

UNITED EMERGING MARKETS PORTFOLIOS

United Emerging Markets Bond Fund

P r o s p e c t u s

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

TRUSTEE

HSBC Institutional Trust Services (Singapore) Limited
(Company Registration Number: 194900022R)

Registered Address:

21 Collyer Quay #14-01
HSBC Building
Singapore 049320

AUDITORS

PricewaterhouseCoopers LLP
8 Cross Street #17-00
PWC Building
Singapore 048424

SOLICITORS TO THE MANAGERS

Tan Peng Chin LLC
30 Raffles Place #11-00
Chevron House
Singapore 048622

SOLICITORS TO THE TRUSTEE

Drew & Napier LLC
10 Collyer Quay #10-01
Ocean Financial Centre
Singapore 049315

IMPORTANT INFORMATION

UOB Asset Management Ltd (the “**Managers**”) accept full responsibility for the accuracy of the information contained in this Prospectus of **United Emerging Markets Portfolios** (formerly known as United Global Emerging Markets (GEMs) Portfolios) (the “**Fund**”) and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no facts the omission of which would make any statement herein misleading. Unless otherwise stated or the context otherwise requires, all terms not defined in this Prospectus have the same meanings as ascribed to them 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 restrictions as the Managers may impose).

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 (“**Units**”) in the sub-fund of the Fund offered in this Prospectus, United Emerging Markets Bond Fund (formerly known as United GEMs Investments (S\$)) (the “**Sub-Fund**”), as contemplated herein. This Prospectus may be supplemented or replaced from time to time to reflect material changes.

Investors should seek independent professional advice to ascertain (a) the possible tax consequences, (b) the legal requirements, and (c) any foreign exchange restrictions 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 and should inform themselves of and observe all such laws and regulations in any relevant jurisdiction that may be applicable to them. No representation is made as to the tax status of the Fund.

Investors should carefully consider the usual risks involved in investing and participating in collective investment schemes and the risks of investing in the Sub-Fund before making an investment decision. Details of the risks involved are set out in Part VIII of this Prospectus. Investors should consider these risks carefully before making an investment decision. Investors should note that their investments can be volatile and there can be no assurance that the Sub-Fund will be able to attain its objectives. The prices of the Units as well as the income from them may go up as well as down to reflect changes in the value of the Sub-Fund. An investment should only be made by those persons who can sustain losses on their investments. Investors should also satisfy themselves of the suitability to them of an investment in the Sub-Fund based on their personal circumstances.

No person, other than the Managers, has been authorised to issue any advertisements 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 advertisements, information or representations must not be relied upon as having been authorised by the Managers.

Investors should note that the Units offered by the Sub-Fund are not listed on any stock exchange. Investors may subscribe for or realise their Units through the Managers or any authorised agent or distributor 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.

Applications may be made in other jurisdictions to enable the Units of the Sub-Fund to be marketed freely in those jurisdictions.

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

TABLE OF CONTENTS

DIRECTORY	i
IMPORTANT INFORMATION	ii
I. BASIC INFORMATION	1
II. THE MANAGERS	2
III. THE TRUSTEE	3
IV. OTHER PARTIES	3
V. STRUCTURE OF THE FUND	3
VI. INVESTMENT OBJECTIVE, FOCUS AND APPROACH	3
VII. FEES AND CHARGES	7
VIII. RISKS	8
IX. SUBSCRIPTION OF UNITS	14
X. REGULAR SAVINGS PLAN	16
XI. REALISATION OF UNITS	17
XII. SWITCHING OF UNITS	19
XIII. OBTAINING PRICES OF UNITS	20
XIV. SUSPENSION OF DEALINGS	21
XV. PERFORMANCE OF THE SUB-FUND	22
XVI. SOFT DOLLAR COMMISSIONS/ARRANGEMENTS	23
XVII. CONFLICTS OF INTEREST	23
XVIII. REPORTS	24
XIX. QUERIES AND COMPLAINTS	24
XX. OTHER MATERIAL INFORMATION	24

UNITED EMERGING MARKETS PORTFOLIOS
(formerly known as UNITED GLOBAL EMERGING MARKETS (GEMs) PORTFOLIOS)

The sub-fund of the United Emerging Markets Portfolios, namely the United Emerging Markets Bond Fund, 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 Emerging Markets Bond Fund. The meanings of terms not defined in this Prospectus can be found in the Deed.

Please note that the Code on Collective Investment Schemes issued by the Authority (the “Code”) will be amended with effect from 1 October 2011 and the Fund and the Sub-Fund will be subject to the revised Code.

I. BASIC INFORMATION

1. The Fund

This Prospectus relates to a Singapore constituted open-ended umbrella fund known as United Emerging Markets Portfolios (the “Fund”). As at the date of this Prospectus, the Fund comprises one sub-fund, namely the United Emerging Markets Bond Fund (the “Sub-Fund”). The Fund and the Sub-Fund were formerly known as “United Global Emerging Markets (GEMs) Portfolios” and “United GEMs Investments (S\$)” respectively and changed their names to their current names on 22 September 2011. The Managers are presently offering for subscription units in the Sub-Fund (“Units”) for such period as the Managers may decide from time to time.

2. Date of registration and expiry of Prospectus

The date of registration of this Prospectus with the Authority is 22 September 2011. This Prospectus shall be valid for 12 months from the date of registration (i.e., up to and including 21 September 2012) and shall expire on 22 September 2012.

3. Deed of Trust and Supplemental Deeds

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 former trustee of the Fund.

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

- (i) a First Supplemental Deed dated 26 June 2002;
- (ii) a First Amendment Deed dated 27 June 2003;
- (iii) a Second Amendment Deed dated 15 December 2004;
- (iv) a Third Amendment Deed dated 14 December 2005;
- (v) a Fourth Amendment Deed dated 17 October 2006;
- (vi) a Fifth Amendment Deed dated 29 June 2007;
- (vii) a Sixth Amendment Deed dated 12 October 2007;
- (viii) a Seventh Amendment Deed dated 10 October 2008;
- (ix) an Eighth Amendment Deed dated 29 May 2009;
- (x) a Ninth Amendment Deed dated 7 October 2009;
- (xi) a Tenth Amendment Deed dated 29 September 2010;

- (xii) a Supplemental Deed of Appointment and Retirement of Trustee dated 26 January 2011; and
- (xiii) an Eleventh Amendment Deed dated 22 September 2011.

