

PROSPECTUS

United Global Emerging Markets Portfolios

UNITED



The logo for GEMs (Global Emerging Markets) features the letters G, E, M, and S. Each letter is filled with a collage of country names in various shades of green. The countries included are: Russia, Brazil, Mexico, Algeria, China, India, Turkey, Jordan, Chile, Panama, Poland, Peru, and Chile. The letter 'E' is the largest and most prominent.

PORTFOLIOS

United GEMs Investments (S\$)

UNITED GLOBAL EMERGING MARKETS (GEMs) PORTFOLIOS

DIRECTORY

Managers

UOB Asset Management Ltd
(Company Registration Number: 198600120Z)

Registered Address:

80 Raffles Place

UOB Plaza

Singapore 048624

Operating Address:

80 Raffles Place

6th Storey, UOB Plaza 2

Singapore 048624

Directors of the Managers

Ong Sea Eng Terence

Yeo Eng Cheong

Thio Boon Kiat

Trustee

RBC Dexia Trust Services Singapore Limited

20 Cecil Street #28-01

Equity Plaza

Singapore 049705

(Company Registration Number: 199504677Z)

Auditors

PricewaterhouseCoopers LLP

8 Cross Street #17-00

PWC Building

Singapore 048424

Solicitors to the Managers

Chan & Goh

3 Phillip Street

#15-03 Commerce Point

Singapore 048693

Solicitors to the Trustee

Allen & Gledhill LLP

One Marina Boulevard

#28-00

Singapore 018989

IMPORTANT INFORMATION

The managers of United Global Emerging Markets (GEMs) Portfolios (the “**Fund**”), UOB Asset Management Ltd (the “**Managers**”) accept full responsibility for the accuracy of the information contained in this Prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, this Prospectus contains all information with respect to the Fund which is material in the context of the offer of units of the Fund (“**Units**”) hereunder and the statements contained in this Prospectus are in every material respect true and accurate and not misleading and there are no other facts the omission of which would make any statement herein misleading. Unless otherwise stated, all terms not defined in this Prospectus have the same meanings as used in the deed of trust dated 27 June 2001 (as amended) constituting and relating to the Fund (the “**Deed**”).

Investors should refer to the provisions of the Deed and obtain independent professional advice in the event of any doubt or ambiguity relating thereto. Copies of the Deed are available for inspection at the Managers’ office during normal business hours (subject to such reasonable restriction as the Managers may impose).

Investors should note that the Units offered by the Fund are not listed on any stock exchange. Investors may subscribe for or realise their Units through the Managers or any agent or distributor appointed by the Managers subject to the ultimate discretion of the Managers in respect of the subscription, sale, switching or realisation of an investor’s Units in accordance with and subject to the provisions in the Deed.

This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation and may only be used in connection with the offering of Units as contemplated herein. No representation is made as to the tax status of the Fund.

Potential investors should seek professional advice to ascertain (a) the possible tax consequences, (b) the legal requirements; and (c) any foreign exchange transactions or exchange control requirements which they may encounter under the laws of the countries of their citizenship, residence, domicile and which may be relevant to the subscription, holding or disposal of Units in the Fund and should inform themselves of and observe all such laws and regulations in any relevant jurisdiction that may be applicable to them.

Investment in the Fund requires consideration of the normal risks involved in investing and participating in collective investment schemes. Investors should carefully consider the risks of investing in the Fund which are set out in Part VIII of this Prospectus. Investors should consider these risks carefully before making an investment decision. Investors should note that because their investments can be volatile and that the value of the Units may decline as well as appreciate, there can be no assurance that the Fund will be able to attain its objectives. The price of the Units as well as income from them may go up as well as down to reflect changes in the value of the Fund. Investors should also satisfy themselves of the suitability to them of an investment in the Fund based on their personal circumstances.

No person, other than the Managers, has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, subscription or sale of the Units, other than those contained in this Prospectus and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Managers.

All enquiries in relation to the Fund or the Fund should be directed to the Managers, UOB Asset Management Ltd, or any agent or distributor appointed by the Managers.

UNITED GLOBAL EMERGING MARKETS (GEMs) PORTFOLIOS

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UNITED GLOBAL EMERGING MARKETS (GEMs) PORTFOLIOS

The sub-fund of the United Global Emerging Markets (GEMs) Portfolios, namely the United GEMs Investments (S\$) (formerly known as GEMs Investments (S\$)), offered in this Prospectus is an authorised scheme under the Securities and Futures Act (Chapter 289) of Singapore (the “SFA”). A copy of this Prospectus has been lodged with and registered by the Monetary Authority of Singapore (the “Authority”). The Authority assumes no responsibility for the contents of this Prospectus. The registration of this Prospectus by the Authority does not imply that the SFA, or any other legal or regulatory requirements have been complied with. The Authority has not, in any way, considered the investment merits of the United GEMs Investments (S\$). The meanings of terms not defined in this Prospectus can be found in the deed of trust (as amended) constituting the United Global Emerging Markets (GEMs) Portfolios.

I. BASIC INFORMATION

United Global Emerging Markets (GEMs) Portfolios

1. The Fund is a Singapore constituted open-ended umbrella fund. The Fund is presently offering units (“Units”) in a sub-fund known as the United GEMs Investments (S\$) (the “Sub-Fund”). The Sub-Fund is a Singapore-dollar denominated open-ended non-specialised unit trust.

Date of registration and expiry date of Prospectus

2. The date of registration of this Prospectus with the Authority is 7 October 2009. This Prospectus shall be valid for 12 months from the date of registration (i.e., up to and including 6 October 2010) and shall expire on 7 October 2010.

Deed of Trust and Supplemental Deeds

3. The deed of trust relating to the interests being offered for subscription or purchase is dated 27 June 2001 (the “Principal Deed”) and the parties to the Principal Deed are UOB Asset Management Ltd (the “Managers”) and RBC Dexia Trust Services Singapore Limited (the “Trustee”).

The Principal Deed has been amended by the following supplemental deeds and amendment deeds:-

- (i) First Supplemental Deed dated 26 June 2002;
- (ii) First Amendment Deed dated 27 June 2003;
- (iii) Second Amendment Deed dated 15 December 2004;
- (iv) Third Amendment Deed dated 14 December 2005;
- (v) Fourth Amendment Deed dated 17 October 2006;

- (vi) Fifth Amendment Deed dated 29 June 2007;
- (vii) Sixth Amendment Deed dated 12 October 2007;
- (viii) Seventh Amendment Deed dated 10 October 2008;
- (ix) an Eighth Amendment Deed dated 29 May 2009; and
- (x) Ninth Amendment Deed dated 7 October 2009.

The Principal Deed as amended by the First Supplemental Deed, the First Amendment Deed, the Second Amendment Deed, the Third Amendment Deed, the Fourth Amendment Deed, the Fifth Amendment Deed, the Sixth Amendment Deed, the Seventh Amendment Deed, the Eighth Amendment Deed and the Ninth Amendment Deed shall hereinafter be referred to as the “**Deed**”.

- 4. The terms and conditions of the Deed shall be binding on each unit holder (each a “**Holder**” and collectively the “**Holders**”) and all persons claiming through such Holder as if he had been a party to the Deed and as if the Deed contained covenants on the part of each Holder to observe and be bound by all the provisions of the Deed and an authorisation by each Holder to do all such acts and things as the Deed may require the Managers or the Trustee (as the case may be) to do.
- 5. A copy of the Deed is available for inspection at the office of the Managers at 80, Raffles Place, 6th Storey UOB Plaza 2, Singapore 048624 at all times during usual business hours and shall be supplied by the Managers to any person on application at a charge of S\$25 per copy of the document (or such other amount as the Trustee and the Managers may from time to time agree), such charge being payable to the Managers.

Semi-annual report and audited financial statement

- 6. A copy of the latest semi-annual report and annual report, semi-annual accounts and annual accounts and the auditor’s report on the annual accounts of the Fund may be obtained from the Managers at 80, Raffles Place, 6th Storey UOB Plaza 2, Singapore 048624.

II. THE MANAGERS

- 7. The Managers of the Fund is UOB Asset Management Ltd (“**UOBAM**”) whose registered office is at 80, Raffles Place, UOB Plaza, Singapore 048624.
- 8. UOBAM is a wholly-owned subsidiary of UOB Group. Established in 1986, UOBAM has been managing collective investment schemes and discretionary funds in Singapore for 23 years and as of 31 July 2009 manages about S\$14.04 billion in clients’ assets. UOBAM also has investment operations in Malaysia and Thailand.

UOBAM offers global investment management expertise to institutions, corporations and individuals, through customised portfolio management services and unit trusts. As at 31 July 2009, UOBAM manages 46 unit trusts in Singapore, with total assets of about S\$2.61 billion under management. UOBAM is one of Singapore's largest unit trust managers in terms of assets under management.

In terms of market coverage, UOBAM has acquired specialist skills in equity investment in the Asian, Australian, European and US markets and major global sectors. In the bond markets, UOBAM covers the Organisation of Economic Co-operation and Development (OECD) countries to Emerging Markets. UOBAM's investment philosophy is to emphasise on securities selection using a bottom-up approach. UOBAM makes regular company visits and supplements its fundamental investment approach with quantitative tools to control risks and to aid in the portfolio construction process. UOBAM has also established itself as one of the leading players in structured credits and investment solutions, managing third party investments in global emerging market securities as well as global investment grade, non-investment grade and multi-sector credits.

In addition, UOBAM is committed to achieving consistently good performance. Since 1996, UOBAM has won 103 awards for investments in local, regional and global markets, and across global sectors such as Banking and Finance, Technology, Healthcare, as well as Gold and Mining.

As at 31 July 2009, UOBAM has a staff strength of 200 including 41 investment professionals in Singapore.

Past performance of the Managers is not necessarily indicative of their future performance.

III. THE TRUSTEE

9. The Trustee of the Fund is RBC Dexia Trust Services Singapore Limited, whose registered office is at 20 Cecil Street #28-01 Equity Plaza Singapore 049705.

IV. OTHER PARTIES

10. The custodian¹ of the Fund is State Street Bank and Trust Company whose registered office is at 225 Franklin Street, Boston, MA 02110, United States and/or such other custodian as may be appointed from time to time in respect of the Fund or any of its assets (collectively, the "**Custodian**").
11. The registrar of the Fund is the Trustee. The Trustee has appointed the Managers, as the Trustee's agent, to carry out and administer the Trustee's duties in relation to the register of Holders (the "**Register**"), and the Managers have, in turn, appointed HSBC Securities Services (Transfer Agency) Pte. Limited as their sub-registrar to maintain the Register, which will be kept at its office at 60 Alexandra Terrace #10-12/13 The Comtech Singapore 118502.

