.

To facilitate the Merger, the Investment Adviser will rebalance the portfolio of the Global Buy and Hold 2020 Bond Fund ahead of the Merger.

As a consequence, the Global Buy and Hold 2020 Bond Fund might not be compliant with its investment objective, investment policy and investment restrictions as set out in its Prospectus during the five (5) business days preceding the Effective Date. Similarly the Global Buy and Hold 2020 Bond Fund’s portfolio may no longer be diversified in accordance with UCITS risk diversification requirements during that period.

The estimated transaction costs to be incurred in rebalancing the portfolio are approximately 1%, but may be higher or lower than depending on actual results.

The shareholders within the Global Buy and Hold 2020 Bond Fund will bear any costs, including transaction costs, associated with carrying out the Merger (excluding any legal, advisory or administrative costs associated with the preparation and the completion of the Merger), including any taxes which may arise on the transfer of property to the European Fixed Income Opportunities Fund.

Due to the increased active management associated with the flexible investment strategy in the European Fixed Income Opportunities Fund, the management fee of the European Fixed Income Opportunities Fund is higher than the management fee of the Global Buy and Hold 2020 Bond Fund. For more detailed information please see Appendix 1 (Schedule of principal differences between the Global Buy and Hold 2020 Bond Fund and the European Fixed Income Opportunities Fund).

The risk profile will change on the Global Buy and Hold 2020 Bond Fund from a 4 to 3, as referenced in the Appendix 1. The reduction in the risk profile is due to a decrease in exposure to high yield fixed income securities. However, unlike the Global Buy and Hold

2020 Bond Fund, the European Fixed Income Opportunities Fund actively engages in derivatives with a view to enhancing returns and/or as part of the investment strategy which leads to an expected gross leverage set at 160% of its net assets, as further detailed in the Appendix 1.

The return profile of the Global Buy and Hold 2020 Bond Fund will change from Income to Growth and Income as referenced in the Appendix 1.

Please note that the Global Buy and Hold 2020 Bond Fund will not, however, be responsible for, or pay, any shareholder's personal tax liability that results from the Merger.

### **3.2 Impact of the Merger on the shareholders of the European Fixed Income Opportunities Fund**

The Merger will be binding on all the shareholders of the European Fixed Income Opportunities Fund who have not exercised their right to request the redemption or the conversion of their shares prior to 1 PM CET on 2 November 2020.

For the shareholders of the European Fixed Income Opportunities Fund, the Merger will create a substantial rise of the assets under management of the European Fixed Income Opportunities Fund. It is not foreseen that the Merger will cause a dilution in the performance of the European Fixed Income Opportunities Fund. Dealings in the European Fixed Income Opportunities Fund are not impacted by the Merger.

The shareholders of the European Fixed Income Opportunities Fund will not bear any legal, advisory or administrative costs associated with the preparation and the completion of the Merger.

In order to protect the shareholders of the European Fixed Income Opportunities Fund, the Company may apply its swing pricing policy to the net asset values per share of the European Fixed Income Opportunities Fund so as to mitigate any potential dilutive effects which may result from net flows other than those associated to the Merger on the Effective Date. In the interest of the protection of all investors, should swing pricing be applied to the European Fixed Income Opportunities Fund on the Effective Date, the final net asset value or value of the Global Buy and Hold 2020 Bond Fund will be adjusted up or down as appropriate and in line with the swing factor in order to offset any potential dilutive effects.

The Investment Adviser will not rebalance the portfolio of the European Fixed Income Opportunities Fund.

### **4. Characteristics of the Merging Entities**

Appendix 1 highlights the material differences between the Merging Entities, including setting out their respective investment objectives and policies, synthetic risk and reward indicators, management fees and, on a share class by share class basis, their total expense ratios.

In addition to the information in Appendix 1, shareholders of the Global Buy and Hold 2020 Bond Fund should carefully read the description of the European Fixed Income Opportunities Fund in the Prospectus and in the KIID of the European Fixed Income Opportunities Fund before making any decision in relation to the Merger.

### **5. Criteria for valuation of assets and liabilities**

For the purpose of calculating the share exchange ratios, the rules laid down in the articles of incorporation of the Company (the "**Articles of Incorporation**") and the Prospectus for the calculation of the net asset value will apply to determine the value of the assets and liabilities of the Merging Entities.