The Principal Deed as amended by the foregoing supplemental deeds shall hereinafter be referred to as the “**Deed**”.

The terms and conditions of the Deed shall be binding on each unit holder (each a “**Holder**” and collectively the “**Holder**s”) 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.

A copy of the Deed is available for inspection free of charge at the Managers’ operating office at 80 Raffles Place, 6th Storey UOB Plaza 2, Singapore 048624 during normal business hours (subject to such reasonable restrictions as the Managers may impose) and will be supplied by the Managers upon request at a charge not exceeding S\$25 per copy of the document (or such other amount as the Trustee and the Managers may from time to time agree).

4. Semi-annual report and audited financial statement

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 relating to the Sub-Fund, where available, may be obtained from the Managers at their operating office at 80 Raffles Place, 6th Storey, UOB Plaza 2, Singapore 048624, upon request.

II. **THE MANAGERS**

- 5. The managers of the Fund are UOB Asset Management Ltd (referred to as “**UOBAM**” in this Part II of the Prospectus), whose registered office is at 80 Raffles Place, UOB Plaza, Singapore 048624.

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 25 years and as of 31 July 2011, manages about S\$17.48 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 2011, UOBAM manages 52 unit trusts in Singapore, with total assets of about S\$3.33 billion under management. UOBAM is one of the largest unit trust managers in Singapore in terms of assets under management.

In terms of market coverage, UOBAM has acquired specialist skills in equity investment in Asian, Australian, European and US markets and in 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 118 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 2011, UOBAM has a staff strength of over 210 including about 52 investment professionals in Singapore.

Please refer to the Deed for details on the Managers’ role and responsibilities.

Investors should note that the past performance of the Managers is not necessarily indicative of their future performance.

III. THE TRUSTEE

6. The trustee of the Fund (the “**Trustee**”) is HSBC Institutional Trust Services (Singapore) Limited whose registered address is at 21 Collyer Quay, #14-01, HSBC Building, Singapore 049320. HSBC Institutional Trust Services (Singapore) Limited was appointed as the trustee of the Fund with effect from 1 March 2011 following the retirement of the previous trustee, RBC Dexia Trust Services Singapore Limited.

Please refer to the Deed for details on the Trustee’s role and responsibilities.

IV. OTHER PARTIES

7. 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**”).

Please refer to the Deed for details on the Custodian’s role and responsibilities.

8. The registrar of the Fund is the Trustee and the register of Holders (the “**Register**”) is kept and maintained at 20 Pasir Panjang Road (East Lobby), #12-21 Mapletree Business City, Singapore 117439. The Register is accessible to the public during normal business hours subject to such reasonable restrictions as the registrar may impose. The Trustee may appoint any other party (including, without limitation, the Managers) to keep and maintain the Register.

The Register is conclusive evidence of the number of Units 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.

9. The auditors of the accounts relating to the Fund are PricewaterhouseCoopers LLP whose registered address is at 8 Cross Street, #17-00, PWC Building, Singapore 048424.

V. STRUCTURE OF THE FUND

10. The Fund is an umbrella fund comprising one sub-fund, the United Emerging Markets Bond Fund (formerly known as United GEMs Investments (S\$)), a Singapore-dollar denominated open-ended collective investment scheme.

VI. INVESTMENT OBJECTIVE, FOCUS AND APPROACH

11. 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).

12. 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.

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.

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 Sub-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 their 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.

13. Authorised Investments

Subject to the Code, the authorised investments of the Sub-Fund ("**Authorised Investments**") are any of the following Investments²:

- (a) any Quoted Investment³;
- (b) any Unquoted Investment⁴;
- (c) any index futures, foreign exchange transactions and forward rate transactions (including but not limited to currency options) or other derivatives; and
- (d) any other investments not covered by sub-paragraphs (a), (b) and (c) above selected by the Managers and approved by the Trustee (such approval to be confirmed in writing).

Investors should note that the Sub-Fund intends to use or invest in financial derivatives. Further information is set out in paragraph 15 of this Prospectus.

² "**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, 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.

³ "**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 (subject to any applicable restrictions under the Code) 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 (subject to any applicable restrictions under the Code).

⁴ "**Unquoted Investment**" means any Investment which is not listed, quoted or dealt with on any Recognised Stock Exchange or OTC Market.

14. Investment restrictions

The Sub-Fund is subject to the investment guidelines and borrowing limits for collective investment schemes as set out in the Code. The latest version of the Code may be found at the Authority's website: www.mas.gov.sg. **Please note that the Code will be amended with effect from 1 October 2011 and the Sub-Fund will be subject to the revised Code.** Investors should note that the Authority may, from time to time, update or amend the Code.

15. Risk management procedures of the Managers

The Managers may use or invest in financial derivative instruments (“**FDIs**” or “**derivatives**”) for the purposes of hedging existing positions in a portfolio, efficient portfolio management, optimising returns of the Sub-Fund or a combination of one or more of these purposes.