¹ "**custodian**" means the person or persons appointed by the Trustee to be the custodian of any of the Deposited Property pursuant to Clause 28(A) of the Deed.

A copy of the Register will also be kept at 156 Cecil Street #08-03 Far Eastern Bank Building Singapore 069544, and is accessible to the public at all times during normal business hours.

The Register is conclusive evidence of the number of Units in the Sub-Fund held by each Holder and the entries in the Register shall prevail in the event of any discrepancy between the entries in the Register and the details appearing on any statement of holding unless the Holder proves, to the satisfaction of the Managers and the Trustee, that the Register is incorrect.

12. The auditors of the Fund are PricewaterhouseCoopers LLP whose registered office is at 8 Cross Street, #17-00, PWC Building, Singapore 048424.

V. STRUCTURE OF THE SUB-FUND

13. The Sub-Fund is a Singapore-dollar denominated open-ended non-specialised unit trust established under the umbrella structure of the Fund.

VI. INVESTMENT OBJECTIVE, FOCUS AND APPROACH

14.1 Investment objective

The investment objective of the Sub-Fund is to maximise returns with high yield and capital appreciation over the longer term in emerging markets debt investments and products.

The expression “**Emerging Markets**” refers to developing countries, which include many of the countries in Asia, Latin America, Europe, Africa and the Middle East (i.e. a country which is considered middle income or low income by the World Bank, and which may or may not be of sub-investment grade).

14.2 Investment focus and approach

The Sub-Fund aims to capitalise on the opportunities in selected countries that are benefiting from significant positive changes such as political and economic reforms, increases in capital inflows and investor confidence. In many cases, the opportunities will arise from changes in value over time, following specific credit or currency events.

Emerging-market issuers are:-

- Government or near-government institutions (including primarily central banks, government authorities, regional authorities and local public authorities); or
- Private sector corporate based in an emerging-market country or those that conduct their principal business activity in such a country and those that mostly invest in companies based in an emerging-market country.

Investments in the Sub-Fund are mainly sovereign and quasi-sovereign bonds and US dollar denominated. The Managers may seek to invest in US dollar or other freely convertible currency denominated debt instruments so that the Sub-Fund is exposed to the relevant emerging market country.

The Managers take an active management approach to fund management, combining analysis and research across many dimensions and a disciplined investment process. The investment process is driven by the Managers' assessment of the fundamental and technical factors which they consider to be important to the performance of the fund. The process involves a top down approach supplemented by bottom up analysis to arrive at the final investment decision.

The Managers maintain a continuous review of our processes and models in line with market developments. The Managers' process emphasises teamwork. In addition, compliance and performance attribution are strongly emphasised and overseen by independent units.

15. Risk management procedures of the Managers

- (a) The Managers may use financial derivative instruments for the purposes of hedging existing positions in a portfolio or efficient portfolio management.
- (b) The Managers will ensure that the exposure of the Sub-Fund to financial derivative instruments will not at any time exceed 100% of the value of its Deposited Property². Such exposure will be calculated by converting the derivative positions into equivalent positions in the underlying assets embedded in those derivatives.
- (c) Description of risk management and compliance procedures and controls adopted by the Managers:
 - (i) The Managers will implement various procedures and controls to manage the risk of the assets of the Sub-Fund. The decision to invest in any particular security or instrument on behalf of the Sub-Fund will reflect the Managers' judgment of the benefit of such transactions to the Sub-Fund and will be consistent with the Sub-Fund's investment objectives in terms of risk and return.
 - (ii) *Execution of Trades.* Prior to each trade, the Managers will ensure that the intended trade will comply with the stated investment objective, focus, approach and restrictions of the Sub-Fund, and that best execution and fair allocation of trades are done. The Managers' Middle Office department will conduct periodic checks to ensure compliance with the investment objective, focus, approach and restrictions (if any) of the Sub-Fund. In the

² "Deposited Property" means all the assets, including cash, for the time being held or deemed to be held upon the trusts of the Deed (or if the context so requires, the part thereof attributable to the Sub-Fund), excluding any amount for the time being standing to the credit of the Distribution Accounts (or as the case may be, the Distribution Account of the Sub-Fund) referred to in Clause 19(D) of the Deed.

event of any non-compliance, Middle Office is empowered to instruct the relevant officers to rectify the same. Any non-compliance will be reported to higher management and monitored for rectification.

- (iii) *Liquidity.* In the event there are unexpectedly large realisations of Units, there may be a possibility that the assets of the Sub-Fund may be forced to be liquidated at below their fair and expected value, especially in illiquid public exchanges or over-the-counter markets. The Managers will ensure that a sufficient portion of the Sub-Fund will be in liquid assets such as cash and cash-equivalents to meet expected realisations, net of new subscriptions.
 - (iv) *Counterparty exposure.* The Sub-Fund may have credit exposure to counterparties by virtue of positions in financial instruments (including derivatives) held by the Sub-Fund. To the extent that a counterparty defaults on its obligations and the Sub-Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its assets, its income stream and incur extra costs associated with the exercise of its financial rights. The Managers will restrict their dealings with counterparties that have a minimum long-term issuer credit rating of above BB+ by Standard and Poor's, an individual rating of above C by Fitch Inc or a financial strength rating of above C by Moody's Investors Service. If any approved counterparty fails this criterion subsequently, the Managers will take steps to unwind the Sub-Fund's position with that counterparty as soon as practicable.
 - (v) *Volatility.* To the extent that the Sub-Fund has exposure to financial derivative instruments that allow a larger amount of exposure to a security for no or a smaller initial payment than the case when the investment is made directly into the underlying security, the value of the Sub-Fund's assets will have a higher degree of volatility. The Sub-Fund may use derivatives for hedging purposes for reducing the overall volatility of the value of its assets. At the same time, the Managers will ensure that the total exposure of the Sub-Fund to derivative positions will not exceed the net asset value of the Sub-Fund, as stated in paragraph (b) above.
 - (vi) *Valuation.* The Sub-Fund may have exposure to over-the-counter derivatives that are difficult to value accurately, particularly if there are complex positions involved. The Managers will ensure that independent means of verifying the value of such instruments are available, and will conduct such verification on a regular basis, which is expected to be at least once a month.
- (d) The Managers will ensure that the risk management and compliance procedures and controls adopted are adequate and that they have the necessary expertise to control and manage the risks relating to the use of financial derivative instruments. The Managers may modify the risk management and compliance procedures and controls as they deem fit and in the interests of the Sub-Fund.

16. **Authorised Investments**

The authorised investments of the Sub-Fund (“**Authorised Investments**”) are any of the following Investments³:-

- (i) any Quoted Investment⁴;
- (ii) any Unquoted Investment⁵;
- (iii) any index futures, foreign exchange transactions and forward rate transactions (including but not limited to currency options) or other derivatives; and
- (iv) any other investments not covered by paragraphs (i), (ii) and (iii) above but approved by the Trustee (such approval to be confirmed in writing).

17. **Annual distribution of 3%**

The Managers intend to make an annual regular distribution of income of at least 3% per annum of the net asset value per Unit as at the preceding financial year (“**3% annual dividend payout**”), provided the income of the Sub-Fund accumulated in the income account of the Sub-Fund is at least 3% per annum.

If the income of the Sub-Fund for any financial year is less than 3% per annum, then the amount of income in the income account to be distributed will be at the discretion of the Managers. No distributions will be made if the income of the Sub-Fund for that financial year is 0% or if the Managers are of the opinion that it is economically impractical to do so.

The receipt of the 3% annual dividend payout is optional. Investors may choose, at the time of application for Units, to either receive the 3% annual dividend payout or to have the 3% annual dividend payout reinvested in the Sub-Fund.

³ “**Investment**” means any share, stock, warrant, option or other stock purchase right, interest-bearing instrument, bond, discount bond, note, discount note, exchange fund note, debenture, debenture stock, banker’s acceptance, debt security, loan, loan convertible into security, loan stock, warrant, options, certificates of deposit, currency deposits, commercial paper, promissory note, unit or sub-unit in any unit trust scheme, participation in a mutual fund, other interests in collective investment schemes, share or unit or sub-unit or participation or other interest in any hedge fund, treasury bill, fixed or floating rate debt instrument, futures, forward, swap, floor, collar, index and forward currency exchange contract, credit derivative, credit linked and structured notes or any other securities (as defined in the Securities and Futures Act) (all of the foregoing denominated in any currency) or any other money market instrument or any other derivative or short position which may be selected by the Managers or their delegate for the purpose of investment of the Deposited Property or which may for the time being form part thereof.

⁴ “**Quoted Investment**” means any Investment which is listed, quoted or dealt with on any Recognised Stock Exchange or OTC Market, while “**Recognised Stock Exchange**” means any stock exchange, futures exchange and organised securities exchange on which securities are regularly invested in any country in any part of the world, and in relation to any particular Authorised Investment shall be deemed to include any responsible firm, corporation or association in any part of the world, dealing in the Authorised Investment which the Managers may from time to time elect and “**OTC Market**” means any over-the-counter market or over-the-telephone market in any country in any part of the world, and in relation to any particular Authorised Investment shall be deemed to include any responsible firm, corporation or association in any country in any part of the world dealing in the Authorised Investment which the Managers may from time to time elect.

⁵ “**Unquoted Investment**” means any Investment which is not listed, quoted or dealt with on any Recognised Stock Exchange or OTC Market.

Investors should note that the intention of the Managers to make the 3% annual dividend payout is not guaranteed and there is no assurance that this distribution level will be met. The Managers may in future review the distribution policy depending on prevailing market conditions.

VII. FEES & CHARGES

18. All fees and charges payable by a Holder and the Sub-Fund are outlined below.

18.1 Fees and charges payable by a Holder and the Sub-Fund:-

Payable by a Holder	
Subscription fee	Currently 5%; Maximum 5%
Realisation charge	Currently nil; Maximum 2%
Switching Fee*	Currently 1%; Maximum 2%

Payable out of the Sub-Fund to the Managers, the Trustee and other parties	
Annual management fee	Currently 1.75%; Maximum 2%
Performance fee**	Currently 25% of the amount by which the net asset value of the Deposited Property of the Sub-Fund exceeds the United GEMs Investments (S\$) Target; Maximum 25%
Annual Trustee remuneration	Currently up to 0.05%; Maximum 0.20%
Annual registrar's fees	Currently the higher of S\$15,000 or 0.125%; Maximum S\$25,000
Annual Valuation and Accounting fee (payable to the Managers)	Currently 0.08% for valuation and accounting services; Maximum 0.2%
Audit fee*** (payable to the auditors), custodian fee**** (payable to the custodian) and other fees and charges*****	Subject to the agreement with the relevant parties. Each fee may exceed 0.1% p.a., depending on the proportion that each fee bears to the net asset value of the Sub-Fund

* In the case of a switch of Units to units of any other fund managed by the Managers (referred to as “**New Units**” and “**New Fund**” respectively), the switching fee referred to relates to the 1% subscription fee imposed by the Managers for investment into the New Fund. Such 1% switching fee would, in the case of a New Fund which normally imposes a subscription fee of more than 1%, effectively translate into a discount off the subscription fee of the New Fund.

