

August 2019

Allianz Global Investors Fund - Allianz Structured Alpha 250

Merger of Allianz Global Investors Fund - Allianz Structured Alpha 250 into Allianz Global Investors Fund - Allianz Structured Return

Dear Shareholder,

In your securities account you are holding Shares of Allianz Global Investors Fund - Allianz Structured Alpha 250.

Why is the merger taking place?

Allianz Global Investors constantly reviews the investment opportunities on offer to its investors to ensure that its products are meeting customer needs and objectives.

As part of this review, it is considered that assets under management of Allianz Structured Alpha 250 have significantly decreased over the last months, so that an efficient portfolio management is more and more difficult to achieve. The aim of this consolidation is to harmonize the product offering within the same product category. Both sub-funds Allianz Structured Alpha 250 and Allianz Structured Return participate from the volatility movements mainly in the North American equity markets. By merging both sub-funds investors are offered to stay efficiently invested into this product category with a higher risk/return profile.

Consequently and after careful consideration, the Board of Directors of Allianz Global Investors Fund (the “Company”) came to the conclusion that it will be in the best interest of the shareholders to merge the following sub-funds of the Company as set out in the table below:

Fund name	Merging Sub-Fund		Receiving Sub-Fund	
	Allianz Global Investors Fund - Allianz Structured Alpha 250		Allianz Global Investors Fund - Allianz Structured Return	
Share Classes	Share Class	ISIN	Share Class	ISIN
	I3 (EUR)	LU1366192505	I3 (EUR)	LU1412423854
	IT3 (EUR)	LU1480530143	IT3 (EUR)	LU1480530069
	P10 (EUR)	LU1527140179	P10 (EUR)	LU1527140252
	P14 (EUR)	LU1366192760	P14 (EUR)	LU1412407907
	P3 (EUR)	LU1366192927	P3 (EUR)	LU1412411412
	R (EUR)	LU1677198563	RT3 (EUR)	LU1652855575
	RT (EUR)	LU1377965899	RT3 (EUR)	LU1652855575
Merger Date	7 October 2019			

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Société d'Investissement à Capital Variable
Registered Office: Senningerberg
Registre de Commerce: B 71.182

Board of Directors:
William Lucken
Oliver Drissen
Hanna Duer
Markus Nilles
Dirk Raab
Petra Trautschold
Birte Trenkner