As described above, the Company may apply its swing pricing policy to the net asset values per share of the European Fixed Income Opportunities Fund so as to mitigate any potential

dilutive effects which may result from net flows other than those associated to the merger on the Effective Date.

## **6. Rights of shareholders of the Merging Entities in relation to the Merger**

On the Effective Date, shareholders of the Global Buy and Hold 2020 Bond Fund will automatically be issued, in exchange for their shares in the Global Buy and Hold 2020 Bond Fund, a number of registered shares in the relevant absorbing share class of the European Fixed Income Opportunities Fund, as further detailed under section 4(e) (merging and receiving classes of shares - features and characteristics) of Appendix 1 below.

The number of relevant share(s) to be issued in the European Fixed Income Opportunities Fund in exchange of the holding(s) in the Global Buy and Hold Bond Fund will be, for each share class, calculated as follows:

Number of shares in the relevant share class in the Global Buy and Hold 2020 Bond Fund multiplied by the relevant share exchange ratio, which shall be calculated for each class of shares on the basis of the respective net asset values per share as of 9 November 2020.

An exchange rate between the currency of the merging share classes and Euro may need to be applied if the net asset value of the merging share class is not calculated in any of the currencies used for the calculation of the net asset value of the relevant receiving share class.

Where the application of the relevant share exchange ratio does not lead to the issuance of full shares in the European Fixed Income Opportunities Fund, the shareholders of the Global Buy and Hold 2020 Bond Fund will receive fractions of shares up to three decimal points within the European Fixed Income Opportunities Fund.

No subscription fee will be levied within the European Fixed Income Opportunities Fund as a result of the Merger.

Shareholders of the Global Buy and Hold 2020 Bond Fund will acquire rights as shareholders of the European Fixed Income Opportunities Fund from the Effective Date and will participate in the performance of the net asset value of the relevant share class in the European Fixed Income Opportunities Fund as of the Effective Date.

Shareholders of the Merging Entities who do not agree with the Merger have the right to request the redemption or, where possible, the conversion of their shares at the applicable net asset value, free of charge (with the exception of any applicable contingent deferred sales charges and any charges retained by the Merging Entities to meet disinvestment costs) during the thirty (30) calendar days following the date of the present notice.

## **7. Procedural aspects**

No shareholder vote is required in order to carry out the Merger under article 24 of the Articles of Incorporation. Shareholders of the Merging Entities who do not agree with the Merger may request the redemption or conversion of their shares as stated under section 6 (*Rights of shareholders of the Merging Entities in relation to the Merger*) above prior to 1 pm CET on 2 November 2020.

### **7.1 Suspensions in dealings**

In order to implement the procedures needed for the Merger in an orderly and timely manner, the Board of Directors has decided that, unless previously agreed:

- Subscriptions for, or conversions to shares of the Global Buy and Hold 2020 Bond Fund for investors who are not already shareholders in the Global Buy and Hold 2020 Bond Fund will continue to not be accepted

- Redemptions of shares and conversions out of the Global Buy and Hold 2020 Bond Fund will not be accepted or processed from 1 pm CET 2 November 2020 onwards.

There will be no impact on dealings in shares of the European Fixed Income Opportunities Fund as a result of the Merger. Redemptions, subscriptions and conversions will be accepted as normal, subject to the terms of the Prospectus, throughout the Merger process.

#### 7.2 *Confirmation of Merger*

Each shareholder in the Global Buy and Hold 2020 Bond Fund will receive a notification confirming (i) that the Merger has been carried out and (ii) the number of shares of the relevant class of shares of the European Fixed Income Opportunities Fund that they hold after the Merger.

Each shareholder in the European Fixed Income Opportunities Fund will receive a notification confirming that the Merger has been carried out.

#### 7.3 *Publications*

The Merger and its Effective Date shall be published on the central electronic platform of the Grand Duchy of Luxembourg, the *Recueil électronique des sociétés et associations (RESA)*, before the Effective Date. This information shall also be made publicly available, where required by regulation, in other jurisdictions where shares of the Merging Entities are distributed.

#### 7.4 *Approval by competent authorities*

The Merger has been approved by the CSSF which is the competent authority supervising the Company in Luxembourg.