******The Managers are entitled to receive out of the Deposited Property of the Sub-Fund, a performance fee in relation to the Sub-Fund not exceeding 25% of the amount by which the net asset value per Unit of the Sub-Fund in issue (excluding any performance fee accrual) exceeds the United GEMs Investments (S\$) Target (as defined below) per Unit on each day during the relevant performance period multiplied by all Units in issue.

The performance fee (if any) shall be calculated, and shall accrue, on a daily basis during each performance period (as defined below) with such accrual being reversed to reflect a reduction in performance until such time as the net asset value per Unit in issue is equal to or less than the United GEMs Investments (S\$) Target per Unit.

Each performance period shall commence on 1 January of each year and shall end on 31 December of each year (or such other period as the Managers may determine with the prior written consent of the Trustee).

The performance fee (if any) accrued as at the end of each performance period shall be paid out of the Deposited Property of the Sub-Fund to the Managers as soon as practicable (within 30 days) following the end of a performance period.

The United GEMs Investments (S\$) Target shall be calculated on a daily basis and will be the amount equivalent to the initial issue price of the Units (i.e. S\$1.00 per Unit) multiplied by 12% per annum, and compounded annually, from the closing date of the initial offer period of the Sub-Fund.

******* The audit fee payable is subject to agreement with the auditors of the Sub-Fund for the relevant financial year.

******** The custodian fee payable is subject to agreement with the custodian of the Sub-Fund and will depend on the number of transactions carried out and the place at which such transactions are effected in relation to the Sub-Fund. Under the Deed, the custodian fee is subject to a maximum of 0.25% per annum of the net asset value of the Deposited Property of the Sub-Fund, exclusive of any Goods and Services Tax and US\$50 per transaction.

********* Other fees and charges include printing costs, legal and professional fees, goods and services tax (“**GST**”) and other out-of-pocket expenses. Based on the net asset value of the Sub-Fund as at 31 August 2009, the Managers anticipate that legal and professional fees for the current financial year (on the assumption that such fees and charges would be similar to that incurred in the previous financial year) would exceed 0.1% of the net asset value of the Sub-Fund.

*As required by the Code on Collective Investment Schemes issued by the Authority (the “**Code**”) (as may be amended from time to time), all marketing, promotional and advertising expenses in relation to the Sub-Fund will be borne by the Managers and not charged to the Deposited Property of the Sub-Fund.*

The subscription fee and realisation charge will be retained by the Managers for their own benefit, and will not form part of the Deposited Property of the Sub-Fund. Any commission, remuneration or other sum payable to agents in respect of the issue or sale of any Units will be paid by the Managers.

The Managers may at any time differentiate between applicants as to the amount of the subscription fee, realisation charge, switching fee and other charges (if any) payable to the Managers upon the issue, realisation or switching of Units (as the case may be), or allow to investors discounts on such basis and to such extent as they may think fit (such discounts to be borne by the Managers and not by the Sub-Fund), or to waive such fees and charges (if any).

VIII. RISKS

19. General Risks Relating to United GEMs Investments (S\$)

- (i) Investors should consider and satisfy themselves as to the risks of investing in the Sub-Fund. Generally, some of the risk factors that should be considered by investors are market risks, interest-rate risks, default risks, foreign exchange risks, liquidity risks and risks involved in investing in derivatives.
- (ii) Investment in the Sub-Fund is meant to produce returns over the long-term and investors should not expect to obtain short-term gains from such investment.
- (iii) Investors should be aware that the price of Units and the income accruing from them may fall or rise. Investors may not get back their original investment (in whole or in part). **No guarantee is given, express or implied, that investors will receive back their original investment.**
- (iv) There is no guarantee that the investment objective of the Sub-Fund will be achieved.

20. Specific Risks Relating to United GEMs Investments (S\$)

Described below are certain risk factors peculiar to investing in Emerging Markets. These require consideration of matters not usually associated with investing in securities of issuers in the developed capital markets of OECD countries. The economic and political conditions differ from those in developed markets, and offer less social, political and economic stability. The absence in many cases, until relatively recently, of any move towards capital markets structures or to a free market economy means investing in these countries is more risky than investing in more developed markets. These risks are likely to exist to a greater or lesser degree in most of the markets in which the Sub-Fund may invest.

- (a) Political and economic risks

The value of Units and the income generated by the Sub-Fund may be affected by uncertainties such as political or diplomatic developments, social and religious instability,

changes in government policies, taxation and interest rates, currency repatriation and other political and economic developments in law or regulations and, in particular, the risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership.

(b) Regulatory risk

The issuers or instruments in which the Sub-Fund invests may be or become subject to unduly burdensome and restrictive regulation affecting commercial freedom and this in turn may have an adverse impact on the value of the Sub-Fund and therefore the value of the Units. Over-regulation may therefore be a form of indirect nationalisation.

(c) Nature of investments and market risks

The investments to be made by the Sub-Fund carry risks not usually associated with investing in securities in more developed markets. The Sub-Fund is likely to experience greater price volatility and significantly lower liquidity than if invested in more developed markets. With nascent capital markets in many of the countries in which the Sub-Fund may invest, there are often severe difficulties in meeting investor demand for the available debt and/or equity instruments. This can lead to primary issues and auctions of debt instruments being greatly over subscribed.

The Managers may seek to invest in US dollar or other freely convertible currency denominated debt instruments so that the Sub-Fund is exposed to the relevant emerging market country.

Debt obligations acquired by the Sub-Fund may have no credit rating or a low rating. Such securities and assets may involve greater risks of loss of income and principal than rated or higher-rated securities assets and are speculative in nature. Although they may offer higher yields than do higher-rated securities, they generally involve greater price volatility and risk of default in payment of principal and income.

The use of synthetic products is intended to overcome problems and mitigate certain risks associated with direct investment in the underlying obligations. Such products expose the Sub-Fund to counterparty and other risks (as summarised in sub-paragraph (e) below).

No assurance can be given that Investments acquired by the Sub-Fund will continue to earn yields comparable to those earned historically, nor can any assurance be given that issuers whose obligations the Sub-Fund acquires will make payments on such obligations as they become due.

(d) Lack of market economy

Businesses in the countries where the Sub-Fund will invest only have a very recent history of operating within a market-oriented economy or under the pressures imposed by developing countries. In general, relative to companies operating in Western economies, companies in these countries are characterised by a lack of (i) experienced management,

(ii) modern technology and (iii) a sufficient capital base with which to develop and expand their operations. It is unclear what will be the effect on companies, if any, of attempts to move towards more market-oriented economies.

(e) Synthetic product risk

The synthetic products in which the Sub-Fund may invest are subject to counterparty and regulatory risks. The counterparty risk lies with each party with whom the Sub-Fund contracts for the purpose of making investments (the counterparty) and, where relevant, the entity in the emerging country with whom the counterparty has made arrangements to ensure an on-shore presence in the emerging country. The Sub-Fund may not be entitled to assert any rights against the entity in the emerging country with whom it does not have a contractual relationship. The Sub-Fund may not be able to procure that the counterparty asserts its own rights, if any, against the on-shore entity in the emerging country with whom it has made arrangements. In the event of the counterparty's insolvency, the Sub-Fund will only rank as an unsecured creditor. In the event of the insolvency of any entity in the emerging country with whom the Sub-Fund does not have a contractual relationship, it is likely that the Sub-Fund will lose its entire investment. The effectiveness and legality of the synthetic product structure, and in particular the ability of the Sub-Fund's counterparty to invest efficiently in the emerging country from off-shore, is subject to intervention by the relevant local authorities, their re-interpretation of law and current commercial and tax efficient practice and legislation, as well as to changes in relevant laws and regulations. As a result, the Sub-Fund may not get back all or any part of its investment in the synthetic products in which it invests or it may find that the proceeds of its investment are not repatriable. It may not be possible for the Sub-Fund to negotiate favourable terms for its investment in synthetic products. In some cases, the Sub-Fund may be obliged to hold harmless and indemnify its counterparty from and against all losses resulting from a breach by the Sub-Fund of its obligations or in respect of all costs and expenses incurred by the counterparty in relation to its arrangements with the on-shore entity. If the underlying investment remains unpaid or is re-scheduled (including being the subject of a moratorium, debt substitution, exchange or similar event) the Sub-Fund could lose part or the whole of its investment.

Similarly, if the underlying investment or the synthetic product structure is re-characterised, the Sub-Fund may be forced to terminate its investment in the synthetic product earlier than had been anticipated and at a loss to part or all of the investment.

However, the Managers have more than 10 years of experience in managing derivatives, including over-the-counter and exchange traded derivatives. Additionally, the Managers have the necessary control systems and tools to invest in derivatives. The Managers will monitor, manage and control the risk arising from such investment by recalculating on a daily basis the exposure of the Sub-Fund created by the Sub-Fund's investment in derivatives and making adjustments accordingly. The Managers may use derivatives for the purposes of hedging and efficient portfolio management in accordance with the provision of the Deed.

(f) Illiquidity of Investments

Many of the investments which the Sub-Fund may make are traded only on over the counter markets and there may not be an organised public market for such securities. The effect of this will be to increase the difficulty of valuing the Sub-Fund's investments and until a market develops, certain of the Sub-Fund's investments may generally be illiquid. There may be no established secondary market for certain of the investments made by the Sub-Fund. Reduced secondary market liquidity may affect adversely the market price of the Sub-Fund's Investments and the Sub-Fund's ability to dispose of particular investments to meet its liquidity requirements or in response to specific events such as deterioration in the creditworthiness of any particular issuer. Due to the lack of adequate secondary market liquidity for certain securities, the Managers may find it more difficult to obtain accurate market quotations for the purposes of valuing the Sub-Fund and calculating the net asset value. Market quotations may only be available from a limited number of sources and may not represent firm bids for actual sales. In addition, the current or future regulatory regime may adversely affect liquidity.

(g) Settlement risk

Because of the absence of organised securities markets as well as the underdeveloped state of the legal, banking and telecommunications systems, concerns arise in relation to settlement, clearing and registration of transactions in securities. Furthermore, due to the local postal and banking systems, no guarantee can be given that all entitlements attaching to securities and assets acquired by the Sub-Fund, including interest and dividends, can be realised. Neither the Managers nor the Trustee or any of their agents make any representation or warranty about, or any guarantee of, the operation, performance or settlement, clearing and registration of transactions dealing in any investments which the Sub-Fund may make.