- (a) The Managers will ensure that the global exposure of the Sub-Fund to FDIs or embedded FDIs will not at any time exceed 100% of the net asset value of the Sub-Fund. The Managers will apply a commitment approach to determine the Sub-Fund's global exposure to FDIs by converting the positions in the FDIs into equivalent positions in the underlying assets of those FDIs and will calculate such exposure in accordance with the methods described in the Code.
- (b) 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 event of any non-compliance, the Managers' middle office department 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 in the Sub-Fund, 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. Subject to the provisions of the Code, the Managers will restrict their dealings with counterparties to entities 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, or an equivalent rating from any other reputable rating agency. 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 FDIs 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 global exposure of the Sub-Fund to FDIs and embedded FDIs will not exceed the net asset value of the Sub-Fund, as stated in paragraph (a) 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 fair value of such instruments are available, and will conduct such verification at an appropriate frequency.
- (c) The Managers will ensure that the risk management and compliance procedures and controls adopted by them are adequate and have been implemented, and that they have the necessary expertise to control and manage the risks relating to the use of FDIs. The Managers may modify the risk management and compliance procedures and controls as they deem fit and in the interest of the Sub-Fund, but subject always to the requirements under the Code.
- (d) The Sub-Fund may net its over-the-counter financial derivative positions with a counterparty through a bilateral contract for novation or other bilateral agreement with the counterparty, provided that such netting arrangements satisfy the relevant conditions described in the Code, and with effect from 1 October 2011, the Managers will obtain, or has obtained, the required legal opinions as stipulated in the Code.
- (e) Where the underlying asset of a FDI consists of commodities, such FDI transaction will be settled in cash at all times.

16. Monthly distributions of 5% per annum

The Managers intend to make monthly regular distributions of income of at least 5% per annum of the net asset value per Unit as at the last Business Day of every month or such other date as the Managers may from time to time determine (“**Distribution Date**”), provided the income of the Sub-Fund accumulated in the income account of the Sub-Fund is at least 5% per annum. Distributions will be made within 30 days from the relevant Distribution Date.

If the income of the Sub-Fund for any financial year is less than 5% 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 monthly dividend payouts is optional. Investors may choose, at the time of application for Units, to either receive the monthly dividend payouts or to have the monthly dividend payouts reinvested into the Sub-Fund.

Investors should note that the intention of the Managers to make the 5% per annum monthly 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 AND CHARGES

17. All fees and charges payable by investors and payable out of the Sub-Fund are outlined below:

Payable by a Holder	
Subscription fee	Currently 5%; Maximum 5%
Realisation charge	Currently nil; Maximum 2%
Switching Fee ⁽¹⁾	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 ⁽²⁾	<p><u>Prior to 1 October 2011</u> 25% of the amount by which the net asset value of the Sub-Fund exceeds the Performance Target; Maximum 25%</p> <p><u>With effect from 1 October 2011</u> None</p>
Annual trustee fee	Currently not more than 0.05% (subject always to a minimum of S\$5,000); Maximum 0.20%
Annual registrar and transfer agent fee	0.125% (subject to a minimum of S\$15,000 and a maximum of S\$25,000)
Annual valuation and accounting fee (payable to the Managers)	Currently 0.08%; Maximum 0.2%
Audit fee ⁽³⁾ (payable to the auditors), custodian fee ⁽⁴⁾ (payable to the Custodian) and other fees and charges ⁽⁵⁾	Subject to agreement with the relevant parties. Each fee or charge may exceed 0.1% p.a., depending on the proportion that each fee or charge bears to the net asset value of the Sub-Fund

⁽¹⁾ 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.

⁽²⁾ Prior to 1 October 2011, the Managers are entitled to receive out of the Deposited Property⁵ 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 Performance 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 Performance 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.

⁵ “**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.

The Performance 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.

⁽³⁾ The audit fee payable to the auditors is subject to agreement with the auditors of the Fund for the relevant financial year. Based on the audited accounts and the average net asset value of the Sub-Fund for the financial year ended 30 June 2010, the audit fee did not amount to or exceed 0.1% in that financial year.

⁽⁴⁾ The custodian fee payable to the Custodian is subject to agreement with the Custodian 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 Sub-Fund, exclusive of any goods and services tax (“GST”) and US\$50 per transaction. Based on the audited accounts and the average net asset value of the Sub-Fund for the financial year ended 30 June 2010, the custodian fee did not amount to or exceed 0.1% in that financial year.

⁽⁵⁾ Other fees and charges include printing and stationery costs, legal and professional fees, GST, bank charges and other out-of-pocket expenses. Based on the audited accounts and the average net asset value of the Sub-Fund for the financial year ended 30 June 2010, the aggregate of such fees and charges amounted to 0.11% in that financial year.

As required by the Code, all marketing, promotional and advertising expenses in relation to the Sub-Fund will be borne by the Managers and not charged to or borne by 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. All or part of the subscription fee may also be paid to or retained by authorised agents or distributors. Any other commission, remuneration or sum payable to authorised agents or distributors in respect of the marketing of Units will be paid by the Managers. Investors should also note that the authorised agents and distributors through whom the investors subscribe for Units may (depending on the specific nature of services provided) impose other fees and charges that are not disclosed in this Prospectus, and investors should check with the relevant agents or distributors regarding such fees and charges, if any.

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

18. General risks

- (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, derivatives risks, underlying risks, counterparty credit risks, default risks, foreign exchange risks, liquidity risks and exceptional market conditions risks.
- (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. Investments in the Sub-Fund are not deposits or other obligations of, or guaranteed or insured by any party and are subject to investment risks, including the possible loss of the principal amount invested.

19. Specific risks

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 in Emerging Markets 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 (f) 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) Derivatives risk

The Sub-Fund may enter into FDIs, which are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index. Such assets, rates and indices may include bonds, stocks, interest rates, currency exchange rates, bond indices and stock indices.

While the prudent and judicious use of derivatives by professional investment managers can be beneficial, derivatives involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments. Some of the risks associated with derivatives are market risk, management risk, credit risk, liquidity risk and leverage risk.

Investments in derivatives may require the deposit of initial margin and additional deposit of margin on short notice if the market moves against the investment positions. If no provision is made for the required margin within the prescribed time, the Sub-Fund's investments may be liquidated at a loss. Therefore, it is essential that such investments in derivatives are monitored closely.

(f) 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.

(g) 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.

(h) 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 authorised agents or distributors 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.

(i) 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.

(j) 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.

(k) Accounting practice

Accounting standards in the countries where the Sub-Fund may invest may 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.

(l) 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.

(m) Legal risk

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.

(n) 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.

