

# PROSPECTUS

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# UNITED **G** STRATEGIC FUND



# UNITED G STRATEGIC FUND

## Directory

### Managers

UOB Asset Management Ltd  
(Company Registration No. 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 No. 194900022R)

*Registered Address:*  
21 Collyer Quay  
#14-01 HSBC Building  
Singapore 049320

### Investment Adviser

GYC Financial Advisory Pte Ltd  
(Company Registration No. 199806191K)

*Registered Address:*  
1 Raffles Place  
#15-01 One Raffles Place  
Singapore 048616

### Auditors

PricewaterhouseCoopers LLP  
8 Cross Street  
#17-00 PWC Building  
Singapore 04842

### Solicitors to the Managers

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

### Solicitors to the Trustee

Shook Lin & Bok LLP  
1 Robinson Road  
#18-00 AIA Tower  
Singapore 048542

# UNITED G STRATEGIC FUND

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# UNITED G STRATEGIC FUND

## Important Information

UOB Asset Management Ltd (the “**Managers**”) accept full responsibility for the accuracy of the information contained in this Prospectus of the **United G Strategic Fund** (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 undefined terms in this Prospectus have the same meanings as ascribed to them in the deed of trust dated 3 June 2010 (as may be amended) 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. A copy of the Deed is 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 in the Fund (the “**Units**”). This Prospectus may be supplemented or replaced from time to time to reflect material changes.

Investment in the Fund requires consideration of the usual risks involved in investing and participating in collective investment schemes and the risks of investing in the Fund. Details of the risks involved are set out in paragraph 9 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 Fund will be able to attain its objectives. The prices of Units as well as the income from them may go up as well as down to reflect changes in the value of the Fund. An investment should only be made by those persons who can sustain losses on their investments. Investors should satisfy themselves of the suitability to them of an investment in the Fund based on their personal circumstances.

Potential 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 or 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 of any relevant jurisdiction that may be applicable to them. No representation is made as to the tax status of the Fund.

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 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 Fund are not listed on any stock exchange. Investors may subscribe for or realise their Units through the Managers or any agent or distributor appointed by the Managers subject to the ultimate discretion of the Managers in respect of the subscription, sale, switch, conversion 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 to be marketed freely in those jurisdictions.

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

# UNITED G STRATEGIC FUND

## PROSPECTUS

*The United G Strategic Fund is an authorised scheme constituted in Singapore under the Securities and Futures Act (Chapter 289) (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. 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 G Strategic Fund.*

### 1. BASIC INFORMATION

#### 1.1 Name of the collective investment scheme

This Prospectus is in relation to a stand-alone, Singapore constituted, non-specialised collective investment scheme known as United G Strategic Fund (the “**Fund**”). The Managers are presently offering for subscription units in the Fund (“**Units**”) for such period as the Managers may decide from time to time.

#### 1.2 Date of registration and expiry of the Prospectus

The date of registration of this Prospectus with the Authority is 3 June 2010. This Prospectus is valid for 12 months after the date of registration (i.e., up to and including 2 June 2011) and will expire on 3 June 2011.

#### 1.3 The Deed

- (a) The Fund is constituted as a unit trust by way of a deed of trust dated 3 June 2010 (the “**Deed**”) made between UOB Asset Management Ltd (the “**Managers**”) and HSBC Institutional Trust Services (Singapore) Limited (the “**Trustee**”).
- (b) The Deed is binding on the Managers, the Trustee and each unitholder (each a “**Holder**”) and all persons claiming through the Holders as if such persons had each been a party to the Deed.
- (c) Investors should note that this Prospectus includes some of the provisions found in the Deed, which have to a large extent been summarised. **Not all provisions of the Deed are reflected in this Prospectus and investors should read the Deed for full details.**
- (d) 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).

#### 1.4 Accounts and reports

Copies of the latest semi-annual and annual reports, semi-annual and annual accounts as well as the auditors’ report on the annual accounts relating to the Fund, where available, may be obtained during normal business hours (subject to such reasonable restrictions as the Managers may impose) from the Managers at their operating office at 80 Raffles Place, 6th Storey, UOB Plaza 2, Singapore 048624, upon request.

### 2. THE MANAGERS AND INVESTMENT ADVISER

#### 2.1 Managers

The managers of the Fund are UOB Asset Management Ltd (“**UOBAM**”), 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 24 years and as of 31 March 2010 manages about S\$14.85 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 March 2010, UOBAM manages 49 unit trusts in Singapore, with total assets of about S\$3.19 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 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 110 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 March 2010, UOBAM has a staff strength of over 200 including 46 investment professionals in Singapore.

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

## 2.2 Investment Adviser

The investment adviser of the Fund is GYC Financial Advisory Pte Ltd (the “**Investment Adviser**” or “**GYC**”), whose registered office is at 1 Raffles Place, #15-01 One Raffles Place, Singapore 048616.

GYC is a licensed financial adviser under the Financial Advisers Act, Chapter 110 of Singapore. It is an exempt fund manager and exempt corporate finance adviser under the SFA as well as an exempt insurance broker under the Insurance Act, Chapter 142 of Singapore. It is an established wealth manager offering investment advice, investment management solutions, other financial advisory services as well as lending solutions for both individuals and companies.

One of GYC's key strengths is in advising on investment portfolios. Since 2004, it has established portfolios of funds with varying allocations into equities, fixed income and alternatives (including property). In providing guidance on its investment strategy, GYC has both an investment committee as well as a portfolio workgroup. Both these groups comprise key management staff, external members from Singapore's asset management fraternity and external investment consultants. The investment committee and portfolio workgroup focuses on different areas such as reviewing the global macro-economic environment, studying the latest economic data and incorporating both fundamental and technical analysis to discern investment signals, making decisions on fund selection and asset allocation strategies for its different portfolios. In addition, it prides itself on implementing purpose-designed software tools to help its advisers analyse portfolios, perform fund switching as well as analyse data in comprehensive financial planning.

GYC believes in being transparent on how well its portfolios perform and hence regularly publishes the respective portfolio performance on its website at [www.gyc.com.sg](http://www.gyc.com.sg).

In 2007, GYC launched “EVEREST”, which is a managed portfolio of unit trusts with zero up-front fees and where GYC is only rewarded through performance fees.

GYC also has a Private Client Services division which specialises in advising high net worth clients on both discretionary and non-discretionary bases. GYC is also the external asset manager (EAM) of several international private banks, including the two largest Swiss private banks. In addition, GYC has set up and is managing two private equity funds, including a property fund, solely for its high net worth clients. Due to the diversity of experiences in its management team, GYC also advises businesses on mergers and acquisitions as well as leveraged management buy-outs.

**Investors should note that the past performance of the Investment Adviser is not necessarily indicative of its future performance.**

## 3. **THE TRUSTEE AND THE CUSTODIAN**

The trustee of the Fund is HSBC Institutional Trust Services (Singapore) Limited (the “**Trustee**”), whose registered office is at 21 Collyer Quay, #14-01, HSBC Building, Singapore 049320.

The custodian of the Fund is HSBC Institutional Trust Services (Singapore) Limited, whose registered office is at 21 Collyer Quay, #14-01, HSBC Building, Singapore 049320. Other custodians may be appointed from time to time in respect of the Fund or its assets. All custodians shall collectively be referred to as the “**Custodian**”.

## 4. **OTHER PARTIES**

### 4.1 The registrar

The registrar of the Fund is the Trustee and the register of Holders (the “**Register**”) is kept and maintained at 60 Alexandra Terrace, #10-12/13, The Comtech, Singapore 118502. A copy of the Register is also kept at 156 Cecil Street, #08-03, Far

Eastern Bank Building, Singapore 069544. Both the Register and the copy of the Register are accessible to the public during normal business hours (subject to such reasonable restrictions as the registrar or the Managers (as the case may be) may impose. Under the Deed, the Trustee may appoint any other party (including, without limitation, the Managers) to carry out and administer the Trustee's duties in relation to the Register.