(h) Custody risk

Custody services in many emerging market countries remain undeveloped and, although the Managers and the Trustee will endeavour to put into place control mechanisms, including the selection of agents to register investments on behalf of the Sub-Fund and regular audits of entries on relevant registers to ensure that the Sub-Fund's interests continue to be recorded, there is a transaction and custody risk of dealing in emerging market investments.

It must be appreciated that the Sub-Fund will be investing in countries where the current law and market practice carries fewer safeguards than in more developed markets and that the Managers can accept no liability for losses resulting from acting in accordance with such practice.

(i) Possible business failures

The insolvency or other business failure of any one or more of the Sub-Fund's Investments could have an adverse effect on the performance and ability to achieve its objectives. Many of the target investment countries have enacted or are in the process of enacting

laws on the insolvency of enterprises, but there is as yet no significant level of experience in how these laws will be implemented and applied in practice. The lack of generally available financing alternatives for companies in many of the target investment countries increases the risk of business failure.

(j) Accounting practice

Accounting standards in the countries where the Sub-Fund may invest do not correspond to International Accounting Standards in all material respects. In addition, auditing requirements and standards differ from those generally accepted in the international capital markets and consequently information which would be available to investors in developed capital markets is not always obtainable in respect of companies in such countries.

(k) Quality of information

Investors in the countries where the Sub-Fund may invest generally have access to less reliable or less detailed information, including both general economic data and information concerning the operations, financial results, capitalisation and financial obligations, earnings and securities of specific enterprises. The quality and reliability of information available to the Sub-Fund will, therefore, be less than in respect of investments in developed countries. Obligations on companies to publish information are also more limited, thus further restricting opportunities for the Managers to carry out due diligence. At present the Managers will be obliged to make investment decisions and investment valuations on the basis of financial information that will be less complete and reliable than that customarily available in developed countries. Also, the quality and reliability of official data published by the government and government agencies are generally not equivalent to that of more developed countries.

(l) Legal risks

The rate of legislative change in certain of the countries where the Sub-Fund may invest is extremely rapid and the content of proposed legislation when eventually adopted into law is difficult or impossible to predict. Such proposed legislation may have an adverse effect on foreign investment. It is similarly difficult to anticipate the impact of legislative reforms on securities in which the Sub-Fund will invest. Although there is often significant political support for legislative change to bolster and facilitate the movement to a more developed market economy, it is not certain that legislation when enacted will advance this objective either consistently or in a coherent manner. In some cases, the magnitude of the changes taking place has resulted in a lack of confidence in the courts to give clear and consistent judgments. Legislation can be published by a variety of governmental bodies and remaining up to date and in complete compliance with legal rules and standards can often be difficult. There is also a lack of precedent in relation to market-oriented legal relations for many of the local currency instruments.

(m) Taxation

Tax law and practice in countries in which the Sub-Fund may invest is not as clearly established as that of the developed nations. It is possible therefore that the current interpretation of the law or understanding of practice may change or, indeed, that the law may be changed with retrospective effect. Accordingly, it is possible that the Sub-Fund could become subject to taxation in the countries in which the Sub-Fund may invest that is not anticipated either at the date of this document or when investments are made, valued or disposed of. In addition, in certain countries where the Sub-Fund may invest, the domestic tax burden is high and the discretion of local authorities to create new forms of taxation has resulted in a proliferation of taxes, in some cases imposed or interpreted retrospectively.

(n) Exchange and currency risk

Many of the currencies in which the Sub-Fund may invest are neither freely convertible into one of the major currencies nor internationally traded. The local currencies may be convertible into other currencies only inside the relevant emerging market country where the limited availability of such other currencies may tend to inflate their values relative to the local currency in question. Such internal exchange markets can therefore be said to be neither liquid nor competitive. In addition, many of the currencies of countries in which the Sub-Fund may invest have experienced steady devaluation relative to freely convertible currencies.

The value of an investment in the Sub-Fund whose Units are denominated in Singapore dollars and whose distributions will be paid in Singapore dollars will be affected by fluctuations in the value of the underlying currency of denomination of that Sub-Fund's Investments against the Singapore dollar or by changes in exchange control regulations, tax laws, withholding taxes and economic or monetary policies. The local currencies in which the Sub-Fund may be invested from time to time may experience substantially greater volatility against the Singapore dollar, as the case may be, than the major convertible currencies of developed countries. Adverse fluctuations in currency exchange rates can result in a decrease in the net return and in a loss of capital. Accordingly, investors must recognise that the value of Units can fall as well as rise for this reason as can the ability to generate sufficient income to pay a distribution in Singapore dollars. Investors who invest in the Sub-Fund will be affected by fluctuations in the value of the Singapore dollar to US dollar as it is anticipated that at any given time, many of the Sub-Fund's investments will be denominated in US dollars.

The Managers may attempt to mitigate the risks associated with currency fluctuations by entering into forward, futures and options contracts to purchase or sell the currency of denomination of any Investment held by the Sub-Fund and any other currencies held by such Sub-Fund, to the extent such contracts are available on acceptable terms. Investors should realise that such contracts may not be available in all of the currencies in which the Managers may invest from time to time and may in the event of major market disruptions or for other reasons be unenforceable.

(o) The banking system

In addition to being ill-developed, the local banking systems in many of the countries in which the Sub-Fund may invest are subject to two main risks: first, the insolvency of a bank due to concentrated debtor risk and, second, the effect of inefficiency and fraud in bank transfers. In addition, banks have not developed the infrastructure to channel domestic savings to companies in need of finance who thereby can experience difficulty in obtaining working capital.

(p) Risk of mis-management by debt issuers

The debt securities which the Sub-Fund may invest into may be issued by companies in Emerging Markets. Unlike developed markets, such Emerging Market companies are generally less transparent, have poorer corporate governance standards and are less well regulated. There are risks that management of such companies may not act at all times in the companies' best interest or may be subject to fraud, corruption or mis-management, which could have an adverse impact on the companies' credit standing or negatively affect such companies' ability to repay the principal and/or interest on debt securities which may have been invested into by the Sub-Fund.

(q) Suitability standards

Because of the risks involved, investment in the Sub-Fund is only suitable for sophisticated investors who are able to bear the loss of a substantial portion or even all of the money they invest in the Sub-Fund, who understand the high degree of risk involved and believe that the investment is suitably based upon their investment objectives and financial needs and recognise the potential illiquidity of such an investment which may affect redemption of Units. Investors are therefore advised to seek independent professional advice on the implications of investing in the Sub-Fund.

The above should not be considered to be an exhaustive list of the risks which investors should consider before investing into the Sub-Fund. Investors should be aware that an investment in the Sub-Fund may be exposed to other risks of an exceptional nature from time to time.

IX. SUBSCRIPTION OF UNITS

21. Subscription Procedure

Applications for Units may be made on the application form attached to this Prospectus, or through any agent or distributor appointed by the Managers from time to time, or through automated teller machines ("ATMs") (as and when ATM applications are made available by the Managers or their agents or distributors, if applicable), or through the Managers' website at uobam.com.sg or any other website designated by the Managers, or any other sales channels, if applicable. Applications should be accompanied by such documents as may be required, with the subscription monies in full.

Applicants may make payments for Units by telegraphic transfer. Applicants should contact the Managers for details regarding payment by telegraphic transfer.

Investors may subscribe for Units either with cash or Supplementary Retirement Scheme (“**SRS**”) monies.

Investors wishing to use their SRS monies to purchase Units shall indicate as such in the application form. The application form will contain the investor’s instructions to the SRS operator bank to withdraw from the investor’s SRS account the purchase monies in respect of Units applied for.

Units will generally only be issued when subscription monies have been received by the Trustee on a cleared funds basis, although the Managers may at their discretion issue Units before the Trustee receives full payment in cleared funds.

For compliance with anti-money laundering laws and guidelines, the Managers or their approval distributors reserve the right to request such information and/or documents as is necessary to verify the identity of an applicant.

22. **Minimum initial subscription amount and minimum subsequent subscription amount**

The minimum initial subscription amount and minimum subsequent subscription amount for Units is \$1,000 (in Singapore dollars or its equivalent in US dollars or such other currencies at the applicable rate of exchange as determined by the Managers) and \$500 (in Singapore dollars or its equivalent in US dollars or such other currencies at the applicable rate of exchange as determined by the Managers) respectively.

Investors should also note that distributors appointed by the Managers may impose a higher minimum initial or subsequent subscription amount. Investors should therefore check with the relevant distributors before submitting their applications for subscriptions.

23. Dealing deadline and pricing basis

- 23.1 The dealing deadline is 3 p.m. Singapore time on any Dealing Day (“**Dealing Deadline**”⁶). If any application for Units is received and accepted by the Managers or any other agent or distributor appointed by the Managers by the Dealing Deadline in respect of a Dealing Day, the issue of Units shall be effected on that Dealing Day. If any application for Units is received and accepted by the Managers or any other agent or distributor appointed by the Managers after the Dealing Deadline in respect of a Dealing Day or on a day which is not a Dealing Day, the issue of Units shall be effected on the next Dealing Day.

“**Dealing Day**”, in connection with the issuance, cancellation and realisation of Units of the Sub-Fund, means every Business Day or such other day or days at such intervals as the Managers may from time to time determine with the prior consultation of the Trustee Provided That reasonable notice of any such determination shall be given by the Managers to all Holders at such time and in such manner as the Trustee may approve.

“**Business Day**” means any day (other than a Saturday or Sunday) on which commercial banks are open for business in Singapore or any other day as the Managers and the Trustee may agree in writing.

- 23.2 Units are issued on a forward pricing basis. Therefore, the issue price cannot be calculated at the time of application.
- 23.3 The issue price per Unit of the Sub-Fund shall be ascertained by calculating the net asset value per Unit of the Sub-Fund as at the Valuation Point⁷ in relation to the Dealing Day on which such issue occurs of the proportion of the Deposited Property of the Sub-Fund represented by one Unit of the Sub-Fund, truncated to three decimal places (or such other method of adjustment or number of decimal places as determined by the Managers with the approval of the Trustee). The Managers may, if so required, charge a subscription fee which is deducted from the total amount paid by the investor for the subscription of Units (the “**Gross Investment Amount**”) of the relevant Sub-Fund, and the resultant amount (the “**Net Investment Amount**”) will be applied towards the subscription of Units of the Sub-Fund. The subscription fee shall be retained by the Managers for their own benefit and the amount of the adjustment shall be retained by the Sub-Fund.