(o) Exchange and currency risks

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 or US dollars (as the case may be) will be affected by fluctuations in the value of the underlying currency of denomination of the Sub-Fund's investments against the Singapore dollar or the US dollar (as the case may be) 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 or the US 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 or US dollars (as the case may be). Investors who invest in the Sub-Fund will be affected by fluctuations in the value of the Singapore dollar relative to the 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 the 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.

(p) 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 2 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.

(q) 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.

(r) 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 realisation of Units. Investors are therefore advised to seek independent professional advice on the implications of investing in the Sub-Fund.

(s) Actions of institutional investors

The Managers may accept subscriptions from institutional investors and such subscriptions may constitute a large portion of the total investments in the Sub-Fund. Whilst these institutional investors will not have any control over the Managers' investment decisions, the actions of such investors may have a material effect on the Sub-Fund. For example, substantial realisations of Units by an institutional investor over a short period of time could necessitate the liquidation of the Sub-Fund's assets at a time and in a manner which does not provide the most economic advantage to the Sub-Fund and which could therefore adversely affect the value of the Sub-Fund's assets.

(t) Risk of use of rating agencies and other third parties

Credit ratings of instruments invested into by the Sub-Fund represent the Managers' and/or rating agencies' opinion regarding the credit quality of the instrument or the institution and are not a guarantee of quality. Rating methodologies generally rely on historical data, which may not be predictive of future trends and adjustments to credit ratings in response to subsequent change of circumstances may take time.

The Managers are entitled to rely, without independent investigation, upon pricing information and valuations furnished to the Sub-Fund by third parties, including pricing services and independent brokers/dealers. Their accuracy depends on these parties' methodology, due diligence and timely response to changing conditions. The Managers cannot be held responsible for any failures by such parties in their valuations.

(u) Exceptional market conditions risk

Under certain market conditions, it may be difficult or impossible to liquidate or rebalance positions. During such times, the Sub-Fund may be unable to dispose of certain assets due to thin trading or lack of a market or buyers. In addition, such circumstances may force the Sub-Fund to dispose of assets at reduced prices, thereby adversely affecting the Sub-Fund's performance. Further, the Sub-Fund's assets may become difficult to value with any degree of accuracy or certainty. The dumping of securities in the market could further deflate prices. If the Sub-Fund incurs substantial trading losses, the need for liquidity could rise sharply at the same time that access to liquidity is impaired. Further, in a market downturn, the Sub-Fund's counterparties' financial conditions could be weakened, thereby increasing the Sub-Fund's credit risk to them.

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

20. Subscription Procedure

Applications for Units may be made on the application form attached to this Prospectus, or through any authorised agent or distributor, or through automated teller machines (“ATMs”) (as and when ATM applications are made available by the Managers or their authorised 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. The acceptance or non-acceptance of applications for Units shall be at the absolute discretion of the Managers acting in consultation with the Trustee.

Applications should be accompanied by such documents as may be required, with the subscription monies in full, failing which the Managers reserve the right to reject the relevant application. Applicants may make payments for Units by telegraphic transfer and should contact the Managers for details regarding such payments. All bank charges incurred in respect of a telegraphic transfer will be borne by the applicant.

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

Investors wishing to use their SRS monies to purchase Units shall indicate so 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 (save for those subscriptions made through the use of SRS monies).

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

21. Minimum initial subscription amount and minimum subsequent subscription amount

The minimum initial subscription amount for Units is S\$1,000 (or in the case where payment is made in US dollars, US\$1,000) or its equivalent in such other currencies at the applicable rate of exchange as determined by the Managers, or such other minimum initial subscription amounts as may from time to time be determined by the Managers upon giving prior written notice to the Trustee.

The minimum subsequent subscription amount for Units is S\$500 (or in the case where payment is made in US dollars, US\$500) or its equivalent in such other currencies at the applicable rate of exchange as determined by the Managers, or such other minimum subsequent subscription amounts as may from time to time be determined by the Managers upon giving prior written notice to the Trustee.

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.

22. Dealing deadline and pricing basis

22.1 The dealing deadline is 3.00 p.m. Singapore time on any Dealing Day (the “**Dealing Deadline**”). If any application for Units is received and accepted by the Managers or any authorised agent or distributor 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 authorised agent or distributor 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 at that Dealing Day’s issue price.

“**Dealing Day**”, in connection with the issuance, cancellation, valuation 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 a day (other than Saturday, Sunday or a gazetted public holiday) on which commercial banks are open for business in Singapore or any other day as the Managers and the Trustee may agree in writing.

“**Valuation Point**” means the close of business of the last relevant market in relation to the relevant Dealing Day on which the net asset value of the Sub-Fund is to be determined pursuant to the provisions 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.

- 22.2 Units are issued on a forward pricing basis. Therefore, the issue price cannot be ascertained at the time of application.
- 22.3 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 Point 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 3 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. The Managers may, subject to the prior approval of the Trustee, change the method of determining the issue price and the Trustee shall determine if the Holders should be informed of such change.
- 22.4 Currently, the Managers accept payment for subscription of Units in Singapore dollars (for payment using SRS monies) and in both Singapore dollars and US dollars (for cash payment). The issue price will be calculated and quoted in Singapore dollars and (where applicable) in its equivalent in US dollars by conversion at the applicable rate of exchange. Investors who paid for their Units in Singapore dollars will have their Units issued at the issue price (quoted in Singapore dollars), and investors who paid for their Units in US dollars will have their Units issued at the issue price (converted at the applicable rate of exchange and quoted in US dollars).
- 22.5 In respect of a subscription for Units which are denominated in a currency other than Singapore dollars, the Managers will generally only accept payment in the relevant currency of denomination. The issue price for such Units will be quoted in the relevant currency of denomination.
- 22.6 The Managers may also accept payment in any other currency from time to time at its sole discretion and subject to such additional terms as they may impose from time to time. The costs of such currency exchange, if any, will be borne by the investor. Investors should also be aware of the foreign exchange and currency risks of investing in the Sub-Fund, which is summarised in paragraph 19(o) above.
- 22.7 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.
- 22.8 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.