The Register is conclusive evidence of the number of Units held by each Holder and the entries in the Register will 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.

#### 4.2 The Auditors

The auditors of the Fund are PricewaterhouseCoopers LLP (the "**Auditors**") whose office is at 8 Cross Street, #17-00, PWC Building, Singapore 048424.

### 5. **STRUCTURE OF THE FUND**

- 5.1 The Fund is a stand-alone, non-specialised, open-ended collective investment scheme, which is denominated in Singapore Dollars.
- 5.2 As at the date of this Prospectus, the Fund is structured such that the Fund will invest in exchange traded funds ("**ETFs**"), exchange-traded index futures and other Authorised Investments (as defined below) globally in accordance with the Fund's investment focus and approach in order to meet its objective.
- 5.3 In respect of the Fund's investments in ETFs, it is the Managers' current intention to invest primarily in ETFs domiciled in USA, Hong Kong, Singapore, Luxembourg, France and Ireland, and which are managed by managers domiciled primarily in USA, France, Ireland, Hong Kong, Luxembourg and Singapore.
- 5.4 Subject to such regulatory approvals as may be required, the Managers may, with a view to achieving the Fund's investment objective, from time to time at its sole discretion invest in ETFs which are domiciled or managed by managers domiciled in jurisdictions other than those stated above. The Managers may effect such changes without prior notice to Holders.

### 6. **INVESTMENT OBJECTIVE, FOCUS AND APPROACH**

#### 6.1 Investment objective

The investment objective of the Fund is to achieve medium to long-term capital appreciation by the strategic allocation of the Fund's assets in various investments corresponding to market conditions. There is no target sector, industry or geographical area.

#### 6.2 Investment focus and approach

To meet the investment objective, the Fund may invest in any Authorised Investment (as defined below). As at the date of this Prospectus, it is intended that the Fund will primarily invest in ETFs of various asset classes such as equities, fixed income, commodities and other underlying assets as may be selected by the Managers. The selection criteria for such ETFs include, without limitation:

- (a) liquidity;
- (b) efficiency in tracking indices; and
- (c) cost efficiency.

The Managers do not intend to invest in leveraged or inverse ETFs.

In addition, the Managers may seek to gain exposure to various markets through investing in exchange-traded index futures. Index futures are a form of futures contracts whereby two parties agree to complete a transaction at a future date. In the case of an index futures contract, the value of the specified index serves as the underlying asset for the agreement. Once the contract expires, the holder of the contract will either pay or receive the difference between the opening price for the index and the actual index price at maturity. Investments into such exchange-traded index futures will be subject to the risk management procedures of the Managers under paragraph 7.2 below.

The Managers generally aim to construct a diversified portfolio, with exposure mainly to the equity and fixed income markets. The asset allocation between equities, fixed income, cash and other asset classes (if any) will be actively managed by the Managers, who will constantly monitor and adjust the asset allocation in light of market conditions. The Managers may also seek to invest higher allocations into regions which in the Managers' view offer the best strategic or long-term returns.

Depending on its view of the global markets, the Managers may potentially move to a “maximum overweight” position where up to 100% of the assets of the Fund may be exposed to equities and/or higher risk assets (excluding any amounts held in cash or money market instruments), or a “maximum underweight” position where up to 100% of the assets of the Fund may be moved into cash, money market instruments, the United SGD Fund\* or other money market funds. A “maximum underweight” position would occur in the event of extreme market conditions or severe market stress or disruptions, as determined by the Managers at their sole discretion.

The Managers have the discretion to determine the asset allocation of the Fund between the “maximum overweight” and “maximum underweight” positions at all times.

Any allocation by the Managers to cash or money market instruments may be invested into the United SGD Fund\*, an open-ended collective investment scheme authorised in Singapore which is also managed by the Managers.

The Fund may invest in financial derivative instruments for the purposes of hedging, efficient portfolio management and/or to meet the investment objectives of the Fund.

***There is no guarantee that the Fund will meet its investment objective.***

### 6.3 \*Information on the United SGD Fund

The investment focus of the United SGD Fund is to invest substantially all its assets in money market and short term interest bearing debt instruments and bank deposits with the objective of achieving a yield enhancement over Singapore dollar deposits. The Managers’ research process is fundamental and valuation driven, and bottom-up in approach. They have a team of credit analysts for both Singapore fixed income issuers and high grade corporate issuers in the developed markets. This benefits their Singapore credit research efforts as many high grade foreign issuers have issued Singapore-dollar denominated securities. For Singapore, Asia and emerging markets, the Managers’ team of credit analysts conducts a detailed credit analysis that evaluates industry outlook, business review, financial review, management expertise, strength of ownership and specific debt structure. This results in an implied rating score. Relative valuation will determine corporate credit selection. For rated issuers, mainly US/Europe high grade issuers, to supplement the fundamental analysis by their G10 credit team, the Managers have implemented a quantitative credit risk approach based from the KMV model. This model uses the Merton option framework to calculate the implied asset volatility or the Expected Default Frequency (EDF) of any corporate bond issue. Other inputs include an asset correlation database, which is generated from a proprietary risk management system. Together, the model will calculate the return-expected loss trade off for any corporate bond issue.

## 7. **AUTHORISED INVESTMENTS AND RISK MANAGEMENT PROCEDURES**

### 7.1 Authorised Investments

- (a) The authorised investments of the Fund (“**Authorised Investments**”) are as follows:
- (i) any Quoted Investment which is selected by the Managers for the purpose of investment of the Deposited Property;
  - (ii) any Investment in respect of which an application for listing for permission to deal has been made to a Recognised Market and the subscription for or purchase of which is either conditional upon such listing or permission to deal being granted within a specified period not exceeding 12 weeks (or such other period as may be agreed between the Managers and the Trustee) or in respect of which the Managers are satisfied that the subscriptions or other transactions will be cancelled if the application is refused;
  - (iii) any Unquoted Investment which is selected by the Managers for the purpose of investment of the Deposited Property;
  - (iv) any Investment which is a unit in any unit trust scheme or a share or participation in an open-ended mutual fund or other collective investment scheme;
  - (v) the currency of any country or any contract for the spot purchase or sale of any such currency or any forward contract of such currency;
  - (vi) any Investment denominated in any currency;
  - (vii) any Investment which is a future, option, forward, swap, collar, floor or other derivative; and
  - (viii) any Investment which is not covered by sub-paragraphs (i) to (vii) above, as selected by the Managers and approved by the Trustee.

Please refer to the Deed for the full meaning of the terms **Quoted Investment, Recognised Market, Unquoted Investment** and **Investment**.

The Investments described in sub-paragraphs (v) and (vii) above will be used for the purposes of hedging, efficient portfolio management and/or to meet the investment objectives of the Fund.

- (b) Subject to any exemptions or waivers that may be granted by the Authority, the investment guidelines and borrowing limits for non-specialised funds set out in Appendix 1, Annex 1a and Annex 1b of the Code on Collective Investment Schemes issued by the Authority, as may be amended from time to time (the “Code”) will apply to the Fund. Investors may obtain the latest version of the Code from the Authority’s website, [www.mas.gov.sg](http://www.mas.gov.sg).