⁶ “**Dealing Deadline**” in relation to any particular place and any particular Dealing Day, means such time of day (being a time of day on or, subject as hereinafter mentioned, prior to that Dealing Day) in that place as the Managers may from time to time determine with the approval of the Trustee and so that nothing in the Deed shall prevent the Managers from determining that that time of day shall in relation to any Dealing Day be a time of day on any day selected by the Managers which precedes that Dealing Day and the Managers shall notify the Holders of any such change if required by the Trustee.

⁷ “**Valuation Point**” means 7.00 am Singapore time on the day following the relevant Dealing Day on which the net asset value of the Sub-Fund is to be determined pursuant to Clause 10 of the Deed or such other time as the Managers may with the approval of the Trustee determine and the Managers shall notify the holders of such change if required by the Trustee.

- 23.4 The Managers shall be entitled to convert the issue price to a foreign currency at the applicable rate of exchange. The costs of the currency exchange, if any, will be borne by the investor. Currently, the Managers accept the purchase of Units in Singapore dollars (for payment using SRS monies) and in both Singapore dollars and US dollars (for cash payment) and will quote the issue price in Singapore dollars and its equivalent in US dollars at the applicable rate of exchange. In future, the Managers may accept the purchase of Units in any other foreign currency and will quote the issue price in such currency at the applicable rate of exchange.
- 23.5 The Managers may on any day differentiate between applicants as to the amount of the subscription fee to be deducted (the “**discount**”) from (within the permitted limit) the Gross Investment Amount in relation to the issue of Units of any Sub-Fund (including issues at a fixed price) on such basis as the Managers may think fit (Provided That no such discount shall exceed the permitted limit) and in any such case the amount of such subscription fee to be deducted from the proceeds of issue of such Units shall be reduced by the amount of the discount and accordingly the discount shall be borne by the Managers. The bases on which the Managers may make any differentiation or grant any discount as between applicants shall include, without limitation, a special feature during any promotional drive on the sale of Units, applicants making large purchases of Units, applicants opting for the RSP (as defined in paragraph 26 below) and applicants who are customers or belong to different categories of customers of the Managers or of their related companies (as defined in the Companies Act, Chapter 50 of Singapore).
- 23.6 The Managers shall be entitled from time to time after the initial issue of Units of the Sub-Fund to make an offer for Units in relation to the Sub-Fund (referred to as the “**fixed price**”) equal to the price per Unit ascertained in accordance with Clause 11(B) of the Deed as at the 3rd Business Day immediately preceding the date of first publication of such offer and for a period not exceeding 14 Business Days (or such other period as the Managers may from time to time after consultation with the Trustee determine) from the date of such publication. Units in relation to the Sub-Fund may be issued or sold by the Managers at the fixed price whether pursuant to the offer or not subject always to Clause 11(C) of the Deed.
- 23.7 If a Unit is to be issued to a person resident outside Singapore, the Managers shall be entitled to deduct from the Gross Investment Amount an additional amount which is equal to the excess of the expenses actually incurred over the amount of expenses which would have been incurred if such person had been resident in Singapore. The Managers shall be entitled to deduct from the subscription or purchase monies payable by the Holder an amount equal to the sum of all bank charges and commissions incurred or to be incurred by the Sub-Fund as a consequence of the settlement of any subscription or purchase of Units in any currency other than the base currency of the Sub-Fund.

24. Numerical example

- 24.1 The number of Units an investor will receive with a Gross Investment Amount of S\$1,000.00, based on a notional issue price of S\$1.000 and a subscription fee of 5%, will be calculated as follows:

S\$1,000.00	-	S\$50.00	=	S\$950.00
Gross Investment Amount		Subscription fee (5%)		Net Investment Amount
S\$950.00	÷	S\$1.000	=	950.00 Units
Net Investment Amount		Issue price		Number of Units allotted

The number of Units to be issued to an investor will be rounded down to two decimal places (the method of adjustment and the number of decimal places to which adjustment occurs may be varied by the Managers from time to time with the approval of the Trustee).

The above example is for illustrative purposes only and is not an indication of future or likely performance of the Sub-Fund. The value of Units and the income from them may go down as well as up. Investors should read the Prospectus before investing.

- 24.2 A confirmation note detailing the investment amount and the number of Units in the Sub-Fund allocated to an investor will be sent within 5 Business Days (in the case of cash applications) or 11 Business Days (in the case of SRS applications) from the date of issue of the relevant Units.
25. **Cancellation of Subscription**

Subject to the provisions of the Deed and to the terms and conditions for cancellation of subscription in the cancellation form to be provided together with the application form for Units, every Holder shall have the right by notice in writing delivered to the Managers or their authorised agents or distributors to cancel his purchase of Units within 7 calendar days from the date of his initial subscription of Units (or such longer period as may be agreed between the Managers and the Trustee or such other period as may be prescribed under the Notice on Cancellation Period or permitted by the Authority).

A Holder may choose to realise his Units under paragraph 28 of this Prospectus instead of cancelling his subscription but should note that he will not enjoy the benefits of the cancellation under this paragraph if he chooses to realise his Units (i.e. there will be no refund of the subscription fee and the prevailing realisation fee (if any) as may be imposed) and the realisation proceeds may be lower than the cancellation proceeds if the appreciation in the value of Units is less than the subscription fee and the prevailing realisation charge (if any) as may be imposed.

Full details of the provisions for cancellation of Units may be found in the terms and conditions for cancellation of Units attached to the application form for the subscription of Units.

X. REGULAR SAVINGS PLAN

26. The Managers may in their discretion implement a regular savings plan (“**RSP**”) for the Sub-Fund. A Holder must have a minimum holding of 1,000 Units or the number of Units which would have been purchased for S\$1,000 based on the issue price prevailing on the date of application to join the RSP, whichever is the lower number (or such other number of Units as the Managers may from time to time determine) required for a Holder to join a RSP. A Holder may opt to invest a minimum sum of S\$100 (or such other amount as may be determined by the Managers) on a fixed day per month or S\$500 (or such other amount as may be determined by the Managers) on a fixed day per quarter through GIRO payment.

For RSP using cash, Holders must complete an Interbank GIRO Form authorising the payment for the RSP (or such other form or method as the Managers may determine from time to time) and submit it together with the application form.

For RSP using SRS monies, Holders must submit the application form.

Payment for the RSP will be debited from the Holders’ bank account or SRS account (as the case may be) on the 25th calendar day (or on the next Business Day if that day is not a Business Day) of (i) each month (in the case of monthly RSP subscriptions) and (ii) the last month of each calendar quarter (in the case of quarterly RSP subscriptions). The investment will be made on the same day after payment has been debited for cash or SRS monies (as the case may be) with the allotment of Units made normally within 2 Business Days thereafter.

In the event that the debit is unsuccessful, no investment will be made for that month or quarter. No notification relating to the unsuccessful debit will be sent to Holders. After 2 consecutive unsuccessful debits, the RSP will be terminated and no notification of such termination will be sent to the relevant Holders.

The Managers shall not assume any liability for any losses arising from the Holders’ payment for RSP via direct debit transactions.

A Holder may terminate his participation without penalty upon giving 30 days’ written notice to the Managers.

XI. REALISATION OF UNITS

27. Realisation procedure

Holders may realise their Units on any Dealing Day. Requests for realisation of Units may be made on realisation forms which may be obtained from the Managers or any agent or distributor appointed by the Managers from time to time, or through an ATM (as and when ATM realisations are made available by the Managers, or their agents or

distributors, if applicable) or through the Managers' website at uobam.com.sg or any other website as designated by the Managers, or any other channels, if applicable.

28. Minimum holding and limits on realisation

- 28.1 A Holder shall not be entitled to realise only part of his holding of Units if thereby his holding in the Sub-Fund would be reduced to less than the minimum holding and in any such event, the Managers shall require such Holder to realise all of his holding of Units in the Sub-Fund if by such Holder's request his holding would be so reduced, and the following provisions are to be read and construed subject thereto.
- 28.2 Presently, no Holder may realise less than 100 Units in each request or realise part of his holding if this would result in a holding of less than the minimum initial subscription or such number of Units which at the issue price prevailing at the time of the initial purchase was or would have been purchased for the minimum initial subscription amount.
- 28.3 The Managers may, with a view to protecting the interests of all Holders and with the approval of the Trustee, limit the total number of Units which Holders may realise and which the Managers are entitled to have cancelled pursuant to Clause 14 of the Deed on any Dealing Day to 10% of the total number of Units then in issue (disregarding any Units which have been agreed to be issued), such limitation to be applied pro rata to all Holders who have validly requested realisations on such Dealing Day and the Managers, so that the proportion realised of each holding so requested to be realised or cancelled pursuant to Clause 14 of the Deed is the same for all Holders and the Managers.
- 28.4 Any Units which are not realised or cancelled (as the case may be) shall be realised or cancelled (subject to any of the provisions of the Deed) on the next succeeding Dealing Day Provided That if on such next succeeding Dealing Day, the total number of Units relating to the Sub-Fund to be realised or cancelled, including those carried forward from any earlier Dealing Day, exceeds such limit, the Managers shall be entitled to further carry forward the requests for realisation or cancellation until such time as the total number of Units to be realised or cancelled on a Dealing Day falls within such limit and Provided Further That any Units which have been carried over shall on any such succeeding Dealing Day be realised or cancelled in priority to any new Units due to be realised or cancelled on that Dealing Day. If realisation requests are carried forward as aforesaid, the Managers shall, within 7 Business Days, give notice to the Holders affected that such Units have not been realised or cancelled and that (subject as aforesaid) the Units shall be realised or cancelled on the next succeeding Dealing Day.
- 28.5 If, immediately after any relevant Dealing Day, the number of Units in relation to the Sub-Fund in issue or deemed to be in issue, having regard to realisation and issue of Units falling to be made by reference to that relevant Dealing Day, would be less than such proportion (not exceeding 90%), as may be determined by the Managers from time to time, of the number of Units in issue or deemed to be in issue on that relevant Dealing Day, the Managers may upon notification to the Trustee with a view to protecting the interests of all Holders, elect that the realisation price in relation to all (but not some only) of the Units falling to be realised by reference to that relevant Dealing Day shall

be the price per Unit which, in the opinion of the Managers, reflects a fairer value⁸ for the Deposited Property of the Sub-Fund having taken into account the necessity of selling a material proportion⁹ of the Investments at that time constituting part of the Deposited Property of the Sub-Fund. The Managers shall give notice to the Holders of Units affected within 2 Business Days after the relevant Dealing Day and the Managers may upon notification to the Trustee suspend the realisation of those Units for such reasonable period as may be necessary to effect an orderly realisation of Investments.