23. Numerical example

- 23.1 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 2 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. Confirmation of subscription

A confirmation note detailing the investment amount and the number of Units 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 for Units

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 or permitted by the Authority) (the “**Cancellation Period**”), provided that where the last day of the Cancellation Period falls on a Sunday or a public holiday in Singapore, the Cancellation Period shall be extended to the next calendar day, not being a Sunday or a public holiday in Singapore.

A Holder may choose to realise his Units in accordance with paragraphs 27 to 30 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 charge (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.

Investors should refer to the terms and conditions for the cancellation of subscriptions in the cancellation form before subscribing for Units.

X. REGULAR SAVINGS PLAN

26. The Managers may in their discretion implement a 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 (or in the case where the purchase is made in US dollars, US\$1,000) or its equivalent in such other currency as the Managers may decide based on the issue price prevailing on the date of application (or such other number of Units as the Managers may from time to time determine) to join the RSP, whichever is the lower number. A Holder may opt to invest a minimum sum of S\$100 (or in the case where payment is made in US dollars, US\$100) on a fixed day per month or S\$500 (or in the case where payment is made in US dollars, US\$500) on a fixed day per quarter through GIRO payment (or such other amounts or in such other currencies as the Managers may determine from time to time) upon giving prior notice to the Trustee.

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 relevant application form.

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

Payment for the RSP will be debited from the relevant Holders' bank accounts or SRS accounts (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) or (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 the relevant 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 attributable to a Holders' participation in RSP.

A Holder may terminate his participation in the RSP 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 authorised agent or distributor, or through ATMs (as and when ATM realisations are made available by the Managers, or their authorised 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 sales 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 of Units in the Sub-Fund would be reduced to less than 1000 Units or such number of Units as may be purchased for S\$1,000/ US\$1,000 (or such other currencies as may be determined by the Managers upon giving prior written notice to the Trustee and as permitted by the relevant authorities from time to time).

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. The Managers reserve the right to revise the minimum holding amounts stated in this paragraph.

- 28.2 Presently, no Holder may realise less than 100 Units in each request.
- 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 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 to the Managers, so that the proportion realised of each holding so requested to be realised or cancelled is the same for all such Holders and for the Managers.
- 28.4 Any Units which are not realised or cancelled (as the case may be) shall be realised or cancelled (subject to the relevant 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 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 value⁶ for the Deposited Property of the Sub-Fund having taken into account the necessity of selling a material proportion⁷ 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 and subject to the provisions of the Code, 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 Requests received and accepted by the Managers or any of their authorised agents or distributors by way of a realisation form or any means of realisation by the Dealing Deadline in respect of a Dealing Day shall be realised at the realisation price for that Dealing Day. Requests received and accepted by the Managers or any of their authorised agents or distributors after the Dealing Deadline in respect of a Dealing Day or on a day which is not a Dealing Day shall be treated as having been received on 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 calculating 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 and accepted of the proportion of the Deposited Property of the Sub-Fund then represented by one Unit of the Sub-Fund, truncated to 3 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 aforesaid adjustment shall be retained by the Sub-Fund.

29.4 The Managers shall be entitled to convert the realisation price of Units to a foreign currency at the applicable rate of exchange as determined by the Managers. The cost of the currency exchange, if any, will be borne by the investor. Currently, the Managers permit the realisation 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 as determined by the Managers. In future, the Managers may permit the realisation of such Units in any other foreign currency and will in such event, quote the realisation price in such currency at the applicable rate of exchange.

29.5 In respect of the realisation of Units which are denominated in a currency other than Singapore Dollars, the Managers will generally only permit realisation of Units in the relevant currency of denomination. The realisation price for such Units will be quoted in the relevant currency of denomination.

⁶ 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.

⁷ The “**material proportion**” of the Investments means such proportion of the Investments which when sold will cause the reduction of the value of the Deposited Property of the Sub-Fund.

- 29.6 If a Holder is resident outside Singapore, the Managers shall be entitled to deduct from the total amount which would otherwise be payable to the Holder on realisation 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.
- 29.7 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 Dealing Day following that upon which the subscription monies in respect of such Units have been received by the Trustee.
- 29.8 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 other period as may be permitted by the Authority) from the Dealing Day on which the realisation form is received and accepted 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

- 31.1 Subject to the provisions of the Deed, the Managers may, on the application of a Holder, allow the Holder to switch or exchange all or any of his Units of the Sub-Fund for units in any Group Fund (as defined below) or for units in another sub-fund of the Fund (if established) or for units in a different class of Units of the Sub-Fund (if established).

“**Group Fund**” means a collective investment scheme the managers of which are the Managers or a corporation under their control or under common control with them or at least 50% of the share capital of which is held by a corporation which is a shareholder of the Managers and which has approved the terms of any switch which may be made under the provisions of the Deed.

- 31.2 Applications for switching of Units of the Sub-Fund (the “**original Units**”) into units of a Group Fund or units in another sub-fund of the Fund (the “**new Sub-Fund**”) or Units of another class (the “**new Class**”) may be made via switching forms which may be obtained from any authorised agent or distributor. A Holder shall not without the consent of the Managers be entitled to withdraw a switching form duly completed and submitted in accordance with this paragraph.