## 7.2 Risk management procedures of the Managers

- (a) The Managers may use financial derivative instruments for the purposes of hedging, efficient portfolio management and/or to meet the investment objectives of the Fund.
- (b) The Managers will ensure that the exposure of the Fund to financial derivative instruments will not at any time exceed 100% of the net asset value of the Deposited Property. Such exposure will be calculated by converting the derivative positions into equivalent positions in the underlying assets embedded in those derivatives.
- (c) Description of risk management and compliance procedures and controls adopted by the Managers:
  - (i) The Managers will implement various procedures and controls to manage the risk of the assets of the Fund, which will include money market instruments, fixed income securities and financial derivative instruments, which may include options, warrants and swaps. The decision to invest in any particular security or instrument on behalf of the Fund will reflect the Managers’ judgment of the benefit of such transactions to the Fund and will be consistent with the 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 objectives, focus, approach and restrictions (if any) of the 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 objectives, focus, approach and restrictions (if any) of the 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 of unexpectedly large realisation of Units, there may be a possibility that the assets of the 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 Fund will be in liquid assets such as cash and cash-equivalents to meet expected realisations, net of new subscriptions.
  - (iv) *Counterparty exposure.* The Fund may have credit exposure to counterparties by virtue of positions in derivative instruments and other financial instruments held by the Fund. To the extent that a counterparty defaults on its obligations and the 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 and in its income stream and incur extra costs associated with the exercise of its financial rights. 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 Fund’s position with that counterparty as soon as practicable.
  - (v) *Volatility.* To the extent that the Fund has exposure to derivative instruments that allow a larger amount of exposure to a security for no or a smaller initial payment than the case when the investment is made directly into the underlying security, the value of the Fund’s assets will have a higher degree of volatility. One of the aims of the Fund is to target a return at a volatility that is less than that experienced in the general markets for that expected level of return. The Fund may use derivatives for hedging purposes for reducing the overall volatility of the value of its assets. At the same time, the Managers will ensure that the total exposure of the Fund to derivative positions will not exceed the net asset value of the Fund, as stated in sub-paragraph (b) above.
  - (vi) *Valuation.* The Fund may have exposure to over-the-counter derivatives that are difficult to value accurately, particularly if there are complex positions involved. The Managers will ensure that independent means of verifying the value of such instruments are available and will conduct such verification on a regular basis, which is expected to be at least once a month.
  - (vii) *Fixed income securities.* The Fund will invest in fixed income securities and will be subject to the risks that are typical of such instruments, such as interest rate risks and default risk. Interest rate risks will arise from unexpected changes

in the term structure of interest rates, which are in turn dependent on general economic conditions. In addition, such investments are subject to the specific ability of the issuers of such securities to meet its debt obligations and are hence dependent on the financial health of the issuers, which may change adversely over time due to their specific business conditions and general market conditions. The Managers will restrict investments in fixed income securities to those issued or guaranteed by sovereign or other governmental, quasi-government or supranational entities or agencies, or those fixed income securities issued by organisations, companies and other entities that have a credit rating of at least Baa3 by Moody's Investors Service, or BBB- by Standard and Poor's, or an equivalent rating from any other reputable rating agency.

(viii) *Foreign Exchange/Currency Risk.* The Fund may have exposure, either directly or indirectly to a wide range of currencies, some of which may be restricted in terms of convertibility. The Managers may hedge the exposure to these currencies to the Singapore Dollar, possibly leading to a reduced overall gain or greater loss on currency swap transactions entered into by the Fund. The Fund may also employ strategies to invest in certain currencies while borrowing in other currencies, and this may result in losses if the net movements of the various currencies pairs move in unfavourable directions. The Managers will select transactions in currencies that are likely to yield favourable returns to the Fund based on their historical trends.

(d) The Managers will ensure that the risk management and compliance procedures and controls adopted are adequate and that they have the necessary expertise to control and manage the risks relating to the use of financial derivative instruments. The Managers may modify the risk management and compliance procedures and controls as they deem fit and in the interests of the Fund.

## 8. FEES AND CHARGES

### 8.1 Fees and charges table

Fees payable by a Holder	
Subscription Fee	Currently 5%; maximum 5%.
Realisation Fee	Currently 0%; maximum 2%.
Switching Fee <sup>(1)</sup>	Currently 1%; maximum 2%.
Fees Payable by the Fund to the Managers, the Trustee and other parties	
Management Fee	Currently 1.5% per annum; maximum 2% per annum.
Trustee Fee	Currently less than 0.1% per annum; maximum 0.1% per annum (subject always to a minimum of S\$5,000 per annum). One-time inception fee of S\$5,000.
Administration fee	0.25% per annum
Registrar fee	The higher of S\$15,000 per annum or 0.125% per annum, subject always to a maximum of S\$25,000 per annum.
Valuation and accounting fees	Maximum 0.125% per annum.
Audit fee <sup>(2)</sup> (payable to the Auditors), custodian fee <sup>(3)</sup> (payable to the Custodian) and other fees and charges <sup>(4)</sup>	Subject to agreement with the relevant parties. Each fee or charge may exceed 0.1% per annum, depending on the proportion that each fee or charge bears to the net asset value of the Fund.

Fees charged by United SGD Fund and payable by the Fund	
Subscription Fee	Currently 2%; maximum 5%. (Currently waived)
Fees Payable by the United SGD Fund to the Managers and other parties	
Management Fee	Currently 0.5% per annum; maximum 1.5% per annum. (Currently rebated to the Fund)
Trustee Fee	Currently below 0.05% per annum, maximum 0.1% per annum; subject to a maximum of S\$45,000 per annum.
Registrar fee	Based on a tiered structure <sup>(5)</sup> .
Valuation and accounting fees	Subject to agreement between the relevant parties.
Audit fee payable to the auditors), custodian fee payable to the custodian) and other fees and charges <sup>(6)</sup>	Subject to agreement between the relevant parties.

Fees payable by the Fund to each underlying ETF <sup>(7)</sup>	
Subscription Fee	Nil
Realisation Fee	Nil
Fees and Charges payable by each underlying ETF of the Fund <sup>(7)</sup>	
Annual management fee	Generally ranging from 0.05% to 1.25%
Performance fee	Nil
Other fees (which may include trustee/custodian fee, legal fees, audit fees and administrative costs)	Generally ranging from 0.05% to 1.25%

- (1) In the case of a switch of Units in the Fund to units of any other fund managed by the Managers (referred to as the “**New Fund**”), the Switching Fee 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 of the subscription fee of the New Fund.
- (2) The audit fee is subject to agreement with the Auditors for the relevant financial year.
- (3) The custodian fee payable 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 Fund.
- (4) “Other fees and charges” include printing costs, professional fees, goods and services tax (“**GST**”) and other out-of-pocket expenses.
- (5) Based on the following tiers (calculated based on the month-end assets under management), the annual registrar fee (payable to the registrar of the United SGD Fund) is as follows:
- |   |                  |
|---|------------------|
| (a) Less than S\$5,000,000                  | = nil            |
| (b) Between S\$5,000,000 to S\$10,000,000   | = S\$6,000 p.a.  |
| (c) Between S\$10,000,000 to S\$25,000,000  | = S\$10,000 p.a. |
| (d) Between S\$25,000,000 to S\$50,000,000  | = S\$15,000 p.a. |
| (e) Between S\$50,000,000 to S\$100,000,000 | = S\$30,000 p.a. |
| (f) Greater than S\$100,000,000             | = S\$60,000 p.a. |
- (6) “Other fees and charges” include goods and service tax, administration fees, printing and stationery costs, legal and professional fees, service charges and other out-of-pocket expenses. Based on the net asset value of the United SGD Fund as at 31 December 2008, the Managers anticipate that none of the foregoing fees and charges for the current financial year (on the assumption that such fees and charges would be similar to that incurred in the previous financial year) would exceed 0.1% p.a. of the net asset value of the United SGD Fund.
- (7) The Managers have set out the estimated fees and charges applicable to the underlying ETFs to the best of their knowledge. The exact fees and charges payable to or by the underlying ETFs are currently not ascertainable, and information on some fees and charges may also not be available. As such, the Managers cannot be certain that all fees and charges of an underlying ETF which may be 0.1% or more of that underlying ETF’s net asset value have been disclosed. These estimates are applicable as at the date of this Prospectus and should not be used or construed as a proxy, prediction, forecast or projection of the actual or future fees and charges of any underlying ETF of the Fund.

