

POLARIS TRACKER FUND (H.K.) SERIES

Polaris Taiwan Top 50 Tracker Fund (H.K.) (Stock Code: 3002)

The Addendum to Explanatory Memorandum dated 3 October 2011 as amended by the addendums dated 2 April 2012, 18 April 2012, 6 May 2012, 28 August 2012 and 4 October 2012 (together the “EM”)

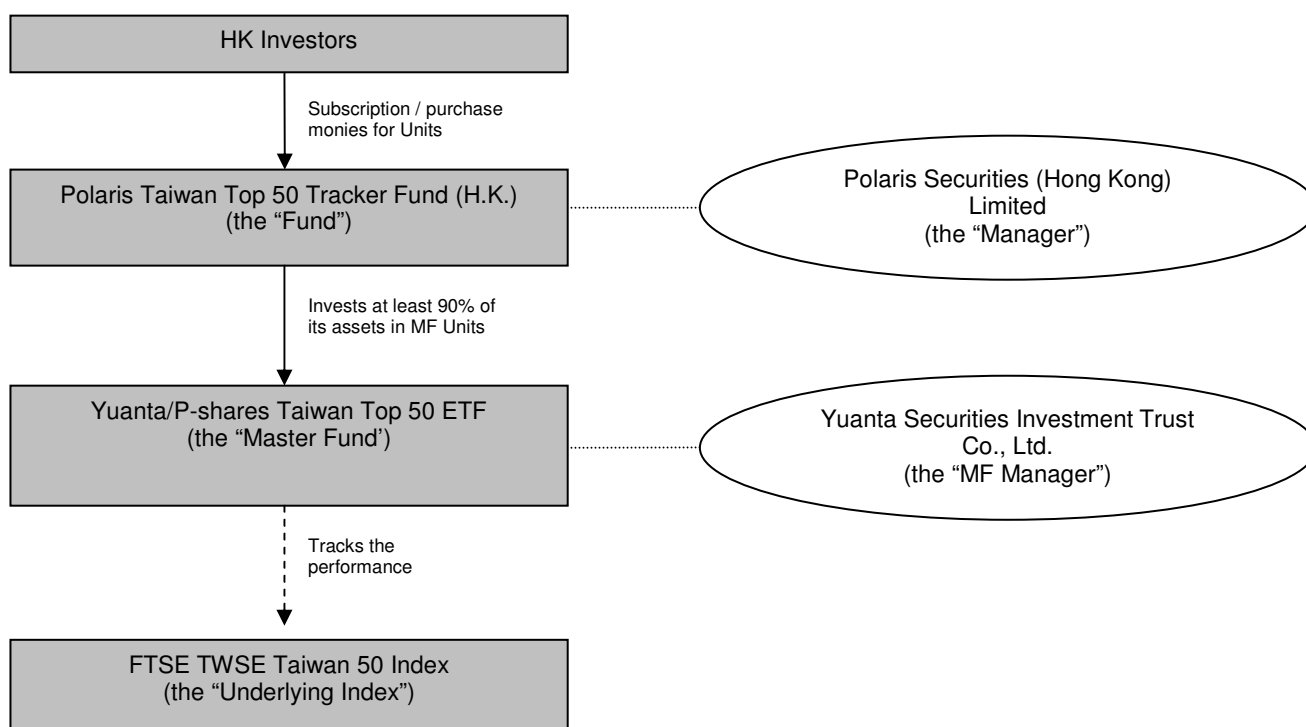
Important: If you are in any doubt about the contents of this Addendum, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. This Addendum forms an integral part of and should be read in conjunction with the EM. Polaris Securities (Hong Kong) Limited accepts responsibility for the information contained in this Addendum as being accurate at the date hereof.

The EM is hereby supplemented as follows:

1. Under ***Part 1 – Polaris Taiwan Top 50 Tracker Fund (H.K.)*** of **APPENDIX 1**, the first paragraph in section 1 “**Key Information**” on page 41 of the EM is deleted in its entirety and replaced with the following:

“The Fund aims at investing at least 90% all of its assets in Yuanta/P-shares Taiwan Top 50 ETF (the “Master Fund”), whose investment objective is to provide investment results that, after expenses, closely linked to or correspond to the performance of the FTSE TWSE Taiwan 50 Index (the “Underlying Index”).”