- 31.3 Subject as hereinafter provided, the switching or exchange of the original Units shall be made on a day which is both a Dealing Day in relation to Units of the original Sub-Fund and a dealing day/Dealing Day in relation to units of (as the case may be) the Group Fund, the new Sub-Fund or the new Class (“**Common Dealing Day**”) on which the switching form is received by the Managers by 3.00 p.m. (Singapore time) on such Common Dealing Day. For a switching form received on a day which is not a Common Dealing Day or received after 3 p.m. (Singapore time) on a Common Dealing Day, such switching form shall be treated as having been received before 3 p.m. (Singapore time) on the next Common Dealing Day.
- 31.4 Switching of the original Units into Units of a new Class or a new Sub-Fund shall be effected by the cancellation of the original Units and by the issue of Units of the new Class or new Sub-Fund (as the case may be), such cancellation and issue taking place on the relevant Common Dealing Day, and the number of Units of the new Class or new Sub-Fund (as the case may be) to be issued on switching shall be determined by the Managers in accordance with the provisions of the Deed.
- 31.5 Switching of the original Units into units of a Group Fund shall be effected by the Holder surrendering the original Units to the Managers who shall thereupon pay to the managers of the Group Fund concerned a sum representing the value of the original Units calculated in accordance with the provisions of the Deed in consideration of the issue to that Holder of units in that Group Fund to the same value as the aforesaid sum representing the original Units less such amount, if any, as the managers of that Group Fund may determine to deduct therefrom by way of switching fee, which shall be paid to the managers of the Group Fund for their own account.
- 31.6 Switching shall be subject to the Holder maintaining the applicable minimum holding in relation to the original Units and the new Sub-Fund or new Class (as the case may be) or such other number of Units or amount as the Managers may from time to time determine either generally or in respect of any particular case or cases upon giving prior written notice to the Trustee.
- 31.7 No Units shall be switched or exchanged during the initial offer period of the original Units, new Class, new Sub-Fund or Group Fund (as the case may be) or during any period when the issuance or realisation of Units is suspended in accordance with the provisions of the Deed or on any Common Dealing Day on which the number of original Units that can be realised by any Holder is limited (as described in paragraphs 28.3 and 28.4 above).
- 31.8 Units purchased with SRS monies may only be switched for units of a new Class, new Sub-Fund or Group Fund (as the case may be) which may be subscribed or purchased with SRS monies. Units purchased with cash may only be switched for units of a new Class, new Sub-Fund or Group Fund (as the case may be) which may be subscribed or purchased with cash.

XIII. OBTAINING PRICES OF UNITS

32. The indicative issue and realisation prices of Units will be published in The Straits Times, The Business Times, Lianhe Zaobao and such other 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. Subject to the provisions of the Code and the Deed, the Managers may, with the prior written approval of the Trustee, suspend the issue, realisation, cancellation and switching of Units in relation to the Sub-Fund or the Fund during:
- (a) 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;
 - (b) 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 or of the Deposited Property (whether of the Sub-Fund or of the Fund);
 - (c) 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);
 - (d) any period when remittance of moneys 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;
 - (e) 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);
 - (f) any period when the dealing of Units is suspended pursuant to any order or direction of the relevant authority;
 - (g) 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, revolutions, civil unrest, riots, strikes or acts of God; or
 - (h) exceptional circumstances, where the Managers have determined that such suspension is in the best interest of the Holders (whether of the Sub-Fund or of the Fund).

Subject to the provisions of the Code, 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 as soon as practicable when 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), and in any event, within such period as may be prescribed by the Code. The period of suspension may be extended in accordance with the Code.

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 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. Subject to the provisions of the Code, the Trustee may instruct the Managers to temporarily suspend the issue of Units during any period pursuant to Clause 11(B)(v) of the Deed.

XV. PERFORMANCE OF THE SUB-FUND

35. The past performance, benchmark, expense ratio and turnover ratio of the Sub-Fund, United Emerging Markets Bond Fund are set out below:

Inception date 20 August 2001	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since inception (%)	Expense ratio (%) ⁽¹⁾		Turnover ratio (%) ⁽²⁾
(NAV-NAV) ⁽³⁾	6.75	12.87	7.48	N.A.	10.48	2.14 ⁽⁵⁾	2.14 ⁽⁶⁾	200.35
(NAV-NAV [^]) ⁽⁴⁾	0.95	10.58	6.09	N.A.	9.65			
Benchmark: JP Morgan EMBI Global Diversified Index	-2.06	6.77	4.09	N.A.	6.89			

Notes:

Source: Lipper, a Thomson Reuters Company.

[^] Taking into account the subscription fee.

⁽¹⁾ The expense ratio is calculated in accordance with the requirements in the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios (the "IMAS Guidelines") and based on the audited accounts of the Sub-Fund for the financial year ended 30 June 2010. The following expenses (where applicable) as set out in the IMAS Guidelines (as may be updated from time to time), are excluded from the calculation of the expense ratio:

- (a) brokerage and other transaction costs associated with the purchase and sales of investments (such as registrar charges and remittance fees);
- (b) interest expense;
- (c) foreign exchange gains and losses of the Sub-Fund, whether realised or unrealised;
- (d) front-end loads, back-end loads and other costs arising from the purchase or sale of a foreign unit trust or mutual fund;
- (e) tax deducted at source or arising from income received, including withholding tax; and
- (f) dividends and other distributions paid to Holders.

⁽²⁾ The turnover ratio for the financial year ended 30 June 2010 is calculated based on the lesser of purchases or sales of underlying investments of the Sub-Fund expressed as a percentage of the daily average net asset value of the Sub-Fund.

⁽³⁾ Calculated in S\$ on a NAV-to-NAV basis as at 30 June 2011, 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.

⁽⁴⁾ Calculated in S\$ on a NAV-to-NAV basis as at 30 June 2011, 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.

⁽⁵⁾ Expense ratio calculated without taking into account performances fees.

⁽⁶⁾ Expense ratio calculated taking into account performances fees.

Investors should note that past performance of the Sub-Fund is not necessarily indicative of the future performance of the Fund.

XVI. SOFT DOLLAR COMMISSIONS/ARRANGEMENTS

36. Subject to the provisions of the Code, the Managers currently may, from time to time, receive or enter into soft-dollar commissions or arrangements in respect of 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 arrangements 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 best execution is carried out for the transactions 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

37. The Managers are of the view that there is no conflict of interest in managing their other funds and the Sub-Fund because of the following structures in place:

- All investment ideas are shared equally among the fund managers of the Managers.
- The Managers subscribe 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 managed by the Managers are identical to one another and investment decisions are made according to the individual risk return characteristic of the fund.
- Investment decisions for each fund are made impartially. There are no preferred customers or funds and all accounts are treated equally.
- 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.