- 8.2 As required by the Code, all marketing, promotional and advertising expenses in relation to the Fund will be borne by the Managers and not charged to or borne by the Deposited Property.
- 8.3 The Subscription Fee and Realisation Fee will be retained by the Managers for their own benefit, and will not form part of the Deposited Property. All or part of the Subscription Fee may also be retained by authorised distributors. Any commission, remuneration or other sum payable to agents in respect of the issue or sale of any Units will be paid by the Managers.
- 8.4 The Managers may at any time differentiate between applicants as to the amount of the Subscription Fee, Realisation Fee, Switching Fee and other charges (if any) payable to the Managers upon the issue, realisation or switch of Units, or allow to investors discounts on such basis and to such extent as they may think fit (such discounts will not be borne by the Fund), or to waive such fees and charges.
- 8.5 The fees of the Investment Adviser (if any) will be paid by the Managers and not out of the Deposited Property of the Fund.

## 9. RISKS

### 9.1 General risks

There is no guarantee that the investment objectives of the Fund will be achieved. Investors should consider and satisfy themselves as to the risks of investing in the Fund. Generally, some of the risk factors that should be considered by investors are market risks, interest rate risks, foreign exchange risks, political risks, repatriation risks, liquidity risks and derivatives risks.

Investment in the Fund is meant to produce returns over the long-term and investors should not expect to obtain short-term gains from such investment. The value of Units and the income accruing from the Units may fall or rise and investors may not get back their original investment.

### 9.2 Specific risks

#### (a) **Market risk**

Investors in the Fund should consider and satisfy themselves as to the usual risks of investing and participating in listed and unlisted securities. Prices of securities may go up or down in response to changes in economic conditions, interest rates and the market's perception of securities which in turn may cause the value of Units to rise or fall.

Investments in bonds and other fixed income securities are subject to interest rate fluctuations and credit risks, such as risk of default by issuers.

Bond prices may go up or down in response to interest rates (with increases in interest rates usually leading to falling bond prices).

Investments in fixed income securities are subject to adverse changes in the financial condition of the issuer, or in general economic conditions, or both; or an unanticipated rise in interest rates, which may impair the ability of the issuer to make payments of interest and principal.

#### (b) **Interest rate risk**

Interest rates are determined by factors of supply and demand in the international money markets which are influenced by macroeconomic factors, speculation and central bank and government intervention. Fluctuations in short term and/or long term interest rates may affect the value of the Fund. Fluctuations in interest rates of the currencies in which investments of the Fund are denominated and/or fluctuations in interest rates of the currencies in which the underlying assets comprised in the investments of the Fund are denominated may affect the value of the Fund.

#### (c) **Derivatives risk**

As the Fund may be investing in FDIs for the purposes of hedging, efficient portfolio management and/or to meet the investment objectives of the Fund, it will be subject to risks associated with such investments. These FDIs include foreign exchange forward contracts and equity index futures contracts. Investments in FDIs 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 Fund's investments may be liquidated at a loss. The Fund's investment in ETFs which invest in FDIs will expose the Fund to these risks.

#### (d) **Foreign exchange risk**

The Fund is denominated in Singapore Dollars. Where investments are made by the Fund in the form of foreign currency denominations, fluctuations of the exchange rates of other foreign currencies against the Singapore Dollar may affect the value of the Units. In the management of the Fund, the Managers adopt an active currency management approach. However, the foreign currency exposure of the Fund may not be fully hedged depending on circumstances of each case. Such considerations include but are not limited to the outlook on the relevant currency, the costs of hedging and the market liquidity of the relevant currency.

#### (e) **Political risk**

The investments in the Fund may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, restrictions on repatriation of investments and other restrictions and controls which may be imposed by the relevant authorities in the relevant countries.

(f) ***Exceptional market conditions***

Under certain market conditions, it may be difficult or impossible to liquidate or rebalance positions. For example, this may occur during volatile markets or crisis situations or where trading under the rules of the relevant stock exchange is suspended, restricted or otherwise impaired. During such times, the Fund may be unable to dispose of certain assets due to thin trading or lack of a market or buyers. Placing a stop-loss order may not necessarily limit a Fund's losses to intended amounts as market conditions may make it impossible to execute such an order at the ideal price. In addition, such circumstances may force the Fund to dispose of assets at reduced prices, thereby adversely affecting the Fund's performance. Further, such investments may be difficult to value with any degree of accuracy or certainty. The dumping of securities in the market could further deflate prices. If the 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 Fund's counterparties' financial conditions could be weakened, thereby increasing the Fund's credit risk.

(g) ***Risk of use of rating agencies and other third parties***

Credit ratings of instruments invested into by the Fund represent the rating agencies' opinion regarding the credit quality of the instrument or the institution and are not a guarantee of quality. Rating agencies' rating methodology relies on historical data, which may not be predictive of future trends and the agencies may also fail to make timely changes in credit ratings in response to subsequent change of circumstances.

The Managers are entitled to rely, without independent investigation, upon pricing information and valuations furnished to the 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.

(h) ***Counterparty risks***

The Fund and the underlying ETFs in which it invests are exposed to the risk that a counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating the position and thereby incur significant losses, including declines in the value of its investment during the period in which the Fund seeks to enforce its rights, inability to realise any gains on its investment during such period and the incurrence of fees and expenses in enforcing its rights. There is also a possibility that the contracts may be terminated due to, for instance, bankruptcy, supervening illegality or change in the tax or accounting laws relative to those laws existing at the time the agreement was entered into.

(i) ***Risks of investing in ETFs***

The cost of investing in the Fund may be higher than the cost of investing directly in the underlying ETFs of the Fund, as investors have to also bear the Fund's fees and expenses in addition to the fees and expenses charged by the underlying ETFs.

Although ETFs are designed to track the performance of designated indices, there will be some tracking error between the ETF's actual performance and the hypothetical index return. ETFs will be exposed to risks associated with indices (see sub-paragraph (j) below).

The market price of ETFs will generally fluctuate in accordance with the supply of and demand for the units of the ETFs and the trading price of ETFs may differ from the ETFs' net asset value. It is impossible to predict whether units in any given ETF will trade at, above or below their net asset value.

(j) ***Risks associated with indices***

Indices are not actively managed and the selection of the component indices, assets or securities will be made in accordance with the relevant index composition rules and eligibility criteria and by reference to performance criteria or performance outlook. Accordingly, the composition of an index is not designed to follow recommendations or research reports issued by the index provider/sponsor or any other person. No index provider/sponsor has any obligation to take the needs of the ETFs tracking those indices or the investors of the ETFs into consideration in determining, composing or calculating the relevant index.

There is no assurance that an index will continue to be calculated and published or that it will not be amended significantly. Any change to the underlying index may adversely affect the value of the ETFs in which the Fund invests.

An index may also be concentrated in the futures contracts of a single or several futures exchanges. Changes in the financial condition of a futures exchange and changes in economic or political conditions that affect a particular futures exchange can affect the value of the futures contracts that are being traded on the relevant future exchange. Such futures exchange-specific changes may have an impact on the futures contracts that comprise the underlying index in which an ETF is exposed to.

As ETFs are designed to track indices, the investment of the Fund in ETFs will therefore expose the Fund to these risks.