29. Dealing deadline and pricing basis

- 29.1 For requests for realisation of Units received by the Managers or any of their agents or distributors by way of realisation form or any means of realisation by the Dealing Deadline in respect of a Dealing Day, Units will be realised at the realisation price for that Dealing Day. For requests received by the Managers after the Dealing Deadline in respect of a Dealing Day or on a day which is not a Dealing Day, Units will be realised at the realisation price for the next Dealing Day.
- 29.2 Units are realised on a forward pricing basis. Therefore, the realisation price cannot be calculated at the time of request.
- 29.3 The realisation price per Unit of the Sub-Fund shall be the price per Unit ascertained by the Managers by calculation the net asset value per Unit of the Sub-Fund as at the Valuation Point in relation to the Dealing Day on which the realisation request is received of the proportion of the Deposited Property of the Sub-Fund then represented by one Unit of the Sub-Fund, truncated to three decimal places (or such other method of adjustment or other number of decimal places as determined by the Managers with the approval of the Trustee). The Managers may, if so required, charge a realisation charge which is deducted from the total amount payable to the investor in respect of the realisation of Units (the “**Gross Realisation Proceeds**”) of the Sub-Fund, and the resultant amount (the “**Net Realisation Proceeds**”) will be paid to the investor. The realisation charge shall be retained by the Managers for its own benefit and the amount of the adjustment aforesaid shall be retained by the Sub-Fund.
- 29.4 The Managers shall be entitled to convert the realisation price to a foreign currency at the applicable rate of exchange. The cost of the currency exchange, if any, will be borne by the investor. Currently, the Managers accept the purchase of Units in both Singapore dollars and US dollars and hence will quote the realisation price in Singapore dollars and its equivalent in US dollars at the applicable rate of exchange. In future, the Managers may permit the realisation of Units in any other foreign currency and will quote the realisation price in such currency at the applicable rate of exchange.
- 29.5 If a Holder is resident outside Singapore, the Managers shall be entitled to deduct from the total amount which would otherwise be payable in accordance with Clause 15 of the Deed on the purchase from the Holder an amount equal to the excess of the expenses actually incurred over the amount of expenses which would have been incurred if the Holder had been resident in Singapore.

⁸ The “**fairer value**” for the Deposited Property of the Sub-Fund shall be determined by the Managers in consultation with an approved valuer and upon notification to the Trustee.

⁹ The “**material proportion**” of the Investments means such proportion of the Investments which when sold will cause the reduction of the net asset value of the Deposited Property of the Sub-Fund.

29.6 For avoidance of doubt, should a realisation request for any Units be received by the Managers prior to the receipt of the subscription monies in respect of such Units, the Managers may refuse to realise such Units until the Business Day following that upon which the subscription monies in respect of such Units have been received by the Trustee. Bank charges (if any) incurred in respect of a telegraphic transfer of realisation proceeds to a Holder's bank account will be borne by the Holder.

30. **Numerical example**

30.1 The Net Realisation Proceeds payable to an investor on the realisation of 1,000 Units of the Sub-Fund, and on a notional realisation price of S\$0.900* and on the basis that there is no realisation charge, will be calculated as follows:

1,000 Units	x	S\$0.900*	=	S\$900.00
Your realisation request		Realisation price		Gross Realisation Proceeds
S\$900.00	-	S\$0.00	=	S\$900.00
Gross Realisation Proceeds		Realisation charge (0%)**		Net Realisation Proceeds

**The example above is a hypothesis and is not indicative of any future realisation price. The actual realisation price will fluctuate according to the then prevailing net asset value of the Sub-Fund.*

*** No realisation charge is currently imposed.*

30.2 The net realisation proceeds shall normally be paid by cheque or credited to the Holder's SRS account, as applicable, within 4 Business Days (or such number of days as permitted by the Authority) from the Dealing Day following the receipt and acceptance of the realisation request in written form by the Managers or their duly authorised agents or distributors unless the realisation of Units has been suspended in accordance with Part XIV of this Prospectus.

XII. SWITCHING OF UNITS

31. **Switching of units**

Subject to the provisions of the Deed, the Managers shall be entitled to allow a Holder to switch his Units for units in other collective schemes managed by the Managers or for a different class of Units in the Fund (if established) upon such terms and conditions as the Managers may from time to time determine. Applications for switching of Units may be made by submitting the relevant form to the Managers or through any agent or distributor appointed by the Managers or through any other applicable sales channel.

XIII. PRICES OF UNITS

32. The indicative issue and realisation prices of Units will be published in The Straits Times, The Business Times, Lianhe Zaobao, Today and Teletext and such other foreign

publications as the Managers may decide upon and can also be obtained from the Managers' website at uobam.com.sg or any other website designated by the Managers if applicable or by calling the Managers' 24 hour hotline at telephone number 1800 22 22 228. The actual Unit prices will generally be published 2 Business Days after the relevant Dealing Day in Singapore dollars and in US Dollars as well.

Investors should note that the frequency of the publication of the prices is dependent on the publication policies of the publisher concerned. Except for the publications of the Managers, the Managers do not accept any responsibility for any errors on the part of the publisher concerned in the prices published in any publication or for any non-publication or late publication of prices by such publisher.

XIV. SUSPENSION OF DEALINGS

33. The Managers may, with the prior written approval of the Trustee, suspend the issue, realisation, cancellation and valuation of Units in relation to the Sub-Fund or the Fund during:-
- (i) any period when the Recognised Stock Exchange or the OTC Market on which any Authorised Investments forming part of Deposited Property (whether of the Sub-Fund or of the Fund) for the time being are listed or dealt in is closed (otherwise than for ordinary holidays) or during which dealings are restricted or suspended;
 - (ii) the existence of any state of affairs which, in the opinion of the Managers and the Trustee might seriously prejudice the interests of the Holders (whether of the Sub-Fund or of the Fund) as a whole or of the Deposited Property (whether of the Sub-Fund or of the Fund);
 - (iii) any breakdown in the means of communication normally employed in determining the price of any of such Authorised Investments in the opinion of the Managers and the Trustee or the current price thereof on that Recognised Stock Exchange or that OTC Market or when for any reason the prices of any of such Authorised Investments cannot be promptly and accurately ascertained (including, any period when the fair value of a material portion of the Authorised Investments cannot be determined);
 - (iv) any period when remittance of money which will or may be involved in the realisation of such Authorised Investments or in the payment for such Authorised Investments cannot, in the opinion of the Managers and the Trustee be reasonably carried out at normal rates of exchange;
 - (v) any 48 hour period (or such longer period as may be agreed between the Managers and the Trustee) prior to the date of any meeting of Holders (or any adjourned meeting thereof);
 - (vi) any period when the dealing of Units is suspended pursuant to any order or direction issued by the relevant authority; or

- (vii) any period when the business operations of the Managers or the Trustee in relation to the operations of the Sub-Fund or the Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.

Such suspension shall take effect forthwith upon the declaration in writing thereof to the Trustee by the Managers (or, as the case may be, to the Managers by the Trustee) and shall terminate on the day following the 1st Business Day on which the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under this paragraph shall exist upon the declaration in writing thereof by the Managers (or, as the case may be, by the Trustee).

34. In the event that the Trustee shall at any time (after consultation with the Managers) determine that it would be detrimental to existing Holders for the Managers to issue or continue to issue Units at a price based on the net asset value of the Deposited Property of the Sub-Fund in accordance with the Deed, then the Trustee shall instruct the Managers to substitute such net asset value with the fair value as determined in accordance with Clause 10(D) of the Deed and the Managers may, with the approval of the Trustee, suspend the issue of Units during any period pursuant to Clause 11(B)(v) of the Deed.

XV. PERFORMANCE OF THE SUB-FUND

35. Past performance of the Sub-Fund

The returns of the Sub-Fund and its benchmark as of 31 July 2009

	1 year	3 years	5 years	Since inception of the Sub-Fund ¹⁰
United GEMs Investments (S\$) ¹¹	12.24%	2.96%	5.90%	9.71%
United GEMs Investments (S\$) ¹²	18.27%	4.88%	7.20%	10.64%
JP Morgan EMBI Global Diversified Index ¹³	9.90%	2.99%	4.53%	7.46%

Source : Lipper, A Thomson Reuters Company.

Past performance of the Sub-Fund is not necessarily indicative of its future performance.

¹⁰ The inception date of the Sub-Fund is 20 August 2001.

¹¹ Calculated in S\$ on a NAV-to-NAV basis, taking into account the subscription fee, with all dividends and distributions reinvested (net of reinvestment charges). Figures for one year show the percentage change, while figures for more than one year show the average annual compounded return.

¹² Calculated in S\$ on a NAV-to-NAV basis, with all dividends and distributions reinvested (net of reinvestment charges). Figures for one year show the percentage change, while figures for more than one year show the average annual compounded return.

¹³ The name of the benchmark was previously "JP Morgan EMBI Global Constrained Index". It has since been renamed as "JP Morgan EMBI Global Diversified Index".

36. **Expense ratio of the Sub-Fund**

- 36.1 The expense ratio of the Sub-Fund calculated in accordance with the requirements in the Investment Management Association of Singapore's guidelines on disclosure of expense ratios (the "**IMAS Guidelines**") and based on the Sub-Fund's latest audited accounts from 1 July 2007 to 30 June 2008 is 2.62%.
- 36.2 The following expenses as set out in the IMAS Guidelines (as may be updated from time to time) are excluded from the calculation of the expense ratios:-
- (i) brokerage and other transaction costs associated with the purchase and sales of investments (such as registrar charges and remittance fees);
 - (ii) interest expense;
 - (iii) foreign exchange gains and losses of the Sub-Fund (whether realised or unrealised);
 - (iv) tax deducted at source or arising on income received (including withholding tax);
 - (v) front-end loads, back-end loads and other costs arising on the purchase or sale of a foreign unit trust or mutual fund;
 - (vi) dividends and other distributions paid to the Holders; and
 - (vii) performance fee.

37. **Turnover ratio of the Sub-Fund**

The turnover ratio of the Sub-Fund from 1 July 2007 to 30 June 2008, calculated based on the lesser of purchases or sales expressed as a percentage over the average daily net asset value of the assets of the Sub-Fund, is 4.83%.

XVI. SOFT DOLLAR COMMISSIONS/ARRANGEMENTS

38. The Managers currently may, from time to time, receive or enter into soft-dollar commissions or arrangements in the management of the Sub-Fund.

The Managers may receive and enter into soft-dollar commissions or arrangements used to support the investment decision making process, the giving of advice or conduct of research or analysis in relation to the investments managed for the clients and these include specific advice as to the advisability of dealing in, or the value of, any investment, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities, to the extent that they are used to support the investment decision making process, the giving of advice or conduct of research or analysis in relation to the investments managed for the clients.

Soft-dollar commissions received shall not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment.