Comparison of Investment Policy and Risk Profile

Fund name	Merging Sub-Fund	Receiving Sub-Fund
	Allianz Global Investors Fund - Allianz Structured Alpha 250	Allianz Global Investors Fund - Allianz Structured Return
Investment Objective	The Sub-Fund seeks to generate superior risk adjusted returns through a complete market cycle. The investment policy is geared towards generating appropriate annualised returns while taking into account the opportunities and risks on the global equity, equity options and bond markets (absolute return approach).	
Permissible Asset Classes	<p>1) <u>Description of the Investment Manager's strategy</u> The Sub-Fund assets are invested in a money market/bond portfolio, including, but not limited to, short term euro denominated French and German government bonds. Using all or a portion of the underlying money market/bond portfolio as collateral, the Sub-Fund utilizes a proprietary model to construct equity option spreads, typically buying and selling put options and call options including, without any limitation, on U.S. equity indices, U.S. equity index futures, U.S. equity market related volatility indices, U.S. equity market related volatility futures, and exchange traded funds based on U.S. equity and volatility indices.</p> <p>2) <u>Implementation of the Strategy ("Direct Implementation of Strategy" as described under letter b) of asset class description)</u> The objective of the option spreads is to create option based "profit zones" that upon expiration of the options will lead to a positive return for the Sub-Fund if the level of the underlying index (or other instrument) ends up within such profit zone. The Sub-Fund seeks to establish profit zones based on a target positive return potential. The Sub-Fund's Strategy typically intends to be based on an extensive number on both, long and short positions in order to ensure a broadly diversified portfolio. The Sub-Fund's total value can fluctuate and capital is not guaranteed. Due to the extensive use of options the Sub-Fund can also lose significant value in case of extraordinary market movements (upside or downside) as well as in markets with extreme volatility movements.</p> <p>3) <u>Investment Restrictions</u></p> <ul style="list-style-type: none"> - Sub-Fund assets may not be invested in Emerging Markets - Max. 10% of Sub-Fund assets (excluding ABS/MBS) may be invested in High-Yield Investments Type 2 - Max. 15% Non-EUR Currency Exposure - Duration: below 6 months - VAG Investment Restriction applies 	<p>1) <u>Description of the Investment Manager's strategy</u> The Sub-Fund utilizes options (long/short and/or call/put) and option spreads to create option based "profit zones" that upon expiration of the options shall lead to a positive return for the Sub-Fund if the level of the underlying index (or other instrument) ends up within such profit zone. Additionally, the Sub-Fund may combine a long equity exposure with an in-the-money short call overlay strategy, both mainly based on the U.S. equity market with U.S. equity indices (e.g. S&P 500), in order to achieve its objective.</p> <p>2) <u>Implementation of the Strategy ("Direct Implementation of Strategy" as described under letter b) of asset class description)</u> Sub-Fund assets are primarily invested in a money market/bond portfolio, including, but not limited to, short term euro denominated French and German government bonds. Using all or a portion of the cash and/ or underlying money market/bond portfolio as collateral, the Sub-Fund utilizes a proprietary model to construct the equity option strategy and equity option spreads, typically buying and selling call options and put options including, without any limitation, on U.S. equity indices, U.S. equity index futures, U.S. equity market related volatility indices, U.S. equity market related volatility futures, and exchange traded funds based on U.S. equity and volatility indices. The Sub-Fund's total value can fluctuate and capital is not guaranteed. Due to the extensive use of options the Sub-Fund can also lose significant value in case of extraordinary market movements (upside or downside) as well as in markets with extreme volatility movements.</p> <p>3) <u>Investment Restrictions</u></p> <ul style="list-style-type: none"> - Sub-Fund assets may not be invested in Emerging Markets - Sub-Funds assets may not be invested in High-Yield Investments Type 1. If a Debt Security (excluding ABS/MBS) is rated High-Yield Investments Type 2 after acquisition the share of such assets is not permitted to exceed 10% of Sub-Fund assets and the Investment Manager will seek to dispose such asset within 12 months. - Total Return Swaps on regular US equity indices may also be acquired. The counterparty will be selected by applying the best execution criteria of the Investment Manager. It will be ensured that the maximum counterparty risk of the selected

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Fund name	Merging Sub-Fund	Receiving Sub-Fund
	Allianz Global Investors Fund - Allianz Structured Alpha 250	Allianz Global Investors Fund - Allianz Structured Return
		counterparty will not exceed 10% of Sub-Fund assets. - Duration: below 12 months - VAG Investment Restriction applies
Investment Focus	Global equity, equity options and bonds markets	
Credit Rating	Max. 10% of Sub-Fund assets (excluding ABS/MBS) may be invested in High-Yield Investments Type 2.	Sub-Funds assets may not be invested in High-Yield Investments Type 1. If a Debt Security (excluding ABS/MBS) is rated High-Yield Investments Type 2 after acquisition the share of such assets is not permitted to exceed 10% of Sub-Fund assets and the Investment Manager will seek to dispose such asset within 12 months.
Definitions	<p>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 a Sub-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).</p> <p>High-Yield Investments Type 2 means an investment in Debt Securities which at the time of acquisition has a rating of between BB+ and B- (inclusive) (Standard & Poor's and Fitch) or of between Ba1 and B3 (inclusive) (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 2 securities according to a Sub-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 2.</p> <p>VAG Investment Restriction means that a Sub-Fund to the extent it invests - irrespective of its specific Asset Class Principles, its individual investment objective and its individual investment restrictions which fully continue to apply – in (1) ABS/MBS may only invest in ABS/MBS which at the time of acquisition have a rating of at least BBB- (Standard & Poor's and Fitch) or of at least Baa3 (Moody's) or the equivalent by another Rating Agency or, if unrated, as determined by the Investment Manager to be of comparable quality, and which are admitted to or included in an official market or if the issuer has its registered offices in a contracting state to the Agreement on the EEA or a full member State to the OECD and to the extent it invests in (2) Debt Securities (excluding ABS/MBS) may only invest in Debt Securities which at the time acquisition have a rating of at least B- (Standard & Poor's and Fitch) or of at least B3 (Moody's) or the equivalent by another Rating Agency or, if unrated, as determined by the Investment Manager to be of comparable quality. In addition, VAG Investment Restriction means that for the case that two different ratings exist the lower rating will be relevant. If three or more different ratings exist the second-highest rating will be relevant. An internal rating by the Investment Manager can only be taken into account if such internal rating complies with requirements as set out in the BaFin circular 11/2017 (VA). Assets as mentioned in sentence 1 which have been down-graded below the minimum rating as mentioned in sentence 1, must not exceed 3% of Sub-fund assets. If assets as described in the aforementioned sentence exceed 3% of the Sub-fund assets they must be sold within six months from the day on which the exceeding of the 3% threshold took place, but only to the extent such assets exceed 3% of Sub-fund assets. Investment restrictions which are related to a specific VAG investor are not covered by the VAG Investment Restriction.</p>	
Level of Leverage	0-5	
Risk Management Approach	Relative Value-at-Risk Approach	
Regional Orientation	Global	
Emerging Markets	Not permissible	
Foreign Currencies	Max. 15% Non-EUR Currency Exposure	Permissible