(k) ***Risk associated with commodities***

Investments in commodities may be subject to greater volatility than investments in traditional securities. The prices of commodities are influenced by, among other things, various macro economic factors such as changing supply and demand relationships, climatic and geopolitical conditions, disease, and other natural phenomena, agricultural, trade, fiscal, monetary, and exchange control programmes and policies of governments (including government intervention in certain markets) and other unforeseeable events. The Fund's investment in commodity ETFs will expose the Fund to these risks.

(l) ***Institutional investors***

The Managers may accept subscriptions from institutional investors and such subscriptions may constitute a large portion of the total investments in the 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 Fund. For example, substantial realisations of Units by an institutional investor over a short period of time could necessitate the liquidation of the Fund's assets at a time and in a manner which does not provide the most economic advantage to the Fund and which could therefore adversely affect the value of the Fund's assets.

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

## 10. SUBSCRIPTION AND ISSUE OF UNITS

### 10.1 How Units may be subscribed and paid for

Applications for Units may be made to the Managers by submitting the application form attached to this Prospectus, or through any agents or distributors appointed by the Managers from time to time, or through automated teller machines ("ATMs") (as and when ATM applications are made available by the Managers or their agents or distributors, if applicable), or through the Managers' website at [uobam.com.sg](http://uobam.com.sg) or any other website designated by the Managers or any other sales channel, 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 and in the best interests of the Fund.

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 payment for Units by telegraphic transfer and should contact the Managers for details regarding such payment. All bank charges incurred in respect of a telegraphic transfer will be borne by the applicant.

Investors have a choice of paying for Units with cash or SRS (as defined below) monies.

Investors wishing to use their SRS monies to pay for Units should indicate this on the application form (which will contain the investor's instructions to his SRS Operator (as defined below) to withdraw from his SRS Account (as defined below) the subscription monies in respect of the Units applied for).

Currently, the Managers accept payment 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 (as defined below). Investors who paid for their Units in Singapore Dollars will have their Units issued at the relevant Issue Price (quoted in Singapore Dollars), and investors who paid for their subscriptions in US Dollars will have their Units issued at the relevant Issue Price in US Dollars. The Managers may also accept payment in any other currency from time to time at their sole discretion and subject to such additional terms as they may impose from time to time.

As the Fund is denominated in Singapore Dollars, investors should note that any subscription monies paid in US Dollars will be converted to Singapore Dollars at the applicable Rate of Exchange prior to such subscription monies being invested in the Fund, and the costs of such currency exchange, if any, will be borne by the investor.

Units will generally only be issued when subscription monies have been received by the Trustee on a cleared funds basis (save for those subscriptions made through the use of SRS monies), although the Managers may at their discretion issue Units before receiving full payment in cleared funds.

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

In this Prospectus:

“**Rate of Exchange**” means such exchange rate (whether official or otherwise) which the Managers, after consultation with the Trustee or in accordance with a method approved by the Trustee, deem appropriate in the circumstances.

“**SRS**” means the scheme referred to by the Minister of Finance as the Supplementary Retirement Scheme or such other scheme as shall replace or supersede the Supplementary Retirement Scheme from time to time.

“**SRS Account**” means an account opened by an investor with a participating branch of a designated SRS Operator for the purpose of an investment under the SRS.

“**SRS Operator**” means any of the designated banks as appointed by the Minister of Finance from time to time to operate SRS Accounts.

#### 10.2 Minimum initial subscription amount and minimum subsequent subscription amount

The minimum initial subscription amount for the Fund 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 the Managers may decide. The minimum subsequent subscription amount is S\$100 (or in the case where payment is made in US Dollars, US\$100) or its equivalent in such other currencies at the applicable Rate of Exchange, as the Managers may decide.

The Managers may, from time to time, determine such other minimum initial subscription amounts or minimum subsequent subscription amounts in their sole discretion and upon giving prior written notice to the Trustee.

#### 10.3 Issue Price and Initial Offer Period

Units will be offered at the initial issue price of S\$1.00 (“**Initial Issue Price**”) during the initial offer period which will commence on a date to be determined for a period of 4 weeks or for such other period commencing and ending on such dates as the Managers may decide from time to time upon notification to the Trustee (the “**Initial Offer Period**”).

After the Initial Offer Period, Units are issued on a forward pricing basis. Therefore, the Issue Price of such Units will not be ascertainable at the time an application is made.

Units issued after the Initial Offer Period will be issued on each Dealing Day (as defined below) at an Issue Price that is ascertained by the Managers by calculating the net asset value as at the Valuation Point in relation to the Dealing Day on which such issue occurs of the proportion of the Deposited Property represented by one Unit and truncating the resultant amount 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**”), and the resultant amount (the “**Net Investment Amount**”) will be applied towards the subscription of Units. The Subscription Fee will be retained by the Managers and/or authorised distributors for their own benefit and the amount of the adjustment will be retained by the Fund. The Managers’ policy in relation to the valuation of the assets of the Fund is set out in paragraph 22.2.

The Managers may, in consultation with the Trustee and in accordance with the provisions of the Deed, make fixed price offers of Units from time to time.

No certificates for Units will be issued.

Any change to the method of determining the Issue Price will be effected with the consent of the Trustee, who will determine whether Holders should be informed of the change.

#### 10.4 Dealing Deadline

The Managers administer the Fund by stipulating the days on which transactions in Units are permitted, and the times by which (among other things) applications or instructions must be received for transactions in Units to take place as of a particular day or time.

The dealing deadline is 3 p.m. Singapore time on any Dealing Day (“**Dealing Deadline**”). Applications received and accepted by the Managers or any other agent or distributor by the Dealing Deadline will be transacted on that day at that Dealing Day’s Issue Price. Applications received and accepted by the Managers or any other agent or distributor after the Dealing Deadline or on a day which is not a Dealing Day will be transacted on the next Dealing Day.

The Managers will be entitled to convert the Issue Price to a foreign currency at the applicable Rate of Exchange. The cost of the currency exchange, if any, will be borne by the investor. Currently, the Managers accept the payment for Units in both Singapore Dollars and US Dollars and will quote the Issue Price in Singapore Dollars and in US Dollars. In future, the

Managers may accept the payment for Units in any other foreign currency and will in such event, quote the Issue Price in such currency at the applicable Rate of Exchange. Acceptance of subscriptions in currencies other than Singapore dollars is at the discretion of the Managers and subject to such additional terms as they may impose from time to time.

“**Business Day**” means a day (other than a Saturday, Sunday or 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.

“**Dealing Day**”, in connection with the subscription, cancellation and realisation of Units, 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. If on any day which would otherwise be a Dealing Day the Recognised Market on which investments of the Fund having in aggregate values amounting to at least 50% of the value of the assets of the Fund (as at the relevant Valuation Point) are quoted, listed, or dealt in is not open for normal trading, the Managers may determine that that day shall not be a Dealing Day.

“**Valuation Point**” means 7 a.m. Singapore time on the day following the relevant Dealing Day on which the net asset value of the Fund is to be determined or such other time as the Managers may determine with the prior approval of the Trustee who will decide if a notice to notify the Holders of such change is required.

The Deed sets out the circumstances in which the issue of Units may be suspended. The relevant provisions are summarised in [paragraph 16](#).

#### 10.5 Numerical example of the computation of Units allotted

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\*, 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
Net Investment Amount		Issue Price *		Number of Units allotted

\* The example above is a hypothesis and is not indicative of any future Issue Price. The actual Issue Price will fluctuate according to the then prevailing net asset value of the Fund.

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).

#### 10.6 Confirmation of purchase

An investor who invests in the Fund will be sent a confirmation of his purchase within 5 Business Days for cash applications, and within 11 Business Days for SRS applications, from the date of issue of the Units.

#### 10.7 Minimum fund size and other conditions to the launch of the Fund

The Managers reserve the right not to proceed with the launch of the Fund in the event that:

- (a) the capital raised for the Fund as at the close of the Initial Offer Period is less than S\$5,000,000; or
- (b) the Managers are of the view that it is not in the interest of the investors or it is not commercially viable to proceed with the Fund.