The Managers may not accept or enter into soft-dollar commissions or arrangement unless such soft-dollar commissions or arrangements shall reasonably assist them in their management of the Sub-Fund, provided that the Managers shall ensure at all times that the transactions are executed on the best available terms taking into account the relevant market at the time for transactions of the kind and size concerned, and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions or arrangements.

The Managers do not, and are not entitled to, retain cash rebates for their own account in respect of rebates earned when transacting in securities for account of the Sub-Fund.

XVII. CONFLICTS OF INTEREST

39. The Managers are of the view that there are no conflicts of interests in managing their other funds and the Sub-Fund because of the following structures in place:-

- All investment ideas are shared equally among fund managers.
- UOB Asset Management Ltd subscribes to the Code of Ethics and the Standards of Professional Conduct as prescribed by the Chartered Financial Analyst Institute (“**CFA Institute**”) in the USA. CFA Institute is the primary professional organisation for security analysts, investment managers and others who are involved in the investment decision-making process. All Certified Financial Analyst charter holders of CFA Institute and candidates who are in pursuit of the charter, including those from Singapore, are expected to comply with CFA Institute standards. The Code of Ethics and the Standards of Professional Conduct are in place to ensure high ethical and professional standards of the investment professionals as well as fair treatment to the investing public.
- In addition, despite the possible overlap in the scope of investments, none of the funds are identical to one another and investment decisions are made according to the individual risk return characteristic of the fund.
- Most importantly, the Managers' usual fair and unbiased practice is to allocate investment between various funds which place the same orders simultaneously on a *pro rata* basis. However, should any potential conflicts of interest arise from a situation of competing orders for the same securities, the Managers adopt an average pricing policy whereby orders that are partially fulfilled on a particular day shall be allotted proportionately among the funds based on their respective initial order size and such quantity allotted shall be at the average price of such investments on that particular day.

40. The Managers and the Trustee shall conduct all transactions with or for the Sub-Fund on an arm's length basis. Associates of the Managers and/or Trustee may be engaged to provide banking, brokerage, or financial services to the Sub-Fund. Such services, where provided, will be on an arm's length basis.

XVIII REPORTS

41. The financial year-end of the Fund is 30 June. Holders of Units in the Sub-Fund shall receive (i) the semi-annual report and the semi-annual accounts of the Sub-Fund within 2 months of its financial half-year end (or such other periods as may be permitted by the Authority) and (ii) the annual report, the annual accounts and the auditors' report on the annual accounts of the Sub-Fund within 3 months of its financial year-end (or such other periods as may be permitted by the Authority).

XIX. QUERIES AND COMPLAINTS

42. All enquiries and complaints about the Sub-Fund or the Fund should be directed to the Managers at:-

24 hour Hotline Number : 1800 22 22 228
Facsimile Number : 6532 3868
E-mail : uobam@uobgroup.com

XX. OTHER MATERIAL INFORMATION

43. **Market Timing**

The Fund is designed and managed to support medium to long-term investments. In this regard, the Managers take a serious view of, and strongly discourage the practice of market timing (that is, investors conducting short-term buying or selling of Units to gain from inefficiencies in pricing) as such practices may cause an overall detriment to the long-term interest of other investors. In addition, short-term trading in Units increases the total transaction costs of the Fund, such as trading commission and other costs which are absorbed by all other investors. Moreover, the widespread practice of market timing may cause large movements of cash in the Fund which may disrupt the investment strategies to the detriment of long-term investors. For the reasons set out above, the Managers strongly discourage the practice of market timing and may implement internal measures to monitor and control such practice. If any internal measure to restrict the practice of market timing amounts to a significant changes to the Fund (as provided in the Code), the Managers will inform Holders of such internal measure not later than one month before its implementation. The Managers intend to review their policy on market timing from time to time in a continuous effort to protect the long-term interests of investors in the Fund.

44. **Information on investments**

At the end of each quarter, Holders will receive a statement showing the value of their investment in the Sub-Fund, including any transactions during the quarter. However,

if there is any transaction within a particular month, Holders will receive an additional statement at the end of the month.

45. Distribution of income and/or any net capital gain

The Managers shall have the absolute discretion to determine whether a distribution is to be made and, as and when the Managers shall decide, the Managers may by notice in writing direct the Trustee to distribute such part or all of the income of the Sub-Fund, and if the Managers deem fit such part or all of the net capital gains realised on the sale of Authorised Investments in relation to the Sub-Fund in respect of the amount available for distribution referred to in Clause 20(B) of the Deed for each accounting period at such time and in accordance with such method of calculations as the Trustee and the Managers may agree having regard to the provisions of the Deed.

46. Custody of Deposited Property

The Trustee shall be responsible for the safe custody of the Deposited Property of the Fund. Any Authorised Investments forming part of the Deposited Property of the Fund shall, whether in bearer or registered form, be paid or transferred to or to the order of the Trustee forthwith on receipt by the Managers and be dealt with as the Trustee may think proper for the purpose of providing for the safe custody thereof. The Trustee may from time to time upon notification in writing to the Managers appoint such person or persons as it thinks fit (including itself or its associates) as agents, nominees, custodians or sub-custodians in respect of any of the Deposited Property of the Fund, and the fees and expenses of such agents, nominees, custodians and sub-custodians shall be paid out of the Deposited Property of the Fund. Subject to Clause 28(D) of the Deed, the Trustee shall remain liable for any act or omission of any agent, nominee, custodian or sub-custodian with whom bearer Authorised Investments or documents of title to registered Authorised Investments are deposited as if the same were the act or omission of the Trustee. In relation to any investment in registered form, the Trustee shall not be liable for any act or omission of any agent, nominee, custodian, joint custodian or sub-custodian appointed by it except where the Trustee shall have been negligent or in default in the appointment and monitoring thereof. The Trustee may at any time procure that:-

- (i) the Trustee; or
- (ii) any officer or responsible official of the Trustee jointly with the Trustee; or
- (iii) any nominee appointed by the Trustee; or
- (iv) any such nominee of the Trustee; or
- (v) any custodian, joint custodian or sub-custodian appointed pursuant to the provisions of Clause 28(A) of the Deed; or
- (vi) any company operating a recognised clearing system in respect of the Authorised Investments of the Sub-Fund; or

- (vii) any broker, financial institution or other person (or in each case, its nominee) with whom the same is deposited in order to satisfy any requirement to deposit margin or security,

take delivery of and retain and/or be registered as proprietor of any Investment or other property held upon trust of the Deed.

Notwithstanding anything contained in the Deed:-

- (i) the Trustee shall not incur any liability in respect of or be responsible for losses incurred through the insolvency of or any act or omission of any depository or clearing system with which Authorised Investments may be deposited or any broker, financial institution or other person with whom Authorised Investments are deposited in order to satisfy any margin requirement;
- (ii) the Trustee shall not incur any liability in respect of or be responsible for losses incurred through the insolvency of or any act or omission of any nominee, custodian, joint custodian or sub-custodian appointed by the Trustee except where the Trustee has failed to exercise reasonable skill and care in the selection, appointment and monitoring of such appointee (having regard to the market in which the relevant appointee is located) or the Trustee is in wilful default; and
- (iii) the Trustee shall not incur any liability in respect of or be responsible for losses incurred through the insolvency of or any act or omission of any nominee, custodian, joint custodian or sub-custodian not selected or appointed by it.

Any Authorised Investment in registered form shall as soon as reasonably practicable after receipt of the necessary documents by the Trustee, be registered in the name of the Trustee and/or its nominee and shall remain so registered until disposed of pursuant to the provisions of the Deed. Subject as aforesaid the Trustee shall retain the documents of title to all Authorised Investments held upon the Sub-Fund in its possession in safe custody.

47. Indemnities and Protection accorded to the Managers and/or the Trustee

- 47.1 Neither the Trustee nor the Managers nor any company controlled by them or either of them nor any person, firm or corporation (hereinafter referred to as a “**delegate**”) entitled to exercise any investment powers or discretions under the Deed pursuant to a delegation by the Managers shall as principal sell, or deal in the sale of, Authorised Investments to the Trustee for account of the Fund or vest Authorised Investments in the Trustee against the issue of Units or purchase Authorised Investments from the Trustee acting for the account of the Fund except as provided under paragraphs (i), (ii) and (iii) below and each shall (without incurring any liability for failure to do so) use its best endeavours to procure that no such sale or dealing or vesting or purchase except as provided under paragraphs (i), (ii) and (iii) below shall be made by (i) any person, firm or corporation holding or beneficially entitled to 10% or more of the share capital of the Trustee or the Managers or any delegate, (ii) or by any corporation controlled by any such person, firm or corporation, (iii) or by any director of the Trustee or of the Managers, or of any delegate (being a corporation) or of any such corporation, (iv) or by any partner of any such firm. Each such person or body

(other than the Trustee and the Managers) referred to in this paragraph shall be known as a “**connected person**”. Nothing shall prevent:-

- (i) any sale for account of the Fund of any Authorised Investment to, or any purchase for account of the Fund of any Authorised Investment from, the Trustee or Managers or any delegate of any other unit trust scheme for account of such scheme, notwithstanding that the Trustee and/or the Managers and/or delegate and/or any connected person may be, or be interested in, the Trustee or the Managers or delegate of, or any person, firm or corporation to whom any investment powers or discretions may have been delegated under such a scheme Provided That:-
 - (a) the value of the Authorised Investment in question is certified in writing for the purpose of the transaction by a stockbroker or an approved valuer; and
 - (b) the Trustee shall be of the opinion that the terms of such transaction shall not be such as are likely to result in any prejudice to Holders;
- (ii) the Trustee or the Managers or any delegate or any connected person from becoming the owner of Units and holding, disposing of, or otherwise dealing with, the same, with the same rights (subject as provided in paragraph 1 of the schedule on meetings of Holders in the Deed) which they would have had if neither the Trustee nor the Managers nor any connected person were a party to, or delegate under the Deed, provided that in so owning, holding or disposing of or otherwise dealing with Units, the Trustee and the Managers shall each maintain with respect to the Trustee or the Managers and any of its or their respective connected persons a register giving details of such transactions, including the prices, discounts, net prices, quantities of Units transacted and dates of and parties to such transactions, or from buying, holding or dealing in any Authorised Investments upon their respective individual accounts, notwithstanding that similar Authorised Investments may be held under the Deed as part of the Deposited Property of the Fund;
- (iii) the Managers or any delegate or any connected person from receiving commissions, terms and other benefits (through standing arrangements with brokers used for securities transactions relating to the Fund and other funds managed by the Managers by which the Managers or any connected person may be provided with research, statistical or other essential investment services for which the Managers or any connected person make or makes no direct payment but instead endeavour or endeavours to place business with such brokers) which they or it may receive in relation to any transaction effected for the account of the Fund provided that the amount of such commissions, terms and other benefits is not in excess of rates or terms commonly receivable by fund managers in like transactions and that they or it shall do so on the best terms reasonably obtainable having regard to the interests of the Fund and provided further that any such commissions, terms or other benefits shall exclude cash rebates and shall be so received in circumstances that do not raise any financial burden for the Fund. Such commissions, terms and other benefits received by the Managers shall be disclosed to Holders in the half-yearly reports referred to in Clause 30(A)(ix) of the Deed if required by the relevant authorities.

