17 April 2020

**This document is important and requires your immediate attention. If you are in any doubt you should seek advice from an independent professional adviser.**

**Terms used here in capital letters shall bear the same meaning as capitalised terms used in the latest prospectus of Allianz International Investment Funds (the “Company”). A copy of the prospectus is available upon request during normal business hours by contacting us on telephone number 0800 073 2001 or via the website** [**https://uk.allianzgi.com/B2C**](https://uk.allianzgi.com/B2C) **for retail investors, for IFA’s please visit** [**https://uk.allianzgi.com/Adviser**](https://uk.allianzgi.com/Adviser)**.**

Dear Investor,

**Notification of the closure of the Allianz Global AC Equity Insights Fund (the “Fund”), a sub-fund of the Company.**

* **E Shares (Accumulation) (ISIN GB00BF422B13)**
* **W Shares (Accumulation) (ISIN GB00BF422C20)**
* **O Shares (Accumulation) (ISIN GB00BDD7MY60)**

As the Authorised Corporate Director (the “**ACD**”) of the Company we are writing to you with important information about your holding in the Fund.

It is with regret that we inform you that the Fund will be closed.

It is important that we explain our reasons for closing the Fund, as well as telling you what will happen now and what options are available to you.

# **Reasons for closing the Fund**

The Fund has attracted c. GBP 80K in external investment since launch in August 2017 and total assets under management (AUM) now stand at GBP 4.7m with GBP 4.6m of the total being internal Allianz seed money provided for the launch. Given the low AUM gathered the Fund is not commercially viable. We believe the Fund is unlikely to be able to raise assets in the next few months and as the internal seed money provider is due to redeem their holding later this year we believe it is in the interests of all investors to close the Fund ahead of this event.

We have considered whether it would be appropriate to merge the Fund by way of a scheme of arrangement with another of our Allianz Funds, however this option is not viable due to the fund being too small. Having considered all relevant factors, we are therefore of the opinion that it would be in the best interests of the Fund’s Shareholders if the Fund is closed. Please see the section on the next page for your options.

# **What will happen now?**

You are notified that the Fund will be closed on 18 June 2020 (the “Closure Date”). From now until the termination, the Fund will continue to be managed and valued in accordance with the prospectus.

Subscriptions and transfers into Shares of the Fund have been suspended from noon on 20 April 2020. Any other dealing instructions (redemptions and switches) will continue to be accepted in accordance with the prospectus until 17 June 2020 (the “Deadline Date”):

1. **Redemption:** You may choose to redeem your investment now or any time on or before 12 noon on the Deadline Date by informing the ACD in the usual manner. Payment will be made directly to your bank if we hold a mandate for you or alternatively by cheque to your registered address.
2. **Switches**: You may choose to switch your holdings into the clean fee C share classes of our OEIC range of funds free of subscription or switching charges. If you wish to do so, you must complete the form attached or inform the ACD on or before 12 noon on the Deadline Date. A pre-paid envelope is enclosed for your convenience.

You can find details of our full range of funds on our website <https://uk.allianzgi.com/> to help you make your selection. You must read the appropriate fund documentation and information, including the key investor information documents, available on our website before making your Fund choice. If you require further advice you should contact your usual financial advisor.

1. **Default:** If no instruction is received by 12 noon on the Deadline Date, then your proportion of the liquidation proceeds will be paid out to you as described in the paragraph below. Payment will be made directly to your bank if we hold a mandate for you or alternatively by cheque to your registered address.

You may therefore redeem your holding in full or switch some or all of your holding to an alternative fund of our OEIC range of funds at any time up to 12 noon on the Deadline Date in the usual manner. If you do not take any action, you will be entitled to receive your proportion of the liquidation proceeds in accordance with the following section “Liquidation of the Fund”.

**Please read the section entitled “Taxation”**

**Liquidation of the Fund**

Starting from the Closure Date the ACD will arrange for the disposal of the underlying investments held by the Fund. Upon realisation of the Fund property, the liquidation proceeds, less a provision for any remaining liabilities of the Fund, will be available for distribution to Shareholders who remain in the Fund on the Closure Date, in proportion to their respective holdings in the Fund.

If you have not already redeemed your investment or switched into another fund then you will be entitled to receive your proportion of the liquidation proceeds.

If any income has accrued in the Fund, a final income allocation will also be made. Distribution vouchers will be issued by late July 2020.

Once the termination of the Fund has been completed, termination accounts will be prepared and audited and will be circulated to Shareholders in accordance with the FCA rules. If any liquidation proceeds remain, a final allocation will be made to Shareholders. However, it is not anticipated that any such proceeds will remain.

**Timing**

|  |  |
| --- | --- |
| 17/04/2020 | Shareholder circular sent and 60 days’ notice starts |
| 20/04/2020 | Suspensions of subscriptions in the Fund |
| 17/06/2020 | Deadline Date – suspension of redemptions and switches in the Fund |
| 18/06/2020 | Closure Date |
| 22/06/2020 | Earliest payment date for payment of liquidation proceeds for remaining investors |
| 22/07/2020\* (estimated date) | If any income accrues, date of issue of any tax voucher in respect of any final income allocation as appropriate |

**The costs of closing the Fund**

The ACD will be paying the full cost of the termination.

The Annual Management Charge will be charged up to the date of closure.

**Taxation**

If you are not currently invested in the Fund via an ISA, the closure of the Fund will be deemed a disposal for tax purposes and may result in a liability to UK capital gains tax or UK corporation tax on chargeable gains depending on your individual circumstances.

If you are currently invested in the Fund via an ISA, the status of your ISA may be adversely affected by the closure. Should you choose to redeem your holding before the Deadline Date, or remain in the Fund until closure, then you will receive payment of redemption/liquidation proceeds as described. Receipt of redemption/liquidation proceeds in such circumstances will not create a UK tax liability for you but you will lose the ISA tax benefits relating to this investment going forwards. Please note that if you have other investments within your ISA those investments will continue to be held within your ISA.

If you are currently invested in the Fund via an ISA then the tax benefits of your ISA wrapper should be preserved if you choose to switch your holding in the Fund to another of our funds within your ISA or to transfer your ISA to another ISA manager as set out above, rather than receiving payments of redemption/liquidation proceeds.

We recommend that you seek specialist advice from your financial or tax adviser as to the full tax implications of the Fund’s termination.

# **Action to be taken**

Please review the options above that are applicable to your situation.

If you are interested in switching your investment into one or more of our other funds, and/or if you are a regular saver and you are interested in selecting one or more of our funds in which to invest your future savings:

1. Please see the fund documentation and information, including the relevant key investor information documents, available on our website at <https://uk.allianzgi.com/> and;
2. Complete the attached form and return it to us using the enclosed pre-paid envelope or otherwise inform the ACD before the Deadline Date.

**Further information**

If you require any investment advice, we recommend that you contact your usual financial adviser in the first instance.

For anyquestions about the changes on the above-mentioned Fund you can contact us on **0800 073 2001**, between the hours of 9am to 5pm (UK time), Monday to Friday, excluding public holidays in England.

We apologise to you, as a Shareholder, for having to take this course of action. It is our intention to complete the closure of the Fund as quickly as possible and to ensure that all Shareholders are treated fairly.

Yours faithfully,

Allianz Global Investors GmbH, acting by its UK branch

Authorised Corporate Director of Allianz International Investment Funds