In such event, the Fund shall be deemed not to have commenced and the Managers may notify the relevant investors and return the subscription monies received (without interest) to the relevant investors no later than 30 Business Days after the close of the Initial Offer Period.

### 11. **REGULAR SAVINGS PLAN**

Holders may participate in the regular savings plan (“**RSP**”) for the 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.

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 Interbank GIRO payment (or such other amounts or in such other currencies as the Managers may determine from time to time) (the “**RSP sum**”).

The RSP sum will be debited from the account indicated on the relevant RSP transaction form on the 25th calendar day (or 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) or on such other date as the Managers may determine. The investment will be made on the same day after payment has been debited for cash or SRS monies 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 (as the case may be). No notification relating to the unsuccessful debit will be sent to Holders. After 2 consecutive unsuccessful debits, the RSP will be terminated and no notification of such termination will be sent to the relevant Holders.

A Holder may terminate his participation in the RSP without penalty upon giving not less than one month’s written notice to the Managers. The Managers reserve the right to terminate or suspend the RSP at any time in their absolute discretion by giving at least one month’s notice to the affected Holders.

The Managers will not assume any liability for any losses attributable to a Holder’s participation in the RSP.

## 12. REALISATION OF UNITS

### 12.1 How Units may be realised

Holders may realise their Units on any Dealing Day. Requests for realisation of Units may be made by submitting realisation forms, which may be obtained from any agent or distributor appointed by the Managers from time to time, or through an ATM (as and when ATM realisations are made available by the Managers or their agents or distributors, if applicable), or through the Managers’ website at [uobam.com.sg](http://uobam.com.sg) or any other website designated by the Managers, or any other channels, if applicable.

### 12.2 Minimum holding amount and minimum realisation amount

A Holder can realise Units in full or partially, but will not be entitled to realise part of his holding of Units if, as a consequence of such realisation, his holding in the Fund would be reduced to less than the Minimum Holding. Where any realisation request would result in the Holder holding less than the Minimum Holding, the Managers will require such Holder to realise all of his holding of Units.

“**Minimum Holding**” means 1,000 Units or such number of Units as may be purchased for S\$1,000 (or in the case where the purchase was made in US Dollars, US\$1,000) or its equivalent in such other currency as the Managers may decide or such other number of Units or amount as may from time to time be determined by the Managers.

Presently, no Holder may realise less than 500 Units in each request.

The Managers may, with a view to protecting the interests of all Holders of the Fund and with the approval of the Trustee, limit the total number of Units which Holders may realise or cancel 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 will be applied pro rata to all Holders who have validly requested realisations or cancellations on such Dealing Day.

The realisations of Units may be suspended in the situations described in [paragraph 16](#).

### 12.3 Pricing and Dealing Deadline

Requests for realisation of Units received and accepted by the Managers or any of their authorised agents or distributors by way of realisation forms (or in such other form or manner as may be approved from time to time by the Managers) by the Dealing Deadline (i.e. 3 p.m. Singapore time on any Dealing Day) will be transacted on that day at that Dealing Day’s Realisation Price. Requests received and accepted by the Managers after the Dealing Deadline or on a day not being a Dealing Day will be transacted on the next Dealing Day at that Dealing Day’s Realisation Price.

Units are realised on a forward pricing basis. Therefore, the Realisation Price cannot be ascertained at the time of request. The Realisation Price per Unit is ascertained by the Managers by calculating the net asset value 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 then represented by one Unit and truncating the resultant amount 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 applicable, charge a Realisation Fee which is deducted from the total amount payable to the investor in respect of the realisation of Units (the “**Gross Realisation Proceeds**”), and the resultant amount (the “**Net Realisation Proceeds**”) will be paid to

the investor. The Realisation Fee will be retained by the Managers for their own benefit and the amount of the adjustment aforesaid will be retained by the Fund. The realisation proceeds payable to a Holder shall be rounded to the nearest 2 decimal places (or such other number of decimal places or method of adjustment as the Managers may from time to time determine with the approval of the Trustee). Any such rounding adjustment shall be retained by the Fund.

The Managers will be entitled to convert the Realisation Price to a foreign currency at the applicable Rate of Exchange. The cost of the currency exchange, if any, will be borne by the Holder. Currently, the Managers permit the realisation of Units in both Singapore Dollars and US Dollars and will quote the Realisation Price in Singapore Dollars and its equivalent in US Dollars at the applicable Rate of Exchange. In future, the Managers may permit the realisation of Units in any other foreign currency and will in such event, quote the Realisation Price in such currency at the applicable Rate of Exchange.

If a Holder is resident outside Singapore, the Managers will 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.

For the avoidance of doubt, should a realisation request for 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.

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.

#### 12.4 Numerical example of the computation of net realisation proceeds

The Net Realisation Proceeds payable to a Holder on the realisation of 1,000.00 Units and on a notional Realisation Price of S\$0.900\* will be calculated as follows:

1,000.00 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 Fee (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 Fund.

\*\* There is currently no Realisation Fee payable.

The Net Realisation Proceeds will normally be paid by cheque or credited to the Holder's relevant account as applicable within 6 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 agent or distributor, unless the realisation of Units has been suspended in accordance with the events set out in [paragraph 16](#).

### 13. SWITCHING OF UNITS

The Managers will be entitled to allow a Holder to switch his Units for units in other collective investment schemes managed by the Managers or for a different class of Units (if established) upon such terms and conditions as the Managers may from time to time determine in accordance with the provisions of the Deed.

### 14. CANCELLATION OF SUBSCRIPTION FOR UNITS

14.1 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 will have the right by notice in writing delivered to the Managers or their authorised agents or distributors, to cancel his subscription for Units within 7 calendar days (or such longer period as may be agreed between the Managers and the Trustee or such other period as may be prescribed by the Authority) from the date of his initial subscription (the "**Cancellation Period**") provided that where the last day of the Cancellation Period falls on a Sunday or public holiday in Singapore, the Cancellation Period will be extended to the next calendar day not being a Sunday or public holiday in Singapore.

14.2 A Holder may choose to realise his Units under [paragraph 12](#) instead of cancelling his subscription for Units but should note that he will not be able to enjoy the benefits of a cancellation under this [paragraph 14](#) if he chooses to realise his Units (i.e. there will be no refund of the Subscription Fee and the prevailing Realisation Fee, if any, may be imposed) and the net realisation proceeds may be lower than the cancellation proceeds if the appreciation in the value of the Units is less than the aggregate of the Subscription Fee and Realisation Fee.

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

## 15. OBTAINING PRICES OF UNITS

The indicative Issue and Realisation Prices will be published in The Straits Times, The Business Times, Lianhe Zaobao, Today, Teletext and such other foreign publication as the Managers may decide upon and can also be obtained from the Managers' website at [uobam.com.sg](http://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 prices quoted 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.

Save for publications of the Managers, the Managers do not accept responsibility for any errors on the part of the publisher concerned in the prices published in the newspapers or such other publication or for any non-publication or late publication of prices by such publisher and will incur no liability in respect of any action taken or loss suffered by investors upon such publication by such publisher.