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Fund name	Merging Sub-Fund		Receiving Sub-Fund	
	Allianz Global Investors Fund - Allianz Structured Alpha 250		Allianz Global Investors Fund - Allianz Structured Return	
Target Funds	Max. 10% of Sub-Fund assets may be invested in UCITS and/or UCI.			
Derivatives	Permissible			
Duration (average cash-weighted residual term to maturity)	Below 6 months		Below 12 months	
SRRI	3		5	

Comparison of Fees and other Characteristics Specific to each Share Class

Fund name	Merging Sub-Fund		Receiving Sub-Fund	
	Allianz Global Investors Fund - Allianz Structured Alpha 250		Allianz Global Investors Fund - Allianz Structured Return	
All-in-Fee p.a.	Share Class	(actual / maximum)	Share Class	(actual / maximum)
	I3 (EUR)	1.20 % / 1.20 %	I3 (EUR)	1.50 % / 1.50 %
	IT3 (EUR)	1.20 % / 1.20 %	IT3 (EUR)	1.50 % / 1.50 %
	P10 (EUR)	0.80 % / 1.20 %	P10 (EUR)	1.40 % / 1.50 %
	P14 (EUR)	0.20 % / 0.20 %	P14 (EUR)	0.20 % / 0.20 %
	P3 (EUR)	1.20 % / 1.20 %	P3 (EUR)	1.50 % / 1.50 %
	R (EUR)	1.25 % / 1.75 %	RT3 (EUR)	1.60 % / 1.60 %
	RT (EUR)	1.25 % / 1.75 %	RT3 (EUR)	1.60 % / 1.60 %
Sales Charge / Conversion Fee	Share Class	(actual / maximum)	Share Class	(actual / maximum)
	I3 (EUR)	0.00 % / 2.00 %	I3 (EUR)	0.00 % / 2.00 %
	IT3 (EUR)	0.00 % / 2.00 %	IT3 (EUR)	0.00 % / 2.00 %
	P10 (EUR)	0.00 % / 2.00 %	P10 (EUR)	0.00 % / 2.00 %
	P14 (EUR)	0.00 % / 2.00 %	P14 (EUR)	0.00 % / 2.00 %
	P3 (EUR)	0.00 % / 2.00 %	P3 (EUR)	0.00 % / 2.00 %
	R (EUR)	0.00 % / 0.00 %	RT3 (EUR)	0.00 % / 0.00 %
	RT (EUR)	0.00 % / 0.00 %	RT3 (EUR)	0.00 % / 0.00 %
Taxe d'Abonnement (p.a.)	Share Class	Percentage	Share Class	Percentage
	I3 (EUR)	0.01 %	I3 (EUR)	0.01 %
	IT3 (EUR)	0.01 %	IT3 (EUR)	0.01 %
	P10 (EUR)	0.05 %	P10 (EUR)	0.05 %
	P14 (EUR)	0.05 %	P14 (EUR)	0.05 %
	P3 (EUR)	0.05 %	P3 (EUR)	0.05 %
	R (EUR)	0.05 %	RT3 (EUR)	0.05 %
	RT (EUR)	0.05 %	RT3 (EUR)	0.05 %
Total Expense Ratio (p.a.)	Share Class	Percentage	Share Class	Percentage
	I3 (EUR)	1.20 %	I3 (EUR)	1.52 %
	IT3 (EUR)	1.21 %	IT3 (EUR)	1.51 %
	P10 (EUR)	0.85 %	P10 (EUR)	1.46 %
	P14 (EUR)	0.25 %	P14 (EUR)	0.26 %
	P3 (EUR)	1.24 %	P3 (EUR)	1.56 %
	R (EUR)	1.29 %	RT3 (EUR)	1.65 %
	RT (EUR)	1.28 %	RT3 (EUR)	1.65 %
Performance Fee	Details			
	Share class: P14 (EUR) Benchmark: Euro Overnight Index Average (EONIA) Maximum participation rate: 30% Method: 3			