38. The Managers and the Trustee shall conduct all transactions with or for the Sub-Fund or the 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 or the Fund or buy, hold and deal in any investments, enter into contracts or other arrangements with the Managers and/or Trustee and make profits from these activities. Such services to the Sub-Fund or the Fund, where provided, and such activities with the Managers and/or Trustee, where entered into, will be on an arm's length basis.

XVIII. REPORTS

- 39.1 The financial year-end of the Fund is 30 June. The semi-annual report and the semi-annual accounts of the Sub-Fund will be sent or made available to Holders (by post or by such electronic means as may be permitted under the Code) within 2 months of the period to which the report and accounts relate (or such other period as may be permitted by the Authority). The annual report, the annual accounts and the auditors' report on the annual accounts of the Sub-Fund will be sent or made available to Holders (by post or by such electronic means as may be permitted under the Code) within 3 months of the period to which the reports and accounts relate (or such other period as may be permitted by the Authority).
- 39.2 If the accounts and reports are sent or made available to Holders by electronic means, the Trustee will also make available or cause to be made available, hardcopies of the accounts and reports to any Holder who requests for them within 2 weeks of such request (or such other period as may be permitted by the Authority). Holders may also at any time choose to receive hardcopies of all future accounts and reports at no cost to them, by notifying the relevant authorised agent or distributor in writing.

XIX. QUERIES AND COMPLAINTS

40. 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

41. Market Timing

The Sub-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 interests of other investors. In addition, short-term trading in Units increases the total transaction costs of the Sub-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 Sub-Fund which may disrupt the investment strategies to the detriment of other 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 change to the Fund or the Sub-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 interests of investors in the Sub-Fund.

42. Information on investments

At the end of each quarter, Holders will receive a statement showing the value of their investment in the Sub-Fund. However, if there is any transaction within a particular month, Holders will receive an additional statement at the end of that month.

43. 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 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. In the event the Managers decide that no distribution of any income and/or any net capital gain of the Sub-Fund is to be made in respect of any period, the Managers shall by notice in writing so notify the Trustee and direct the Trustee that the income, if any, of the Sub-Fund, and net capital gains, if any, in respect of the amount available for distribution be accumulated and capitalised.

Where the Managers have indicated an intention to make any distributions to the Holders of the Sub-Fund, investors should note that the intention of the Managers to make such distributions is not guaranteed and there is no assurance that any distribution or distribution level will be met. The making of any distribution shall not be taken to imply that further distributions will be made. The Managers reserve the right to vary the frequency and/or amount of the distributions and the discretion to determine whether distributions will be paid out or reinvested.

44. Custody of Deposited Property

The Trustee shall be responsible for the safe custody of the Deposited Property of the Sub-Fund. Any Authorised Investments forming part of the Deposited Property of the Sub-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 Sub-Fund, and the fees and expenses of such agents, nominees, custodians and sub-custodians shall be paid out of the Deposited Property of the Sub-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 be 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,

takes delivery of and retains and/or is registered as proprietor of any Investment or other property held upon trust of the Deed.

Notwithstanding anything contained in the Deed:

- (a) 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 (each a “**Depository**”), except where (I) the Trustee is responsible for procuring the Depository and the Trustee has failed to exercise reasonable skill and care in the procurement of such Depository in respect of the Authorised Investments involved, or (II) the Trustee is in wilful default;
- (b) 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 (I) 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 (II) the Trustee is in wilful default; and
- (c) 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.

45. Valuation

Except where otherwise expressly stated, subject to the provisions of the Code, the Value of the assets comprised in the Sub-Fund with reference to any Authorised Investment which is:

- (a) a Quoted Investment, shall be calculated, as the case may be, by reference to the official closing price, the last known transacted price or the last transacted price on such Recognised Stock Exchange or OTC Market on which the Investment is traded before the Valuation Point in respect of the Dealing Day on which the value is to be determined. Where such Quoted Investment is listed, dealt or traded in more than one Recognised Stock Exchange or OTC Market, the Managers (or such person as the Managers may appoint for the purpose) may in their absolute discretion select any one of such Recognised Stock Exchange or OTC Market for the foregoing purposes and, if there be no such official closing price, last known transacted or last transacted price, the value shall be calculated by reference to the last available price(s) quoted by responsible firms, corporations or associates on a Recognised Stock Exchange or an OTC market at the Valuation Point in respect of the Dealing Day on which the Net Asset Value is to be determined;
- (b) an Unquoted Investment, shall be calculated by reference to, where applicable: (i) the initial value thereof being the amount expended in the acquisition thereof; (ii) the price of the relevant Investment as quoted by a person, firm or institution making a market in that Investment, if any (and if there shall be more than one such market maker then such market maker as the Managers may designate), as may be determined by the Managers to represent the fair value of such Authorised Investment; or (iii) the sale prices of recent public or private transactions in the same or similar investments, valuations of comparable companies or discounted cash flow analysis, as may be determined to represent the fair value of such Authorised Investment. In the valuation of such investment the Managers may take into account relevant factors including without limitation significant recent events affecting the issuer such as pending mergers and acquisitions and restrictions as to saleability or transferability;
- (c) cash, deposits and similar assets shall be valued at their face value (together with accrued interest) unless, in the opinion of the Managers (after consultation with the Trustee), any adjustment should be made to reflect the value thereof;

- (d) a unit or share in a unit trust scheme or mutual fund or collective investment scheme shall be valued at the latest published or available net asset value per unit or share, or if no net asset value per unit or share is published or available, then at their latest available realisation price; and
- (e) an Investment other than as described above, shall be valued in such manner and at such time as the Managers after consultation with the Trustee shall from time to time determine.

Provided that, if the quotations referred to in (a) to (e) above are not available, or if the value of the Authorised Investment determined in the manner described in (a) to (e) above, in the opinion of the Managers, do not represent a fair value of such Authorised Investment, then the Value shall be such value as the Managers may, with due care and in good faith, consider in the circumstances to be fair and is approved by the Trustee and the Managers shall notify the Holders of such change if required by the Trustee. For the purposes of this proviso, the “fair value” shall be determined by the Managers in consultation with a Stockbroker or an Approved Valuer and with the approval of the Trustee in accordance with the Code. Where the fair value of a material portion of the Deposited Property cannot be determined, the Managers shall, subject to the provisions of the Code, suspend valuation and dealing in the Units.