### 8. **Costs of the Merger**

The Management Company will bear the legal, advisory and administrative costs and expenses associated with the preparation and completion of the Merger.

### 9. **Taxation**

The Merger of the Global Buy and Hold 2020 Bond Fund into the European Fixed Income Opportunities Fund may have tax consequences for shareholders. Shareholders should consult their professional advisers about the consequences of this Merger on their individual tax position.

### 10. **Additional information**

#### 10.1 *Merger reports*

Ernst & Young S.A., Luxembourg, the authorised auditor of the Company in respect of the Merger, will prepare reports on the Merger which shall include a validation of the following items:

1. the criteria adopted for valuation of the assets and/or liabilities for the purposes of calculating the share exchange ratios;
2. the calculation method for determining the share exchange ratios; and
3. the final share exchange ratios.

The Merger reports regarding items 1) to 3) above shall be made available at the registered office of the Company on request and free of charge to the shareholders of the Merging Entities.

## 10.2 Additional documents available

The following documents are available to the shareholders of the Merging Entities at the registered office of the Company on request and free of charge as from 2 October 2020:

- (a) the common draft terms of the Merger drawn-up by the Board of Directors containing detailed information on the Merger, including the calculation method of the share exchange ratios (the "**Common Draft Terms of the Merger**");
- (b) a statement by the depositary bank of the Company confirming that they have verified compliance of the Common Draft Terms of the Merger with the terms of the law of 17 December 2010 on undertakings for collective investment, as amended, and the Articles of Incorporation;
- (c) the Prospectus; and
- (d) the KIIDs of the Merging Entities. The Board of Directors draws the attention of the shareholders of the Global Buy and Hold Bond Fund to the importance of reading the KIID of the European Fixed Income Opportunities Fund before making any decision in relation to the Merger.

Please contact your financial adviser or the registered office of the Company if you have questions regarding this matter.

The Board of Directors accepts responsibility for the accuracy of the information contained in this notice.

The Prospectus is available to investors, free of charge, at the registered office of the Company or at the offices of foreign representatives.

Should you have any questions or concerns about the foregoing, please contact the Company at its registered office in Luxembourg or the representative of the Company in your jurisdiction. You should inform yourself of, and where appropriate take advice on, the tax consequences of the foregoing in your country of citizenship, residence or domicile.

Yours faithfully,

The Board of Directors

## APPENDIX 1

### SCHEDULE OF PRINCIPAL DIFFERENCES BETWEEN THE GLOBAL BUY AND HOLD 2020 BOND FUND AND THE EUROPEAN FIXED INCOME OPPORTUNITIES FUND

This Appendix contains a comparison of the material characteristics of the Global Buy and Hold 2020 Bond Fund and the European Fixed Income Opportunities Fund.

**(a) Investment objectives and policies**

	<b>Global Buy and Hold 2020 Bond Fund</b>	<b>European Fixed Income Opportunities Fund</b>
<b>Investment objectives and policies</b>	<p>The Global Buy and Hold 2020 Bond Fund will feature three distinct phases: (i) a period of up to 9 weeks following the launch of the Fund (the "Asset Gathering Period"); (ii) a period of 4 years following the Asset Gathering Period during which the Fund will pursue its principal investment objective (the "Principal Investment Period"); and (iii) a period of up to 6 month following the Principal Investment Period (the "Post Investment Period").</p> <p>This Fund has been designed for investors who will invest in the Fund during the Asset Gathering Period and will hold their investment until the end of the Principal Investment Period. Three months after the end of the Asset Gathering Period, the Fund will be closed to further subscriptions unless otherwise decided by the Directors.</p> <p>[...]</p> <p><i>Investment Period.</i></p> <p>The Fund may invest no more than 70% of its assets in Fixed Income Securities that are high yield securities. Fixed Income Securities will be deemed to be "high yield securities" if at the time of purchase they are rated below "BBB-" by S&amp;P and below "Baa3" by Moody's or similarly rated by another internationally recognised rating service or determined to be of similar creditworthiness by the Investment Adviser.</p> <p>The Fund may invest no more than 20% of its assets in asset-backed securities and mortgage-backed securities.</p>	<p>The European Fixed Income Opportunities Fund's investment objective is to provide an attractive level of total return, measured in Euro, through the selection of Euro-denominated Fixed Income Securities. The Fund will seek to achieve the investment policy through allocation across fixed income asset classes as well as through market and instrument selection.</p> <p>The Fund will invest primarily in Euro-denominated Fixed Income Securities of corporate, government and government related issuers across a spectrum of fixed income asset classes including investment-grade bonds, high-yield bonds, mortgage-backed securities, convertibles and currencies and subject to applicable law, in other asset-backed securities as well as loan participations and loan assignments to the extent that these instruments are securitised. High yield bonds are considered to be Fixed Income Securities issued by corporations that are rated lower than "BBB-" by S&amp;P or "Baa3" by Moody's or similarly by another internationally recognised rating service or determined to be of similar creditworthiness by the Investment Adviser. The Investment Adviser may invest in any combination of two or more of the above asset classes.</p> <p>The Fund will not invest in any securities that are rated below B- (or below BBB- in the case of Asset Backed Securities, including Mortgage Backed Securities) by Standard &amp; Poor's Corporation ("S&amp;P") or an equivalent rating from another rating agency or an</p>

