

Prepared on: 26/10/18

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus¹.
- It is important to read the Prospectus before deciding whether to purchase shares in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

ALLIANZ US SHORT DURATION HIGH INCOME BOND

Product Type	Collective Investment Scheme	Launch Date	22 September 2015
Management Company	Allianz Global Investors GmbH	Depository	State Street Bank Luxembourg S.C.A.
Trustee	Not applicable	Dealing Frequency	Every Dealing Day which is a Singapore business day
Capital Guaranteed	No	Expense Ratio for Financial Year ended 30 September 2017	0.53% to 1.34%
Name of Guarantor	Not applicable		

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

- The Fund is only suitable for investors who:
 - pursue the objective of general capital formation/asset optimisation;
 - have basic knowledge and/or experience of financial products; and
 - are capable of bearing a financial loss.
- The Fund may not be suitable for investors who wish to withdraw their capital from the Fund within a short timeframe.

You should consult your financial adviser if in doubt whether this product is suitable for you.

Further Information
Refer to Section 5.1 of the Prospectus for further information on product suitability.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

- You are investing in a collective investment scheme constituted in Luxembourg that aims to provide long-term income and lower volatility by investing in short duration high yield rated corporate bonds of US bond markets.
- You may receive distributions if you are invested in a distributing share class*. The distribution date shall generally be on 15 December each year. Where the distributing share class contains additional letter(s) "M"/"Mg", you may instead receive distributions on 15th of every month or if it contains additional letter(s) "Q"/"Qg" you may instead receive distributions quarterly on 15 March, 15 June, 15 September and 15 December.
*Dividends may be paid out of capital or effectively out of capital and reduce the Fund's net asset value

Refer to Sections 1, 2, 5 and 17.1 of the Prospectus for further information on features of the product.

Investment Strategy

- Fund assets are primarily invested in short duration high yield rated corporate bonds of US bond markets.
- A minimum of 70% of Fund assets are invested in corporate bonds from the US or whose issuers are constituents of the ICE BofAML 1-3 Years BB-B US Cash

Refer to Section 5 of the Prospectus for further

¹ The Prospectus is available for collection during normal business hours from Allianz Global Investors Singapore Limited at 12 Marina View, #13-02 Asia Square Tower 2, Singapore 018961 or accessible at sg.allianzqi.com or from any of our appointed distributors.

<p>Pay High Yield Index.</p> <ul style="list-style-type: none"> • A minimum of 70% of Fund assets are invested in High-Yield Investments Type 1. • On a temporary basis for liquidity management and/or defensive purpose and/or any other exceptional circumstances, and if the Investment Manager considers it in the best interest of the Fund, up to 100% of Fund assets may be held in deposits and/or invested directly in money market instruments and (up to 10% of Fund assets) in money market funds. • The Fund may conduct securities lending transactions, over-the-counter (“OTC”) based repurchase and/or reverse repurchase transactions and similar OTC transactions in aggregate for up to 50% of the Fund’s assets. • The Fund may invest in financial derivative instruments for efficient portfolio management (including for hedging) but will not invest primarily or extensively in financial derivative instruments for investment purposes. 	<p>information on the investment strategy of the product.</p>
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <ul style="list-style-type: none"> • The Fund is constituted as a sub-fund under the Allianz Global Investors Fund (the “Company”). • The Management Company is Allianz Global Investors GmbH. • The Investment Manager is Allianz Global Investors U.S. LLC. • The Depository is State Street Bank Luxembourg S.C.A.. 	<p>Refer to Sections 1, 3 and 4.4 of the Prospectus for further information on the role and responsibilities of these entities.</p>
KEY RISKS	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</p> <p>The value of the product and its dividends and coupons (if any) may rise or fall. These risk factors may adversely impact the net asset value of the product and cause you to lose some or all of your investment:</p>	<p>Refer to Section 7 of the Prospectus for further information on risks of the product.</p>
Market and Credit Risks	
<ul style="list-style-type: none"> • You may be exposed to general market risk. <ul style="list-style-type: none"> ○ The Fund is exposed to various general trends and tendencies in the economic and political situation as well as securities markets and investment sentiment, which are partially attributable to irrational factors. Such factors could lead to substantial and longer-lasting drops in prices affecting the entire market. • You may be exposed to issuer default risk. <ul style="list-style-type: none"> ○ The issuer of securities held by the Fund may become insolvent causing its inability to fulfill his payment obligations in a full and timely manner and causing such issued assets to become economically worthless. • You may be exposed to creditworthiness risk. <ul style="list-style-type: none"> ○ The creditworthiness (ability to pay) of the issuer of an asset held by the Fund may fall. This usually leads to a decrease in the price of the asset greater than that caused by general market fluctuations. • You may be exposed to sovereign debt risk. <ul style="list-style-type: none"> ○ The Fund’s investment in interest-bearing securities issued or guaranteed by governments may be exposed to political, social and economic risks. The sovereign issues may not be able or willing to repay the principal and/or interest or may request the Fund to participate in rescheduling such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers. • You may be exposed to country risk in the US. <ul style="list-style-type: none"> ○ The Fund’s investments focus on the US, which may increase the concentration risk. Consequently, the Fund is particularly susceptible to the adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event or development in and risks of this country, or of companies based and / or operating in this country. 	

