

**C L I F F O R D
C H A N C E**

HSBC GLOBAL ASSET MANAGEMENT (HONG KONG) LIMITED

and

HSBC INSTITUTIONAL TRUST SERVICES (ASIA) LIMITED

SECOND SUPPLEMENTAL TRUST DEED

for

HSBC CHINA DRAGON FUND

THIS SECOND SUPPLEMENTAL DEED is made the 17th day of November 2009

BETWEEN

- (A) **HSBC GLOBAL ASSET MANAGEMENT (HONG KONG) LIMITED** having its registered office at HSBC Main Building, 1 Queen's Road Central, Hong Kong (the "**Manager**");
- (B) **HSBC INSTITUTIONAL TRUST SERVICES (ASIA) LIMITED** having its registered office at HSBC Main Building, 1 Queen's Road Central, Hong Kong (the "**Trustee**");

and is supplemental to a trust deed dated 20 June 2007 as amended, restated and supplemented by a supplemental trust deed dated 29 June 2007 (collectively, the "**Trust Deed**"), also made by the Trustee and the Manager, and constituting HSBC China Dragon Fund (the "**Trust**").

NOW THIS DEED WITNESSES as follows:

1. Unless there is something inconsistent in the subject matter or the context, words, and expression defined in the Trust Deed shall have the same meanings in this Supplemental Deed.
2. With effect on and from the date of this Supplement Deed, the Trust deed shall be amended as follows:
 - 2.1 Clause 5.1(e) shall be deleted in its entirety and replaced with the following:

"(e) details of each redemption or repurchase of Units and the date on which any Units are cancelled pursuant to the provisions of Clause 9."
 - 2.2 The heading of Clause 9 shall be deleted in its entirety and replaced with the following:

"9. REDEMPTION OR REPURCHASE OF UNITS BY THE MANAGER"
 - 2.3 The following provision shall be inserted as a new sub-paragraph 9.7 of Clause 9:

"9.7 Subject to the Manager being granted a general mandate from the Holders by way of an ordinary resolution at a Holders' general meeting, the Manager shall have the right to use any part of the Trust Fund to repurchase any Units listed on the SEHK. Before exercising such right the Manager shall ensure that the Trust Fund has sufficient cash to effect the proposed repurchase of the Units. Any repurchase of Units by the Manager must be effected in accordance with all applicable laws, rules, regulations, codes or guidelines issued by the Commission or any relevant governmental or regulatory authority and shall be effected only when the Manager believes that such repurchase will benefit the Trust and the Holders as a whole. All repurchased Units shall be automatically cancelled upon the Trustee receiving a notice in writing from the Manager stating the number of Units repurchased and Certificates for those Units (if any) shall be cancelled and destroyed."
 - 2.4 Clause 10 shall be deleted in its entirety and replaced with the following:

"10. **NO REDEMPTION OR REPURCHASE OF UNITS BY HOLDERS**

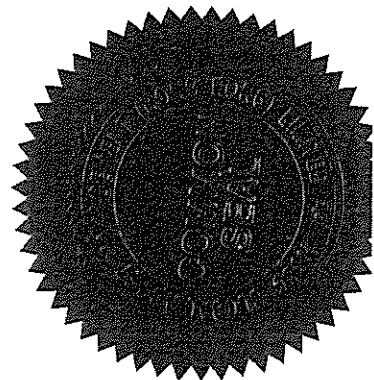
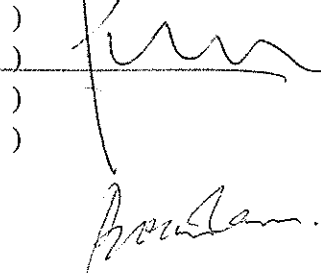
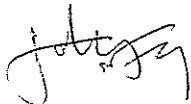
No Holder shall have any right to demand the repurchase or redemption of their Units."

3. Clause 19.3 shall be amended by inserting the following sub-paragraph as new item (a) and the subsequent original items (a) - (u) shall be relabelled (b) - (v):
(a) all fees and expenses relating to any repurchase of Units,
4. Except as amended by this Supplemental Deed, the Trust Deed shall continue in full force and effect.
5. This Supplemental Deed may be executed in any number of counterparts each of which when executed by one or more of the parties hereto shall constitute an original but all of which shall constitute one and the same instrument.
6. Subject to Clause 23 of the Trust Deed, this Supplement Deed shall be subject to and governed by the laws of Hong Kong.

IN WITNESS WHEREOF this Supplemental Deed has been entered into the day and year first above written.

THE COMMON SEAL of
HSBC GLOBAL ASSET MANAGEMENT
(HONG KONG) LIMITED

was duly affixed in the presence of:



SIGNED, SEALED and DELIVERED)
for and on behalf of)
HSBC INSTITUTIONAL TRUST SERVICES)
(ASIA) LIMITED)
by its duly appointed attorney in the presence of:)