## 16. SUSPENSION OF DEALINGS

16.1 The Managers or the Trustee may, with the prior written approval of the other, suspend the issue, realisation and valuation of Units in relation to the Fund during:

- (a) any period when the Recognised Market on which any Authorised Investments forming part of the Deposited Property for the time being are listed or dealt in is closed (otherwise than for public 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 as a whole or of the Deposited Property;
- (c) any breakdown in the means of communication normally employed in determining the price of any of such Authorised Investments, or the current price on that Recognised Market, or when for any reason the prices of any of such Authorised Investments, or the amount of any liability of the Trustee and/or the Managers for the account of the Fund, 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 money which will or may be involved in the realisation of such Authorised Investments or in the payment for such Authorised Investments for the time being constituting the Deposited Property cannot, in the opinion of the Managers and the Trustee, be carried out at normal rates of exchange;
- (e) any period when the Underlying Entities into which the Fund is invested is suspended or restricted;
- (f) any period, whereby subject to the approval of the Trustee, dealing of Units has to be suspended to effect the subdivision or consolidation of Units;
- (g) any period when the dealing of Units is suspended pursuant to any order or direction of the Authority;
- (h) 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); or
- (i) any period when the business operations of the Managers or the Trustee in relation to the operation of the Fund are substantially interrupted or closed as a result of arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.

16.2 Such suspension will 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 will terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist and no other condition under which such suspension is authorised under [paragraph 16.1](#) above shall exist upon the declaration in writing thereof by the Managers (or, as the case may be, the Trustee). Any payment for any Units realised before the commencement of any such suspension but for which payment has not been made before the commencement thereof may, if the Managers and the Trustee so agree, be deferred until immediately after the end of such suspension.

## 17. PERFORMANCE OF THE FUND

### 17.1 Performance of the Fund

As the Fund is a newly established fund, a track record of at least one year is not available for the Fund at the date of registration of this Prospectus.

The benchmark against which the performance of the Fund will be measured is a composite index comprising 80% MSCI AC World Index and 20% Citigroup Government Bond Index.

### 17.2 Expense ratio and turnover ratio

As the Fund is a newly established fund, the last audited accounts for the Fund are not available at the time of lodgment of this Prospectus. As such, no expense ratio or turnover ratio is currently available.

## 18. SOFT DOLLAR COMMISSIONS/ARRANGEMENTS

The Managers may from time to time receive and/or enter into soft-dollar commissions/arrangements in the management of the Fund. The Managers will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions/arrangements may include specific advice as to the advisability of dealing in, or of the value of any investments, 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 the conduct of research or analysis and custodial service in relation to the investments managed for clients.

Soft-dollar commissions/arrangements will 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/arrangements unless (a) such soft-dollar commissions/arrangements would reasonably assist the Managers in the management of the Fund, (b) the Managers ensure at all times that transactions are executed on the best available terms taking into account the relevant market at the time for transactions of the kind and size concerned, and (c) no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/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 Fund.

The managers of the underlying ETFs into which the Fund may invest may also enter into soft-dollar commission arrangements and the soft-dollar commissions or arrangements received or entered into may include the kinds of services listed above.

## 19. CONFLICTS OF INTEREST

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

- (a) Investment decisions for each fund are made impartially. There are no preferred customers or funds and all accounts are treated equally.
- (b) All investment ideas are shared equally among fund managers.
- (c) The Managers subscribe to the Code of Ethics and the Standards of Professional Conduct as prescribed by the CFA Institute in U.S.A. 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.
- (d) In addition, despite the possible overlap in the scope of investments, none of the funds are identical to one another and investment decisions are made according to the individual risk-return characteristic of each fund.
- (e) 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 will be allotted proportionately among the funds based on their respective initial order size and such quantity allotted will be at the average price of such investments on that particular day.

The Managers and the Trustee will conduct all transactions for and on behalf of the Fund on an arm's length basis.

Associates of the Trustee may be engaged to provide banking, brokerage or financial services to the Fund. Such services, where provided, will be on an arm's length basis.

## 20. REPORTS

The financial year-end of the Fund is 30 June. The annual report, auditors' report on annual accounts and annual accounts in relation to the Fund will be prepared and sent to Holders within 3 months of the financial year-end to which the report and accounts relate (or such other period as may be permitted by the Authority). The semi-annual report and semi-annual accounts in relation to the Fund will be prepared and sent to Holders within 2 months of the financial half-year end to which the report and accounts relate (or such other period as may be permitted by the Authority).

## 21. QUERIES AND COMPLAINTS

All enquiries and complaints about the Fund should be directed to the Managers at:

24 hour Hotline No : 1800 22 22 228  
Fax No : 6532 3868  
Email : [uobam@uobgroup.com](mailto:uobam@uobgroup.com)

## 22. OTHER MATERIAL INFORMATION

### 22.1 Market timing

The Fund is designed and managed to support medium to long-term investments. In this regard, the Managers take a serious view of, and strongly discourage the practice of market timing (that is, investors conducting short-term buying or selling of Units to gain from inefficiencies in pricing) as such practices may cause an overall detriment to the long-term interests of other investors.

In addition, short-term trading in Units increases the total transaction costs of the Fund, such as trading commission and other costs which are absorbed by all other investors. Moreover, the widespread practice of market timing may cause large movements of cash in the Fund, which may disrupt the investment strategies to the detriment of long-term investors.

For the reasons set out above, the Managers strongly discourage the practice of market timing and may implement internal measures to monitor and control such practice. If any internal measure to restrict the practice of market timing amounts to a significant change to the Fund (as described in the Code), the Managers will inform the relevant Holders of such internal measure no later than one month before its implementation. The Managers intend to review their policy on market timing from time to time in a continuous effort to protect the long-term interests of investors in the Fund.

### 22.2 Valuation

Except where otherwise expressly stated in the Deed and subject always to the requirements of the Code, the value of the assets comprised in the 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 (or, with the approval of the Trustee, the last bid price) as at the last official close on such Recognised Market (or at such other time as the Managers may from time to time after consultation with the Trustee determine). Where such Quoted Investment is listed, dealt or traded in more than one Recognised 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 Market for the foregoing purposes and, if there is no such official closing price, last known transacted price or last transacted price, the value shall be calculated by reference to the last available prices quoted by responsible firms, corporations or associations on a Recognised Market at the time of calculation (or at such other time as the Managers may from time to time after consultation with the Trustee determine), and where there is no Recognised Market, 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 shall designate);
- (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 shall designate), as may be determined by the Managers to represent the fair value of such Investment; and (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 by the Managers to represent the fair value of such 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 by an approved valuer 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 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 by an approved valuer 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 paragraphs 22.2(a) to 22.2(e) above are not available, or if the value of the Authorised Investment determined in the manner described in paragraphs 22.2(a) to 22.2(e) above, in the opinion of the Managers, is not representative of the 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 circumstance to be fair and is approved by the Trustee. 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 an approved stockbroker or an approved valuer and with the approval of the Trustee in accordance with the Code.

Please refer to the Deed for the full meaning of the term **approved valuer**.

### 22.3 Indemnities and protection accorded to the Managers and/or the Trustee

- (a) 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 sub-paragraphs (i), (ii) and (iii) and the Trustee or the Managers (as the case may be) shall (without incurring any liability for failure to do so) use their/its best endeavours to procure that no such sale or dealing or vesting or purchase except as provided under sub-paragraphs (i), (ii) and (iii) shall be made by (1) any person, firm or corporation holding or beneficially entitled to ten per cent. (10%) or more of the share capital of the Trustee or the Managers or any delegate, or (2) any corporation controlled by any such person, firm or corporation, or (3) any director of the Trustee or of the Managers, or of any delegate (being a corporation) or of any such corporation, or (4) any partner of any such firm. Each such person or body (other than the Trustee and the Managers) referred to in this paragraph 22.3(a) shall be known in this paragraph 22.3 as a “**connected person**”. Nothing shall prevent:
  - (i) any sale for account of the Fund of any Authorised Investment to, or any purchase for account of the Fund of any Authorised Investment from, the Trustee or Managers or any delegate of any other collective investment scheme for account of such scheme, notwithstanding that the Trustee and/or the Managers 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 an approved valuer; and
    - (2) the terms of such transaction shall be no less beneficial to the Fund than those which would have been applicable to such transaction on the same day effected or entered into by a person other than the Trustee, the Managers or any connected person; or
  - (ii) the Trustee or the Managers 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 2 of Schedule 2 of 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; or
  - (iii) the Managers 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 26.1 of the Deed if required by the authorities. The Managers and any connected persons shall not retain for their own account cash or commission rebates arising out of transactions whether executed in or outside of Singapore unless permitted by the authorities.