	<p>The Fund may invest no more than 50% of its assets in Fixed Income Securities issued by issuers Located in emerging markets.</p> <p>The Fund may invest in Fixed Income Securities acquired on the China Interbank Bond Market. No more than 10% of the Fund's assets will be invested in such securities.</p> <p>In normal market conditions, the Investment Adviser expects to hold a low turnover portfolio.</p> <p>With a view to enhancing returns and/or as part of the investment strategy, the Fund may (in accordance with the investment powers and restrictions set out in Appendix A) make use of exchange traded and over-the-counter options, futures and other derivatives for investment or efficient portfolio management (including hedging) purposes.</p> <p>[...]</p> <p>The investment process takes into account information about ESG issues when making investment decisions. The Investment Adviser may engage company management around corporate governance practices as well as what it deems to be materially important environmental and/or social issues facing a company.</p>	<p>equivalent internal rating from the Investment Adviser as at the date of investment. In the event that any securities held by the Fund are subsequently downgraded to a rating below B- (or below BBB- in the case of Asset Backed Securities, including Mortgage Backed Securities), the Investment Adviser may maintain a maximum total exposure of 3% of the Fund's Net Asset Value to such downgraded securities but will divest any such security that has not been upgraded to a rating of at least B- within six months of its downgrade.</p> <p>The Fund may also invest, on an ancillary basis, in Fixed Income Securities that are not denominated in Euro, emerging markets Fixed Income Securities and additional securities including but not limited to debt securities convertible into common shares, cash, equity or other equity linked securities. The Fund may also invest, to a limited extent, in loan participations and loan assignments to the extent these constitute money market instruments.</p> <p>The Fund may invest in Fixed Income Securities acquired on the China Interbank Bond Market. No more than 10% of the Fund's assets will be invested in such securities.</p> <p>With a view to enhancing returns and/or as part of the investment strategy, the Fund may (in accordance with the investment powers and restrictions set out in Appendix A) make use of exchange-traded and over-the-counter options, futures and other derivatives for investment or efficient portfolio management (including hedging) purposes.</p> <p>The Fund may invest no more than 20% of its assets in Contingent Convertible Instruments.</p> <p>The Fund may invest to a limited extent in units/shares of other collective investment schemes, including the Company's Funds and open-ended ETFs provided that any</p>
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		<p>ETFs are eligible investments for UCITS funds.</p> <p>The investment process takes into account information about ESG issues when making investment decisions. The Investment Adviser may engage company management around corporate governance practices as well as what it deems to be materially important environmental and/or social issues facing a company.</p>
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**(b) Global exposure**

	<b>Global Buy and Hold 2020 Bond Fund</b>	<b>European Fixed Income Opportunities Fund</b>
<b>Global exposure methodology</b>	Commitment	Absolute VaR
<b>Reference portfolio</b>	N/A	N/A
<b>Expected gross leverage</b>	N/A	160%

**(c) Synthetic risk and reward indicator ("SRRI")**

	<b>Global Buy and Hold 2020 Bond Fund</b>	<b>European Fixed Income Opportunities Fund</b>
<b>SRRI</b>	4	3