Neither the Trustee nor the Managers nor any delegate nor any connected person shall be liable to account, either to the other or others of them or to the Holders or any of them, for any profits or benefits made or derived by or in connection with any transaction permitted under paragraphs (i), (ii) and (iii) above.

- 47.2 In no event shall a Holder have or acquire any rights against the Managers or the Trustee except as expressly conferred on the Holder hereby nor shall the Trustee be bound to make any payment to any Holder except out of the funds held by it for that purpose under the provisions of the Deed.
- 47.3 The Trustee and the Managers respectively shall incur no liability in respect of any action taken or thing suffered by them in reliance upon any notice, resolution, direction, consent, certificate, affidavit, statement, certificate of stock, plan of reorganisation or other paper or document believed to be genuine and to have been passed, sealed or signed by the proper parties.
- 47.4 The Trustee and the Managers shall incur no liability to the Holders for doing or (as the case may be) failing to do any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto, or of any decree, order or judgment of any court, or by reason of any request, announcement or similar action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to exercise the authority of any government (whether legally or otherwise) either they or any of them shall be directed or requested to do or perform or to forbear from doing or performing. If for any reason it becomes impossible or impracticable to carry out any of the provisions of the Deed neither the Trustee nor the Managers shall be under any liability therefor or thereby.
- 47.5 Neither the Trustee nor the Managers shall be responsible for any authenticity of any signature or of any seal affixed to any endorsement on any certificate or to any transfer or form of application, endorsement or other document affecting the title to or transmission of Units or be in any way liable for any forged or unauthorised signature on or any seal affixed to such endorsement, transfer or other document or for acting upon or giving effect to any such forged or unauthorised signature or seal. The Trustee and the Managers respectively shall nevertheless be entitled but not bound to require that the signature of any person to any document required to be signed by him under or in connection with the Deed shall be verified to its or their reasonable satisfaction.
- 47.6 Any indemnity expressly given to the Trustee and/or the Managers in the Deed is in addition to and without prejudice to any indemnity allowed by law; provided nevertheless that any provision of the Deed shall be void insofar as it would have the effect of exempting the Trustee or the Managers from or indemnifying them against any liability for breach of Fund or any liability which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of duty or Fund of which they may be guilty in relation to their duties where they fail to show the degrees of diligence and care required of them having regard to the provisions of the Deed.
- 47.7 Nothing contained in the Deed shall be construed so as to prevent the Managers and the Trustee in conjunction or the Managers or the Trustee separately from acting as managers or trustee of funds separate and distinct from the Fund and neither of them shall in any

way be liable to account to the Fund or any other person for any profit or benefit made or derived hereby or in connection therewith.

- 47.8 Neither the Trustee nor the Managers shall be responsible for acting upon any resolution purported to have been passed at any meeting of the Holders in respect whereof minutes shall have been made and signed even though it may be subsequently found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not binding upon all the Holders.
- 47.9 The Trustee and the Managers may accept as sufficient evidence of the net asset value of any Authorised Investment or the cost price or sale price thereof or of any market quotation a certificate by a stockbroker or any other person, firm or association qualified in the opinion of the Managers and Trustee to provide such a certificate.
- 47.10 At all times and for all purposes of the Deed the Trustee and the Managers may rely upon the established practice and rulings of any Recognised Stock Exchange or OTC Market and any committees and officials thereof on which any dealing in any Authorised Investment or other property is from time to time effected in determining what shall constitute a good delivery and any similar matters and such practice and rulings shall be conclusive and binding upon all persons under the Deed.
- 47.11 The Trustee shall not be under any liability on account of anything done or suffered to be done by the Trustee in good faith in accordance with or in pursuance of any request or advice of the Managers. Whenever pursuant to any provision of the Deed any certificate, notice, instruction or other communication is to be given by the Managers to the Trustee the Trustee may accept as sufficient evidence thereof a document signed or purporting to be signed on behalf of the Managers by any one person whose signature the Trustee is for the time being authorised by the Managers under their common seal to accept and may act on verbal and telefacsimile instructions given by authorised officers of the Managers specified in writing by the Managers to the Trustee.
- 47.12 The Trustee may accept as sufficient evidence of the value of any Authorised Investment or the cost price or sale price thereof or of any quotation from a Recognised Stock Exchange or an OTC Market a certificate by a stockbroker or other professional person approved by the Trustee as qualified to value such Authorised Investment.
- 47.13 The Trustee may act upon any advice of or information obtained from the Managers or any bankers, accountants, brokers, lawyers, agents or other persons acting as agents or advisers of the Trustee or the Managers and the Trustee shall not be liable for anything done or omitted or suffered in reliance upon such advice or information provided the Trustee has acted in good faith. The Trustee shall not be responsible for any misconduct, mistake, oversight, error of judgment, forgetfulness or want of prudence on the part of any such banker, accountant, broker, lawyer, agent or other person as aforesaid or of the Managers. Any such advice or information may be obtained or sent by letter, telegram, telex or facsimile and the Trustee shall not be liable for acting on any advice or information purported to be conveyed by any such letter, telegram, telex or facsimile although the same contains some error or is not authentic.

- 47.14 Except if and so far as the Deed otherwise expressly provides, the Trustee shall as regards all the trusts, powers, authorities and discretions vested in it have absolute and uncontrolled discretion as to the exercise thereof whether in relation to the manner or as to the mode of and time for the exercise thereof and in the absence of proven fraud or negligence the Trustee shall not be in any way responsible for any loss, costs, damages or inconvenience that may result from the exercise or non-exercise thereof.
- 47.15 Nothing contained in the Deed shall prevent the Trustee or an associate thereof from contracting or entering into any financial, banking or any other type of transaction with the Managers or any Holder or any company or body any of whose shares or other securities form part of the Deposited Property of the Fund or from being interested in any such contract or transaction. The Trustee or any associate thereof shall not be liable to account either to the Managers or to the Holders or any of them for any profits or benefits made or derived from or in connection with any such transaction provided that any such transaction shall be on an arm's length basis.
- 47.16 The Trustee shall not be under any obligation to institute, acknowledge service of, appear in, prosecute or defend any action, suit, proceedings or claim in respect of the provisions hereof or in respect of the Deposited Property of the Fund or any part thereof or any corporate or shareholders' action which in its opinion would or might involve it in expense or liability, unless the Managers shall so request in writing, and shall so often as required by the Trustee furnish it with an indemnity satisfactory to it against any such expense or liability.
- 47.17 Subject as expressly provided in the Deed, the Trustee shall be entitled for the purpose of indemnity against any actions, costs, claims, damages, expenses or demands to which it may be put as Trustee to have recourse to the Deposited Property of the Fund or any part thereof but this shall be without prejudice to the obligation of the Managers to reimburse the Trustee on account of the Deposited Property of the Fund in respect of all such matters as fall within Clause 25(B) of the Deed thereof.
- 47.18 Before making any distribution or other payment in respect of any Unit of the Sub-Fund or in respect of management fee relating to the Sub-Fund or the remuneration of the Trustee, the Trustee may make such deductions as by the law of Singapore or by the law of any other country in which such payment or distribution is made the Trustee is required or entitled to make in respect of any income or other taxes, charges or assessments whatsoever and the Trustee may also deduct the amount of any stamp duties or other governmental taxes or charges payable by it or for which it might be made liable in respect of such distribution or any documents signed by it in connection therewith. The Trustee shall not be liable to account to any Holder or otherwise for any payment made or suffered by the Trustee in good faith to any duly empowered fiscal authority of Singapore or elsewhere for taxes or other charges in any way arising out of or relating to any transaction of whatsoever nature under the Deed notwithstanding that any such payments ought not to be or need not have been made or suffered.
- 47.19 The Trustee shall not be responsible for verifying or checking any valuation of the Deposited Property of the Fund or any part thereof or any calculation of the prices at which Units are to be issued or realised, except as herein expressly provided, but shall be entitled at any time to require the Managers to justify the same.

47.20 The Trustee (or the Managers or other agents with the approval of the Trustee) shall (subject as provided in the Deed) be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of 6 years from the date of registration thereof and all distribution mandates which have been cancelled or lapsed at any time after the expiration of 1 year from the date of cancellation or lapse thereof and all notifications of change of address after the expiration of 1 year from the date of the recording thereof and all forms of proxy in respect of any meeting of Holders 1 year from the date of the meeting at which the same are used and all registers, statements and other records and documents relating to the Fund at any time after the expiration of 6 years from the termination of the Fund. Neither the Trustee nor the Managers nor their agents shall be under any liability whatsoever in consequence thereof and unless the contrary be proved every instrument of transfer so destroyed shall be deemed to have been a valid and effective instrument duly and properly registered and every certificate so destroyed shall be deemed to have been a valid certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed shall be deemed to have been a valid and effective document in accordance with the recorded particulars thereof.

Provided always that: -

- (i) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
 - (ii) nothing in Clause 28(L) of the Deed shall be construed as imposing upon the Trustee or the Managers or other agents any liability in respect of the destruction of any document earlier than as aforesaid or in any case where the conditions of paragraph (i) above are not fulfilled; and
 - (iii) references to the destruction of any document in this paragraph 47.20 include references to the disposal thereof in any manner.
- 47.21 In the absence of fraud or negligence by the Managers they shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done by them in good faith under the Deed.
- 47.22 The Managers shall not be under any liability except for fraud or wilful default or such liability as may be assumed by them under the Deed nor shall the Managers (save as otherwise appears in the Deed) be liable for any act or omission of the Trustee.
- 47.23 Nothing contained in the Deed shall prevent the Managers or any associate thereof from contracting or entering into any financial, banking or any other type transaction with the Trustee (when acting other than in its capacity as Trustee of the Fund) or any Holder or any company or body any of whose shares or other securities form part of the Deposited Property of the Fund or from being interested in any such contract or transaction. The Managers or any associate thereof shall not be liable to account to the Trustee or to the Holders or any of them for any profits or benefits made or derived from or in connection with any such transaction provided that any such transaction shall be on an arm's length basis.

发售计划说明书
大华全球新兴市场投资组合

大华



投资组 合

大华全球新兴市场(GEMs)投资(新元)