In exercising in good faith the discretion given by the proviso above, the Managers shall not assume any liability towards the Fund or the Sub-Fund provided they have acted without negligence and with due care, and the Trustee shall not be under any liability in accepting the opinion of the Managers, notwithstanding that the facts may subsequently be shown to have been different from those assumed by the Managers.

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

46.1 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 (a), (b) and (c) 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 (a), (b) and (c) 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:

- (a) 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 collective investment scheme for account of such scheme, notwithstanding that the Trustee and/or the Managers and/or any 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:
 - (1) 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
 - (2) 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; or
- (b) 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; or

- (c) 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 (a), (b) and (c) above.

- 46.2 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.
- 46.3 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.
- 46.4 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.
- 46.5 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 (sent by facsimile, electronic means or otherwise) 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.
- 46.6 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 trust 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 trust 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.

- 46.7 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.
- 46.8 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.
- 46.9 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.
- 46.10 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 good delivery and any similar matters and such practice and rulings shall be conclusive and binding upon all persons under the Deed.
- 46.11 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 facsimile instructions given by authorised officers of the Managers specified in writing by the Managers to the Trustee.
- 46.12 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.
- 46.13 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, electronic form (including electronic mail) or facsimile and the Trustee shall not be liable for acting on any advice or information purported to be conveyed by any such letter, electronic form (including electronic mail) or facsimile although the same contains some error or is not authentic.
- 46.14 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.
- 46.15 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 each other or with the Managers, 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 Trustee or any associate thereof shall not be liable to account either to the Fund or 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.

- 46.16 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.
- 46.17 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.
- 46.18 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.
- 46.19 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.
- 46.20 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 6 years from the date of cancellation or lapse thereof and all notifications of change of address after the expiration of 6 years from the date of the recording thereof and all forms of proxy in respect of any meeting of Holders 6 years 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 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 46.20 include references to the disposal thereof in any manner.

- 46.21 In the absence of fraud or negligence, the Managers 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.
- 46.22 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.
- 46.23 Nothing herein 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 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.

47. Termination of the Fund or the Sub-Fund

- 47.1 Either the Trustee or the Managers may in their absolute discretion terminate the Fund by not less than 6 months' notice in writing to the other given so as to expire at the end of the Accounting Period current at the end of the fifth year after 27 June 2001 or any year thereafter. Either the Trustee or the Managers shall be entitled by notice in writing as aforesaid to make the continuation of the Fund beyond any such date conditional on the revision to its or their satisfaction at least 3 months before the relevant date of its or their remuneration hereunder. In the event that the Fund shall be terminated or discontinued the Managers shall give notice thereof to all Holders not less than 3 months in advance. Subject as aforesaid the Fund shall continue until terminated in the manner hereinafter provided.
- 47.2 Subject to Section 295 of the SFA, the Fund may be terminated by the Trustee by notice in writing as hereinafter provided in any of the following events, namely:
- (i) if the Managers shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed over any of their assets or if a judicial manager is appointed in respect of the Managers or if any encumbrancer shall take possession of any of their assets or if they shall cease business;
 - (ii) if any law shall be passed which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue the Fund;
 - (iii) if within the period of 3 months from the date of the Trustee expressing in writing to the Managers the desire to retire the Managers shall have failed to appoint a new trustee within the terms of Clause 33 of the Deed;
 - (iv) if within the period of 3 months from the date of the Trustee removing the Managers, the Trustee has failed to appoint new managers within the terms of Clause 34 of the Deed; and
 - (v) if the relevant authority so directs pursuant to the SFA.

The decision of the Trustee in any of the events specified in this sub-paragraph shall be final and binding upon all the parties concerned but the Trustee shall be under no liability on account of any failure to terminate the Fund pursuant to this paragraph or otherwise. The Managers shall accept the decision of the Trustee and relieve the Trustee of any liability to them therefor and hold it harmless from any claims whatsoever on their part for damages or for any other relief.

- 47.3 Any sub-fund may be terminated by the Managers by notice in writing as hereinafter provided (i) if the aggregate Net Asset Value of that sub-fund shall be less than S\$5,000,000 (or its equivalent in any other currency) or (ii) if any law shall be passed which renders it illegal or in the opinion of the Managers impracticable or inadvisable to continue that sub-fund. The Fund may be terminated by the Managers in their absolute discretion by notice hereinafter provided (iii) the aggregate Net Asset Value of the Fund shall be less than S\$5,000,000 (or its equivalent in any other currency) or (iv) if any law shall be passed which renders it illegal or in the opinion of the Managers impracticable or inadvisable to continue with the Fund or (v) if the relevant authority so directs pursuant to the SFA.
- 47.4 The party terminating the Fund or the relevant sub-fund shall give notice thereof to the Holders fixing the date at which such termination is to take effect which date shall not be less than 3 months after the service of such notice. The Managers shall give not less than 7 days (or such other notice period as may be permitted by the relevant authority) prior notice of such termination to the relevant authority.
- 47.5 The Fund or any sub-fund may at any time after 5 years from 27 June 2001 be terminated by Extraordinary Resolution of a Meeting of the Holders of that sub-fund or a Meeting of the Holders of all the sub-funds of the Fund in the case of termination of the Fund duly convened and held in accordance with the provisions contained in the Schedule hereto and such termination shall take effect from the date on which the Extraordinary Resolution is passed or such later date (if any) as the Extraordinary Resolution may provide.
- 47.6 The Trustee may (with the consent of the Managers) move the Fund to the jurisdiction of a country other than Singapore, if it appears to the Trustee to be beneficial to the Fund and in the interests of the Holders to do so. The circumstances in which the Trustee may exercise its discretion hereunder are limited to the outbreak of war or grave civil unrest threatening the safe maintenance of the banking system or securities market in Singapore.

大华新兴市场投资组合

大华新兴市场债券基金

发售计划说明书