**(d) Profile of typical investor**

<b>Global Buy and Hold 2020 Bond Fund</b>	<b>European Fixed Income Opportunities Fund</b>
<p>In light of the Global Buy and Hold 2020 Bond Fund's investment objective it may be appropriate for investors who:</p> <ul style="list-style-type: none"> <li>• seek to invest in Fixed Income Securities;</li> <li>• seek income over a four year period and whether in the form of capital appreciation or distributions, as outlined in "Dividend Policy";</li> <li>• accept the risks associated with this type of investment, as set out in Section 1.5 "Risk Factors";</li> <li>• are prepared to remain invested until the end of the four year Principal Investment Period.</li> </ul>	<p>In light of the European Fixed Income Opportunities Fund's investment objective it may be appropriate for investors who:</p> <ul style="list-style-type: none"> <li>• seek to invest in Fixed Income Securities;</li> <li>• seek capital appreciation over the medium term;</li> <li>• seek income whether in the form of capital appreciation or distributions, as outlined in "Dividend Policy";</li> <li>• accept the risks associated with this type of investment, as set out in Section 1.5 "Risk Factors".</li> </ul>

**(e) Merging and receiving classes of shares - features and characteristics**

Share classes A, AR, B, BR, I, and Z of the Global Buy and Hold 2020 Bond Fund will merge into the corresponding share class of the European Fixed Income Opportunities Fund.

Share classes AX and BX of the Global Buy and Hold 2020 Bond Fund will merge into share class, respectively, AR and BR of the European Fixed Income Opportunities Fund. The share class AR and BR will distribute 100% of gross income with management fees taken from capital.

Each of the merging and receiving share classes has identical features in terms of distribution policy, minimum investment criteria, if any, and fee structure, with the exception of the followings, as the case may be:

Management Fee	Global Buy and Hold 2020 Bond Fund	European Fixed Income Opportunities Fund
<b>Share Class Indicators A and B</b>	0.50%	1.00%
<b>Share Class Indicators I and Z</b>	0.30%	0.45%

(f) Recommended holding period

Recommended holding period	Global Buy and Hold 2020 Bond Fund	European Fixed Income Opportunities Fund
<b>Recommended holding period</b>	4 years	3 years

(g) Return profile

	Global Buy and Hold 2020 Bond Fund	European Fixed Income Opportunities Fund
<b>Return profile</b>	Income	Growth and Income

To assist your understanding of the comparison between the relevant share classes of the Merging Entities, details of the corresponding merging and receiving share classes have been reproduced in the tables below:

(i) Merger of Global Buy and Hold Bond Fund – share class A into European Fixed Income Opportunities Fund – share class A

Global Buy and Hold 2020 Bond Fund	European Fixed Income Opportunities Fund
Share class A	Share class A
Management Fee: 0.50%	Management Fee: 1.00%
Contingent Deferred Sales Charge: N/A	Contingent Deferred Sales Charge: N/A
Hedging: Unhedged	Hedging: Unhedged
Hedging Expenses: N/A	Hedging Expenses: N/A
Income: Accumulating	Income: Accumulating
Ongoing Charge: 0.74%	Ongoing Charge: 1.24%
Publication of NAV: in USD and EUR	Publication of NAV: in USD and EUR

(ii) Merger of Global Buy and Hold Bond Fund – share class AR into European Fixed Income Opportunities Fund – share class AR

Global Buy and Hold 2020 Bond Fund	European Fixed Income Opportunities Fund
Share class AR	Share class AR
Management Fee: 0.50%	Management Fee: 1.00%
Contingent Deferred Sales Charge: N/A	Contingent Deferred Sales Charge: N/A
Hedging: Unhedged	Hedging: Unhedged
Hedging Expenses: N/A	Hedging Expenses: N/A
Income: Distributing	Income: Distributing
Ongoing Charge: 0.74%	Ongoing Charge: 1.24%
Publication of NAV: in USD and EUR	Publication of NAV: in USD and EUR

(iii) Merger of Global Buy and Hold Bond Fund – share class AX into European Fixed Income Opportunities Fund – share class AR