2. Under ***Part 1 – Polaris Taiwan Top 50 Tracker Fund (H.K.)*** of **APPENDIX 1**, the diagram in section 1 “**Key Information**” on page 41 of the EM (as amended by the Addendum dated 6 May 2012) is deleted in its entirety and replaced with the following:



3. The second paragraph under the section 3 “**Investment Objective and Policies**” on page 42 of the EM is deleted and replaced with the following:

“To achieve the investment objective, the Fund will aim at investing at least 90% of its assets in the Yuanta/P-shares Taiwan Top 50 ETF (referred to in this Appendix as the “Master Fund”). It may also invest in index futures contracts, options on futures contracts, stock index options and cash, local currency and forward currency exchange contract that are intended to facilitate the Fund to achieve investment results that closely linked to or correspond to the performance of the Underlying Index as closely as possible, or for hedging purposes. The Manager will not use these instruments to leverage, or borrow against, the Fund’s securities holdings or for speculative purposes. The Fund will not enter into any repurchase agreement, stock lending transactions and other similar over-the-counter transactions.”

4. The first paragraph and the table under sub-section “4.2 **Constituent securities of the Underlying Index**” on page 43 of the EM are deleted and replaced with the following:

“As at 11 October 2012, the 10 largest constituent stocks of the Underlying Index, represented in excess of 54.79% of the total market capitalisation, based on total shares in issue of the Underlying Index, as a

Rank	Constituent name	% of Index
1	Taiwan Semiconductor Manufacturing Co., Ltd	19.89%
2	Hon Hai Precision Industry Co., Ltd	9.20%
3	Formosa Plastics Corporation	4.40%
4	MediaTec Inc	3.97%
5	Nan Ya Plastics Corporation	3.90%
6	Chunghwa Telecom Co., Ltd	3.21%
7	Formosa Chemicals & Fibre Corporation	2.91%
8	China Steel Corporation	2.70%
9	Cathay Financial Holding Co., Ltd	2.38%
10	Uni-President Enterprises Corporation	2.23%

5. The heading of “**Part 2 – Polaris Taiwan Topc 50 Tracker Fund**” on page 49 of the EM is deleted and replaced with the following:

“**Part 2 – Yuanta/P-shares Taiwan Top 50 ETF**”.

6. Under the section of “**7. Share Lending**”, the paragraph of 7.4(A) on page 55 of the EM is deleted in its entirety and replaced with the following:

- “(A) a borrower may submit requests to the MF Manager to borrow shares held by the Master Fund through negotiable rate lending term transactions in accordance with the “Yuanta/P-shares Taiwan Top 50 ETF Share Lending and Borrowing Rules”;
7. Under the section of **“7. Share Lending”**, the paragraph of 7.4(C) and 7.4(D) on page 55 of the EM are deleted in their entirety and replaced with the following:
- “(C) the terms of lending of shares held by the Master Fund shall comply with the abovementioned share lending agreement and the “Yuanta/P-shares Taiwan Top 50 ETF Share Lending Rules”. The MF Manager may, if necessary in its discretion, request the Borrower to return the borrowed shares prior to the maturity date of the loan;
- (D) when borrowing shares held by the Master Fund, the Borrower shall deposit collateral and pay the relevant fee in accordance with the “Yuanta/P-shares Taiwan Top 50 ETF Share Lending Rules”. The relevant collateral shall be done in accordance with the Regulations Governing Securities Investment Trust funds and share lending agreement, and shall be changed if necessary in accordance with amendments to applicable laws and regulations or relevant rules;”
8. Under the section **“7. Share Lending”**, the paragraph of 7.4(F) on page 56 of the EM is deleted in its entirety and replaced with the following:
- “(F) unless otherwise provided by an FSC order, TWSE Operating Rules, TWSE Lending Regulations, and any other relevant regulations of the TWSE, the lending and borrowing of shares held by the Master Fund through negotiable lending rate term transactions, the procedure, terms and conditions, rights and obligations and relevant terms shall comply with the Trust Deed and the “Yuanta/P-shares Taiwan Top 50 ETF Share Lending and Borrowing Rules”.”

Polaris Securities (Hong Kong) Limited accepts responsibility for the information contained in this Addendum as being accurate as at the date of the publication.

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

Polaris Securities (Hong Kong) Limited
Date: 26 October 2012