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Fund name	Merging Sub-Fund		Receiving Sub-Fund	
	Allianz Global Investors Fund - Allianz Structured Alpha 250		Allianz Global Investors Fund - Allianz Structured Return	
Use of income / Effective date	Share Class	Reference	Share Class	Reference
	I3 (EUR)	Distributing / 15 December	I3 (EUR)	Distributing / 15 December
	IT3 (EUR)	Accumulating	IT3 (EUR)	Accumulating
	P10 (EUR)	Distributing / 15 December	P10 (EUR)	Distributing / 15 December
	P14 (EUR)		P14 (EUR)	
	P3 (EUR)		P3 (EUR)	
	R (EUR)	Accumulating	RT3 (EUR)	Accumulating
RT (EUR)	RT3 (EUR)			
Minimum investment amount	Share Class	Amount	Share Class	Amount
	I3 (EUR)	4.000.000 EUR	I3 (EUR)	4.000.000 EUR
	IT3 (EUR)	4.000.000 EUR	IT3 (EUR)	4.000.000 EUR
	P10 (EUR)	3.000.000 EUR	P10 (EUR)	3.000.000 EUR
	P14 (EUR)	3.000.000 EUR	P14 (EUR)	3.000.000 EUR
	P3 (EUR)	50.000.000 EUR	P3 (EUR)	50.000.000 EUR
	R (EUR)	-	RT3 (EUR)	-
RT (EUR)	-	RT3 (EUR)	-	
Legal Form	Sub-Funds of Allianz Global Investors Fund, a Société d'investissement à capital variable (SICAV) according to Part I of the Law			
Investment Manager	Allianz Global Investors U.S. LLC			
Depository	State Street Bank Luxembourg S.C.A.			
Registrar and Transfer agent	State Street Bank Luxembourg S.C.A.			
Trading Deadline	<ul style="list-style-type: none"> - 6.00 p.m. CET or CEST on any Dealing Day preceding a Dealing Day. - Subscription and redemption applications received by 6.00 p.m. CET or CEST on any Dealing Day preceding a Dealing Day are settled at the Subscription or Redemption Price of the next Dealing Day. - Subscription and redemption applications received after that time are settled at the Subscription or Redemption Price of the second Dealing Day following the Dealing Day. 			
Dealing Day / Valuation Day	Luxembourg / New York			
Base Currency	EUR			
Fair Value Pricing Model	None			
Swing Pricing Mechanism	None			
Financial year end	30 September			

Statutory Sales Documentation

The current "Key Investor Information" of receiving share classes of Allianz Global Investors Fund - Allianz Structured Return are included in this letter. These documents contain important information about the investment opportunities and risk profile of Allianz Global Investors Fund - Allianz Structured Return. You should therefore read the "Key Investor Information" carefully.