<b>Global Buy and Hold 2020 Bond Fund</b>		<b>European Fixed Income Opportunities Fund</b>
<b>Share class AX</b>		<b>Share class AR</b>
Management Fee: 0.50%		Management Fee: 1.00%
Contingent Deferred Sales Charge: N/A		Contingent Deferred Sales Charge: N/A
Hedging: Unhedged		Hedging: Unhedged
Hedging Expenses: N/A		Hedging Expenses: N/A
Income: Distributing		Income: Distributing
Ongoing Charge: 0.74%		Ongoing Charge: 1.24%
Publication of NAV: in USD and EUR		Publication of NAV: in USD and EUR

(iv) Merger of Global Buy and Hold Bond Fund – share class B into European Fixed Income Opportunities Fund – share class B

<b>Global Buy and Hold 2020 Bond Fund</b>		<b>European Fixed Income Opportunities Fund</b>
<b>Share class B</b>		<b>Share class B</b>
Management Fee: 0.50%		Management Fee: 1.00%
Contingent Deferred Sales Charge: N/A		Contingent Deferred Sales Charge: N/A
Hedging: Unhedged		Hedging: Unhedged
Hedging Expenses: N/A		Hedging Expenses: N/A
Income: Accumulating		Income: Accumulating
Ongoing Charge: 1.74%		Ongoing Charge: 2.24%
Publication of NAV: in USD and EUR		Publication of NAV: in USD and EUR

(v) Merger of Global Buy and Hold Bond Fund – share class BR into European Fixed Income Opportunities Fund – share class BR

<b>Global Buy and Hold 2020 Bond Fund</b>		<b>European Fixed Income Opportunities Fund</b>
<b>Share class BR</b>		<b>Share class BR</b>
Management Fee: 0.50%		Management Fee: 1.00%
Contingent Deferred Sales Charge: N/A		Contingent Deferred Sales Charge: N/A
Hedging: Unhedged		Hedging: Unhedged
Hedging Expenses: N/A		Hedging Expenses: N/A
Income: Distributing		Income: Distributing
Ongoing Charge: 1.74%		Ongoing Charge: 2.24%
Publication of NAV: in USD and EUR		Publication of NAV: in USD and EUR

(vi) Merger of Global Buy and Hold Bond Fund – share class BX into European Fixed Income Opportunities Fund – share class BR

<b>Global Buy and Hold 2020 Bond Fund</b>		<b>European Fixed Income Opportunities Fund</b>
<b>Share class BX</b>		<b>Share class BR</b>
Management Fee: 0.50%		Management Fee: 1.00%
Contingent Deferred Sales Charge: N/A		Contingent Deferred Sales Charge: N/A
Hedging: Unhedged		Hedging: Unhedged
Hedging Expenses: N/A		Hedging Expenses: N/A
Income: Distributing		Income: Distributing
Ongoing Charge: 1.74%		Ongoing Charge: 2.24%
Publication of NAV: in USD and EUR		Publication of NAV: in USD and EUR

(vii) Merger of Global Buy and Hold Bond Fund – share class I into European Fixed Income Opportunities Fund – share class I

<b>Global Buy and Hold 2020 Bond Fund</b> - <b>Share class I</b>	<b>European Fixed Income Opportunities Fund</b> - <b>Share class I</b>
Management Fee: 0.30%	Management Fee: 0.45%
Contingent Deferred Sales Charge: N/A	Contingent Deferred Sales Charge: N/A
Hedging: Unhedged	Hedging: Unhedged
Hedging Expenses: N/A	Hedging Expenses: N/A
Income: Accumulating	Income: Accumulating
Ongoing Charge: 0.49%	Ongoing Charge: 0.64%
Publication of NAV: in USD and EUR	Publication of NAV: in USD and EUR

(viii) Merger of Global Buy and Hold Bond Fund – share class Z into European Fixed Income Opportunities Fund – share class Z

<b>Global Buy and Hold 2020 Bond Fund</b> - <b>Share class Z</b>	<b>European Fixed Income Opportunities Fund</b> - <b>Share class Z</b>
Management Fee: 0.30%	Management Fee: 0.45%
Contingent Deferred Sales Charge: N/A	Contingent Deferred Sales Charge: N/A
Hedging: Unhedged	Hedging: Unhedged
Hedging Expenses: N/A	Hedging Expenses: N/A
Income: Accumulating	Income: Accumulating
Ongoing Charge: 0.45%	Ongoing Charge: 0.60%
Publication of NAV: in USD and EUR	Publication of NAV: in USD and EUR