Liquidity Risks	
<ul style="list-style-type: none"> • The Fund is not listed in Singapore and you can redeem only on Dealing Days. <ul style="list-style-type: none"> ○ There is no secondary market in Singapore for the Fund. All redemption requests may only be made in the manner described in the Prospectus. • Your right to redemption may be deferred or suspended under certain circumstances highlighted in paragraphs 9.3 and 12 of the Prospectus. 	
Product-Specific Risks	
<ul style="list-style-type: none"> • You may be exposed to the risk of interest rate changes. <ul style="list-style-type: none"> ○ If market interest rates rise, the value of the interest-bearing assets held by the Fund may decline substantially. This applies to an even greater degree if the Fund also holds interest-bearing securities with a longer time to maturity and a lower nominal interest rate. • You may be exposed to downgrading risk. <ul style="list-style-type: none"> ○ The credit rating of interest bearing securities held by the Fund may be downgraded. The Fund may or may not be able to dispose of the securities that are being downgraded. This may lead to a fall in the net asset value of the Fund. • You may be exposed to the risk of investing in high-yield investments and convertible bonds. <ul style="list-style-type: none"> ○ Investing in high-yield investments is normally associated with increased creditworthiness risk, risk of interest rate changes, general market risk, company-specific risk and liquidity risk. ○ Investing in convertible bonds is normally associated with increased creditworthiness risk, risk of default, risk of interest rate changes, prepayment risk, general market risk and liquidity risk. • You may be exposed to valuation risk. <ul style="list-style-type: none"> ○ Valuation of the Fund assets may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund. • You may be exposed to credit rating risk. <ul style="list-style-type: none"> ○ Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times. • You may be exposed to derivatives risk. <ul style="list-style-type: none"> ○ (i) The derivatives may be misvalued or may have varying valuations; (ii) the use of derivatives may not completely hedge the risk intended to be hedged; (iii) derivative may become difficult to sell. In such cases, the Fund may not be able to liquidate a position at an appropriate time or price; (iv) there is also a creditworthiness risk (i.e. that the counterparty may default or be unable to completely fulfill its obligations); (v) given the leverage effect embedded in derivatives, even a small investment in derivatives could have a substantial, even negative, effect on the performance of the Fund. • You may be exposed to the risk relating to distribution out of capital. <ul style="list-style-type: none"> ○ If you invest in a share class which provides for distributions out of capital you should be aware that payment of such distributions may result in an immediate decrease in the net asset value per share and may reduce the capital available for future investment and capital growth. • You may be exposed to RMB currency risk. <ul style="list-style-type: none"> ○ The Fund may invest in assets denominated in offshore and onshore RMB. The RMB traded in the PRC is not freely convertible and is subject to exchange control policies and restrictions imposed by the PRC authorities. Restrictions on repatriation of RMB out of the PRC may limit the depth of the RMB market available outside of the PRC, and thereby may reduce the liquidity of the Fund. The RMB may be subject to devaluation, in which case the value of the investments in RMB assets will be adversely affected. Furthermore although offshore RMB and onshore RMB are the same currency, they are traded on different and separate markets and as such, their values could differ and their exchange rates may not move in the same direction. • The net asset value of the Fund may likely have a high volatility due to 	

<p>the investment policies or portfolio management techniques employed in respect of the Fund.</p>			
FEES AND CHARGES			
WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?			
<p>Payable directly by you (on A/AT, I/IT and P/PT classes)</p>			
<ul style="list-style-type: none"> You will need to pay the following fees and charges as a percentage of the net asset value of the share class (actual percentage depends on the relevant share class): 			
<table border="1"> <tr> <td>Subscription Fee</td> <td>Up to 5%</td> </tr> </table>	Subscription Fee	Up to 5%	
Subscription Fee	Up to 5%		
<table border="1"> <tr> <td>Redemption Fee/ Disinvestment Fee</td> <td>Currently NIL</td> </tr> </table>	Redemption Fee/ Disinvestment Fee	Currently NIL	
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Conversion Fee	Up to 5%		

Additional fees may be payable to Singapore distributors.

Payable by the Fund from invested proceeds (on A/AT, I/IT and P/PT classes)

- The Fund will pay the following fees and charges (actual percentage depends on the relevant share class):

All-in-Fee	Up to 1.45% p.a.
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The fees and expenses of the investment manager, central administration agent and depository will be covered by the All-in-Fee payable to the Management Company.

Refer to Sections 8.9, 11 and 9 of the Prospectus for further information on valuation and exiting from the product.

APPENDIX: GLOSSARY OF TERMS

Business Day	: Means each day on which banks and exchanges in Luxembourg are open for business. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.
High-Yield Investments Type 1	: Means an investment in debt securities which at the time of acquisition has a rating of BB+ or below (Standard & Poor's and Fitch) or of Ba1 or below (Moody's) or the equivalent by another rating agency or, if unrated, as determined by the Investment Manager to be of comparable quality. In case of a minimum (maximum) investment limit of High-Yield Investment Type 1 securities according to the Fund's investment restrictions, the lowest (highest) available rating of a debt security at acquisition day is decisive for the assessment of the possible acquisition of such debt security as High-Yield Investment Type 1. Generally, there is no intention to acquire debt securities that are only rated CC, C or D (Standard & Poor's), C, RD or D (Fitch) or Ca or C (Moody's) unless otherwise specified.
PRC	: Means the People's Republic of China, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan.
RMB	: Means the Chinese Renminbi, the official currency of the PRC and, unless the context otherwise requires, the term "RMB" refers to offshore Chinese Renminbi (" CNH ") traded offshore in Hong Kong or markets outside the PRC and not to onshore Chinese Renminbi (" CNY ").
Valuation/ Dealing Day	: Means each day on which banks and exchanges in Luxembourg and New York are open for business.