The annual report of Allianz Global Investors Fund - Allianz Structured Return is available four months after the end of the financial year. The semi-annual report is available two months after the end of the financial half-year.

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The above-mentioned documents and the prospectus are available from your advisor and are accessible or available free of charge upon request during normal business hours from the registered office of the Company, the Management Company and information agents in each jurisdiction in which the sub-funds are registered for public distribution. These documents are also accessible on the Internet at <https://regulatory.allianzgi.com/>.

The fund merger will be reviewed by an auditor. On request, we will gladly provide you with a copy of the approved merger report, without charge. It will be available approximately four months after the Merger Date (in English only).

Changes to the Merging Sub-Fund Portfolio as a Result of the Merger

Since the Allianz Global Investors Fund - Allianz Structured Return and the Allianz Global Investors Fund - Allianz Structured Alpha 250 have relatively close guidelines, it is not necessary to reposition the portfolio of the Allianz Global Investors Fund - Allianz Structured Alpha 250 prior to the merger.

As no repositioning of the Allianz Global Investors Fund - Allianz Structured Alpha 250 prior to the merger is necessary, no related transaction costs will be charged.

Purchase of further Shares in Allianz Global Investors Fund - Allianz Structured Alpha 250

The issue of new shares in Allianz Global Investors Fund - Allianz Structured Alpha 250 has been suspended after the Dealing Day 17 December 2018.

Redemption of Shares in Allianz Global Investors Fund - Allianz Structured Alpha 250

Shares in Allianz Global Investors Fund - Allianz Structured Alpha 250 may be redeemed by 6.00 p.m. CEST on 30 September 2019, free of redemption charge as usual. Redemption applications will be settled for the last time at the price prevailing on 1 October 2019. Redemption of shares will be discontinued after 6.00 p.m. CEST on 30 September 2019.

Sale of Allianz Global Investors Fund - Allianz Structured Return shares after the Merger Date

Shares in Allianz Global Investors Fund - Allianz Structured Return received during the fund merger can be sold once they have been credited to your securities account.

Merger Procedure

After the Merger Date, your securities account will be credited automatically and free of any sales or other charge with the number of shares in Allianz Global Investors Fund - Allianz Structured Return that corresponds to your previous investment in Allianz Global Investors Fund - Allianz Structured Alpha 250.

For this purpose the value of your shareholding in Allianz Global Investors Fund - Allianz Structured Alpha 250 is divided by the share price of Allianz Global Investors Fund - Allianz Structured Return. The resulting shareholding in Allianz Global Investors Fund - Allianz Structured Return will subsequently be credited to your securities account. The conversion will be based on the share prices of the two sub-funds as determined on the Merger Date.

With regard to the Allianz Global Investors Fund - Allianz Structured Alpha 250, it will not distribute any income for the distributing share classes for the period running from the last distributing date to the Merger Date as per the Merger Date, such income will be considered while calculating the exchange ratio on the Merger Date.

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The Allianz Global Investors Fund - Allianz Structured Alpha 250 will accumulate its income for the accumulating share classes for the period running from last financial year end to the Merger Date as per the Merger Date.

You will not incur any costs in connection with the merger. For the avoidance of doubt, the costs in relation to investment management decisions in the course of managing the Allianz Global Investors Fund - Allianz Structured Alpha 250 prior to the merger will be borne by the Allianz Global Investors Fund - Allianz Structured Alpha 250.

For investors domiciled in the Federal Republic of Germany, the merger will also be published in the Börsen-Zeitung as per 24 August 2019.

Tax-Neutral Merger

Shares acquired in Allianz Global Investors Fund - Allianz Structured Return as a result of the merger with Allianz Global Investors Fund - Allianz Structured Alpha 250 are not considered new acquisitions from a taxation perspective. As such, in the event of any subsequent sale of the Allianz Global Investors Fund - Allianz Structured Return shares, the price and time at which the original Allianz Global Investors Fund - Allianz Structured Alpha 250 shares were acquired determines whether the capital gains are taxable or not.

Please consult your tax advisor if you have any other tax-related questions, particularly with regard to the implications of the fund merger for you personally.

Yours faithfully,
The Board of Directors

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