Neither the Trustee nor the Managers nor any connected person shall be liable to account, either to the other 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 sub-paragraphs (i), (ii) and (iii) above.

- (b) In no event shall a Holder have or acquire any rights against the Managers and the Trustee or either of them except as expressly conferred on the Holder by the Deed 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.
- (c) 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.
- (d) 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 trustees 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.
- (e) 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.
- (f) The Trustee and the Managers may accept as sufficient evidence of the 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. 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 Market and any committees and officials thereof on which any dealing in any Authorised Investment or other property is from time to time effected in determining what shall constitute a good delivery and any similar matters and such practice and rulings shall be conclusive and binding upon all persons under the Deed.
- (g) 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 or the delegates or distributors appointed by the Managers. Whenever pursuant to any provision of the Deed any certificate, notice, instruction or other communication is to be given by the Managers (or the delegates or distributors appointed 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 (or the delegates or distributors appointed by the Managers) by any one person whose signature the Trustee is for the time being authorised by the Managers to accept and may act on verbal, written, electronic mail and facsimile instructions given by authorised officers of the Managers (or the relevant delegate or distributor) specified in writing by the Managers to the Trustee.
- (h) The Trustee may act upon any advice 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 electronic mail, letter or facsimile and the Trustee shall not be liable for acting on any advice or information purported to be conveyed by any such electronic mail, letter or facsimile although the same contains some error or is not authentic.
- (i) 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.

- (j) Nothing contained in the Deed shall prevent the Trustee or an Associate thereof from contracting or entering into any financial, banking or any other type of transaction with the Managers or any Holder or any company or body any of whose shares or other securities form part of the Deposited Property or from being interested in any such contract or transaction. The Trustee or any Associate thereof shall not be liable to account either to the Managers or to the Holders or any of them for any profits or benefits made or derived from or in connection with any such transaction provided that any such transaction shall be on an arm's length basis.
- (k) 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 of the Deed or in respect of the Deposited Property 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. Nothing herein shall require or be deemed to require the Managers to make any such request or to agree to the provision of any such indemnity to the Trustee for the purpose of securing the action of the Trustee under this paragraph.
- (l) 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 or any part thereof but this shall be without prejudice to the obligation of the Managers to reimburse the Trustee out of the Deposited Property in respect of all such matters as fall within Clause 26.11 of the Deed.
- (m) Before making any distribution or other payment in respect of any Unit or in respect of management fee relating to the 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.
- (n) The Trustee shall not be responsible for verifying or checking any valuation of the Deposited Property 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.
- (o) 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 certificate so destroyed shall be deemed to have been a valid certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed shall be deemed to have been a valid and effective document in accordance with the recorded particulars thereof.

Provided always that:

- (i) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- (ii) nothing in this paragraph 22.3(o) 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 sub-paragraph (i) are not fulfilled; and
- (iii) references to the destruction of any document in this paragraph 22.3(o) include references to the disposal thereof in any manner.

- (p) In the absence of fraud or negligence or breach of the Deed by the Managers, they shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done by them in good faith under the Deed.
- (q) 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.
- (r) Nothing contained in the Deed shall prevent the Managers or any Associate thereof from contracting or entering into any financial, banking or any other type of 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.
- (s) The Managers shall not be under any liability on account of anything done or suffered to be done by the Managers in good faith in accordance with or in pursuance of any request or advice of the Trustee or the Trustee's delegates. Whenever pursuant to any provision of the Deed, any certificate, notice, instruction or other communication is to be given by the Trustee or its delegates to the Managers, the Managers may accept as sufficient evidence thereof a document signed or purporting to be signed on behalf of the Trustee (or the relevant delegate) by any one person whose signature the Managers are for the time being authorised by the Trustee (or as the case may be, by the relevant delegate) to accept and may act on verbal, written, electronic mail, and facsimile instructions given by authorised officers of the Trustee or the relevant delegate specified in writing by the Trustee (or as the case may be, by the relevant delegate) to the Managers.
- (t) The Managers may act upon any advice of or information obtained from the Trustee or any bankers, accountants, brokers, lawyers, agents or other persons acting as agents or advisers of the Trustee or the Managers and the Managers shall not be liable for anything done or omitted or suffered in reliance upon such advice or information provided the Managers have acted in good faith. The Managers 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 Trustee. Any such advice or information may be obtained or sent by electronic mail, letter or facsimile and the Managers shall not be liable for acting on any advice or information purported to be conveyed by any such electronic mail, letter or facsimile although the same contains some error or is not authentic.
- (u) Neither the Managers nor the Trustee shall incur any 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 or reorganisation or other paper or document believed to be genuine and to have been passed, sealed or signed by the proper parties.
- (v) Neither the Managers nor the Trustee shall incur any 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 of competent jurisdiction, 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 either 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 Managers nor the Trustee shall be under any liability therefor or thereby.
- (w) Any indemnity expressly given to the Managers or the Trustee in the Deed is in addition to and without prejudice to any indemnity allowed by law provided that no provision in the Deed shall in any case where the Trustee or the Managers have failed to show the degree of care and diligence required of them as trustee and manager, exempt them or indemnify them against any liability for breach of trust.
- (x) Neither the Trustee nor the Managers shall be liable for any lost profits, economic loss or indirect, special or consequential losses and damages suffered by the Fund or any Holder.

#### 22.4 Custody of Deposited Property

- (a) The Trustee shall be responsible for the safe custody of the Deposited Property. Any Authorised Investments forming part of the Deposited Property shall, whether in registered or bearer form, be paid or transferred 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 act as custodian itself or may appoint such persons (including any Associate of the Trustee) as custodian or joint custodian (with the Trustee if acting as custodian or with any other custodian appointed by the Trustee) of the whole or any part of the Deposited Property and (where the Trustee is custodian) may appoint or (where the Trustee appoints a custodian) may empower such custodian or joint custodian (as the case may be) to appoint, with prior consent in writing from the Trustee, sub-custodians. The fees and expenses of any such custodian, joint custodian or sub-custodian shall be paid out of the relevant Deposited Property.

- (b) The Trustee may at any time procure that:
- (i) the Trustee;
  - (ii) any officer of the Trustee jointly with the Trustee;
  - (iii) any nominee appointed by the Trustee;
  - (iv) any such nominee and the Trustee;
  - (v) any custodian, joint custodian or sub-custodian appointed pursuant to paragraph 22.4(a) above;
  - (vi) any company operating a depository or recognised clearing system in respect of the Authorised Investments involved; 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 Authorised Investment in registered form held upon the trusts of the Deed.

- (c) Notwithstanding anything contained in the Deed:
- (i) the Trustee shall not incur any liability in respect of or be responsible for losses incurred through the insolvency of or any act or omission of any depository or clearing system with which Authorised Investments may be deposited or any broker, financial institution or other person (or in each case its nominee) 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;
  - (ii) the Trustee shall not incur any liability in respect of or be responsible for losses incurred through the insolvency of or any act or omission of any nominee, custodian, joint custodian or sub-custodian appointed by the Trustee except where (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
  - (iii) the Trustee shall not incur any liability in respect of or be responsible for losses through the insolvency of or any act or omission of any sub-custodian not appointed by it, except where the Trustee has failed to exercise reasonable skill and care in the procurement of such sub-custodian.

## 22.5 Information on investments

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

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